

Sabrina Picard

6366

From: Logan Belanger [lbelanger@temiskamingshores.ca]
Sent: Friday, February 06, 2015 11:50 AM
Subject: Earlton-Timiskaming Regional Airport Resolution
Attachments: Final - ETRA Presentation.pdf; 2015 01 23 Airport Resolution.docx

Good morning,

Please see the attachment for copy of the Earlton-Timiskaming Regional Airport (ETRA) PowerPoint presentation, from the information session held on Saturday, January 24th, 2015, regarding the potential restructuring of the ETRA.

Two options were presented for consideration by the member municipalities of the Earlton-Timiskaming Regional Airport Joint Municipal Services Board (MSB):

1. Incorporate the Municipal Services Board as a Non-Profit Corporation and transfer the assets of the airport from the Township of Armstrong to the Non-Profit Corporation; or
2. Maintain the current operations and create a more formal agreement between the supporting municipalities for the MSB with ownership of the assets remaining with the Township of Armstrong.

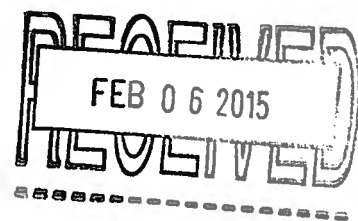
Please see the attached draft motion for consideration by Council, regarding the preferred option for further investigation.

We would welcome and appreciate your review and response to the attached motion by Monday, March 2nd, 2015.

Thank you for your consideration.

Kind regards,

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- File Incoming Other
- Mayor
- Council I A
- CAO
- Building
- Finance S C
- Ec Dev S C
- Parks & Rec S C
- Planning S C
- Public Wks S C
- PPP
- Social Services

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Earlton-Timiskaming Regional Airport Information Session

Saturday, January 24, 2015



EARLTON-TIMISKAMING
Regional Airport



History

- Owned by the Township of Armstrong, and operated by the ETRA Joint Municipal Services Board (instituted in late 2003). The Board serves the region of South Timiskaming to manage the airport. Municipalities from Latchford to Englehart contribute to the operation of the airport, with municipal elected officials serving as the board of directors.
- The airport was first developed as an emergency field along the Trans-Canada Airway in 1937.
- In 1952, the airport's main runway was lengthened 6,000 feet to accommodate fighter aircrafts in the air defence command, and in past years Canadian Pacific and TransCanada Airlines made scheduled stops on their way to Toronto & Montreal.



History Continued...

- When these ended in 1973, NorOntair (provincially operated airline) offered scheduled passenger services until 1996, so private sector airlines could assume their routes.
- From 1975-2003, scheduled air passenger was provided by several air passenger operators.
- Currently there are no scheduled passenger service available.
- In 1994, the Earlton Airport was given its current name to better identify as a regional facility.



About

- Airport serves as an important transportation link for more than 30,000 residents of the Timiskaming District.
- Connects and accesses the business communities in Temiskaming to regional, national and international markets and clientele.
- Currently, there are no scheduled passenger services available, but serves as a hub for air ambulance services in the area, which connects the Englehart, Temiskaming and Ville Marie hospitals to specialized services in larger centers, such as in Sudbury, Toronto, Ottawa and Montreal.
- A charter market is also served on an on-call basis, as well as air freight services for local businesses.
- There is a large 150' X 100' heated hangar available for airplane storage, with attached terminal and offices 40' X 80' X two storeys.



Business Services – User Fees

Aircraft Type	Fees	Comments
Minimum – Privately Registered Aircraft (<2000kg)	Fee waived*	
Minimum – Aircraft (> 2000kg)	\$30.00	
Minimum – Helicopters	\$30.00	
Minimum – Jets	\$150.00	
MOH/MNR/OPP/GOV	\$250.00	\$300.00 starts Jan 1/15
Aircraft/ Helicopter (2000kg and over)	\$8.50/1000kg	\$9.00/1000kg starts Jan 1/15

*** This fee is waived for a six month trial period. Please purchase fuel to support the airport.**

Note: HST (13%) is applicable to all airport user fees.

Business Services – User Fees

Aircraft Parking Fees	Daily	Monthly	Annually
2000kg or less	\$10.00	\$200.00	\$450.00
2000kg and less than 5000kg	\$20.00		
5000kg and greater	\$40.00		

Fuel Prices	Cost
AV Gas – 100LL – per litre	\$1.95 + HST
Jet (“A1”) – per litre	\$1.55 + HST



Business Services – Other

- Airport hosts the annual Temiskaming Drag N' Fly Summer Classic, as the ETRA has the only quarter mile track in Northern Ontario.
- This is a once a year Drag Racing Event. TRACC turns the airport into a Drag Strip for a Three Day Event. This event brings Racers from all over Ontario, Quebec and the United States.
- In 2012, a racer earned a Guinness World Record for the longest wheel stander in a car.

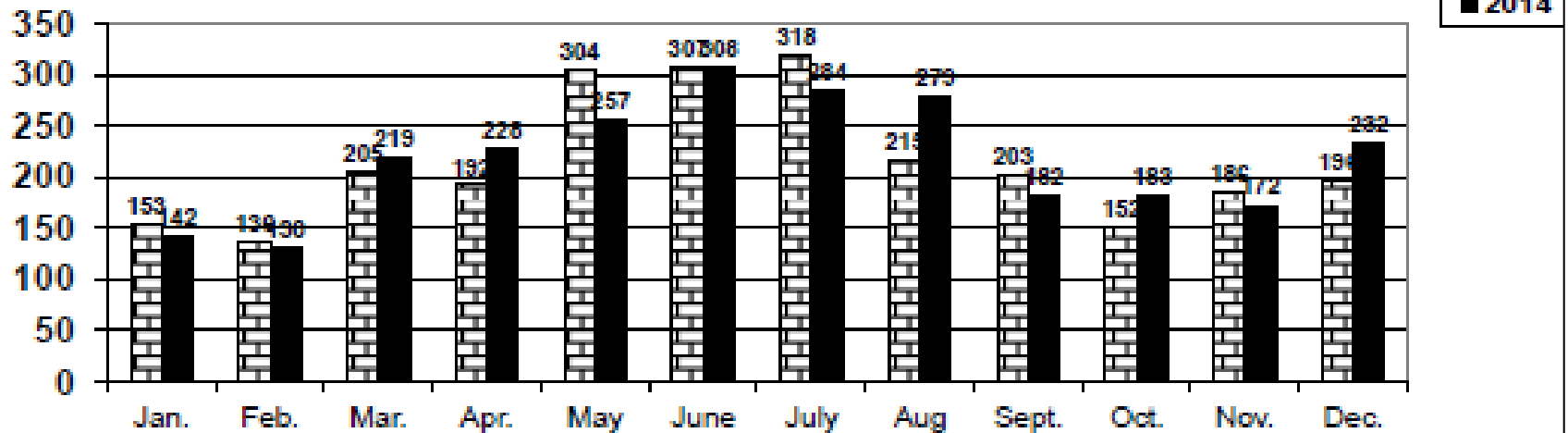


Aircraft Movements

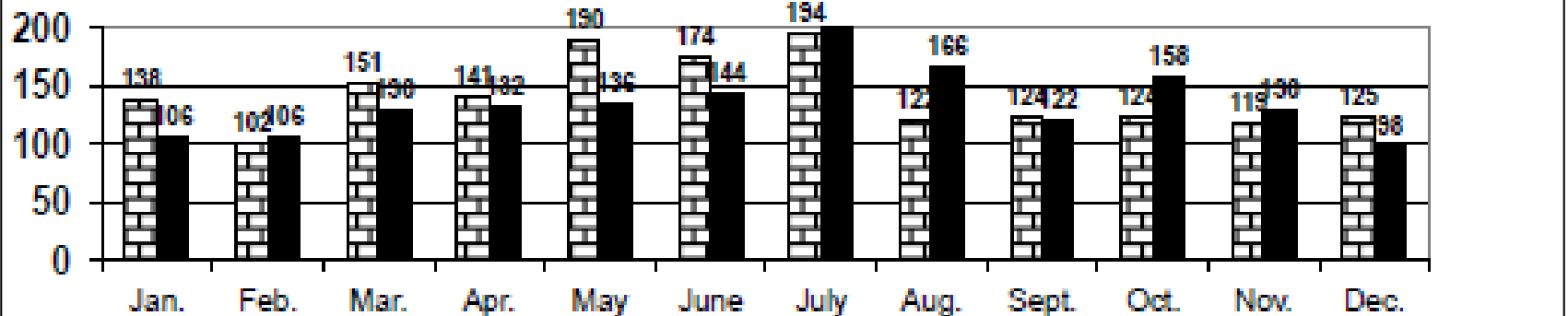
Comparison between 2007 to 2014

Aircraft Movement	2007	2008	2009	2010	2011	2012	2013	2014	Total
In/Out Flights & Local	2,712	2,059	2,138	1,923	1,949	2,142	2,587	2,634	18,144
Commercial Traffic	2,336	1,803	1,780	1,714	1,658	1,552	1,704	1,634	14,186
Private Aviation	357	248	347	343	436	725	944	978	4,380
Air Carriers	1,999	1,732	1,322	1,257	1,345	1,292	1,402	1,277	11,638
Air Ambulance	384	444	454	442	480	434	554	466	3,658
# PGRS via Air Charter	816	1,054	1,753	1,711	1,669	1,391	1,908	1,421	11,723
Total	8,604	7,340	7,794	7,390	7,537	7,536	9,099	8,419	

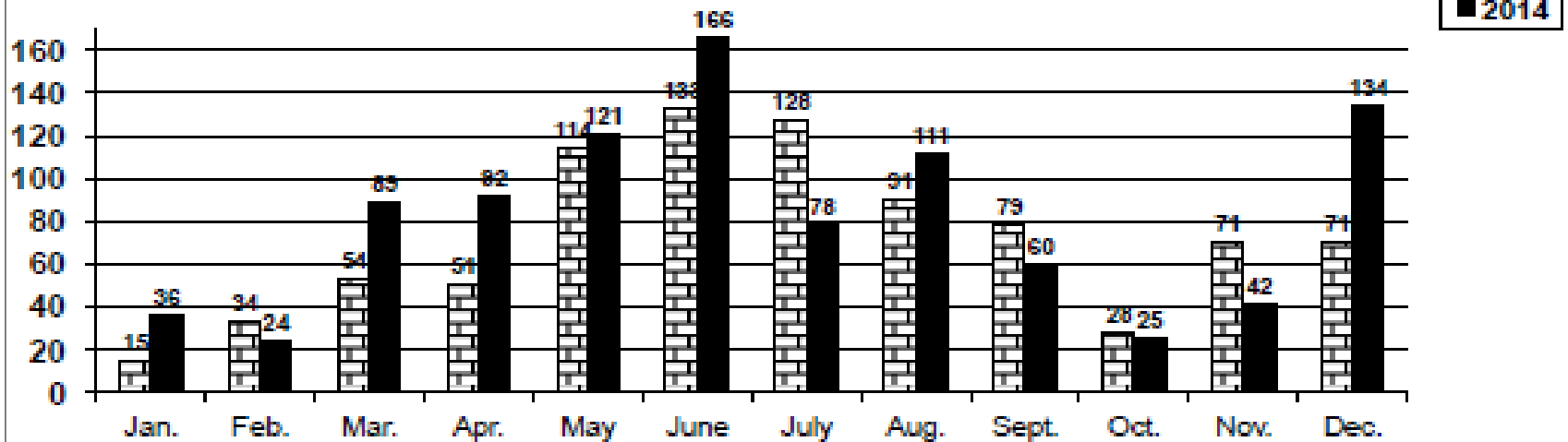
Total Movements: In/Out Flights & Local



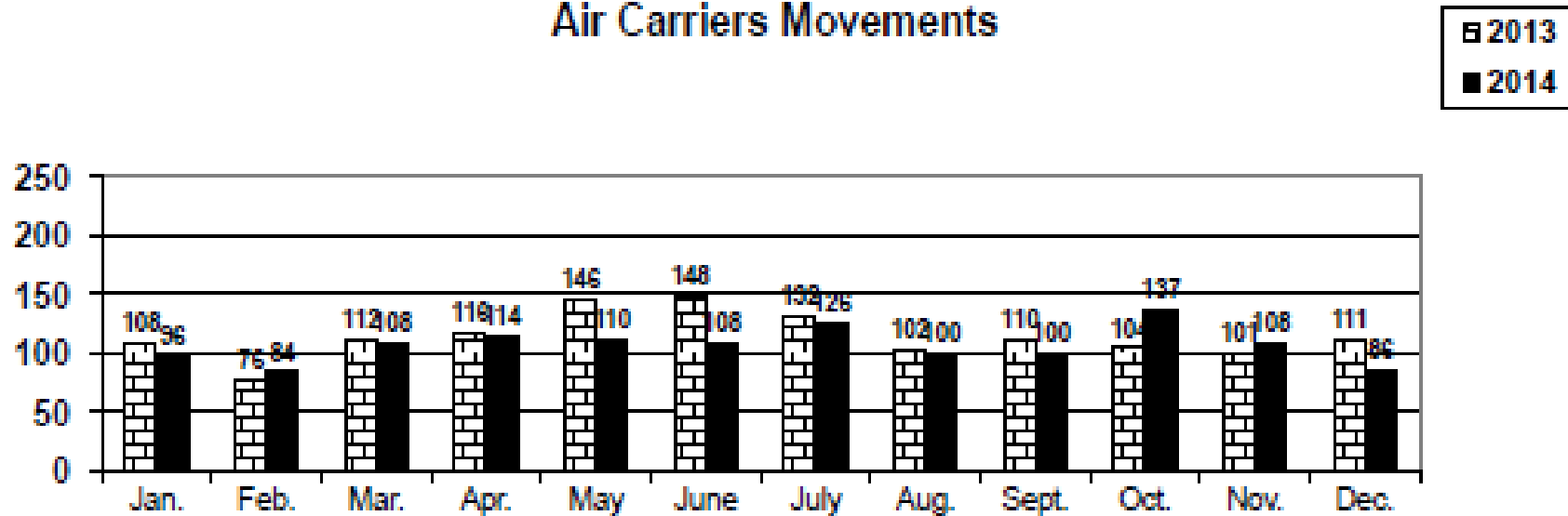
Commercial Traffic Movements



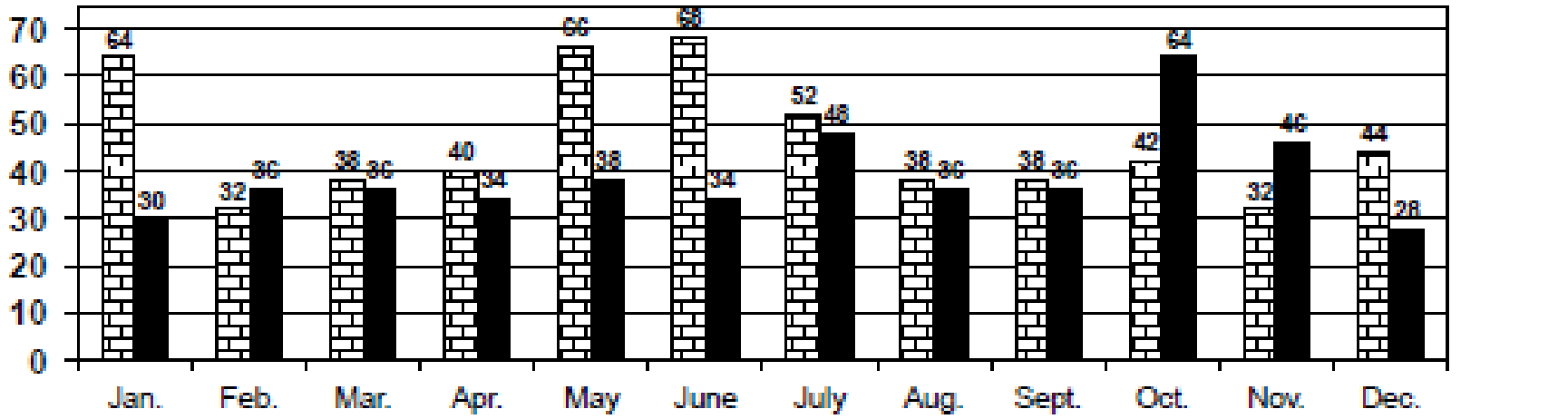
Private Aviation Movements



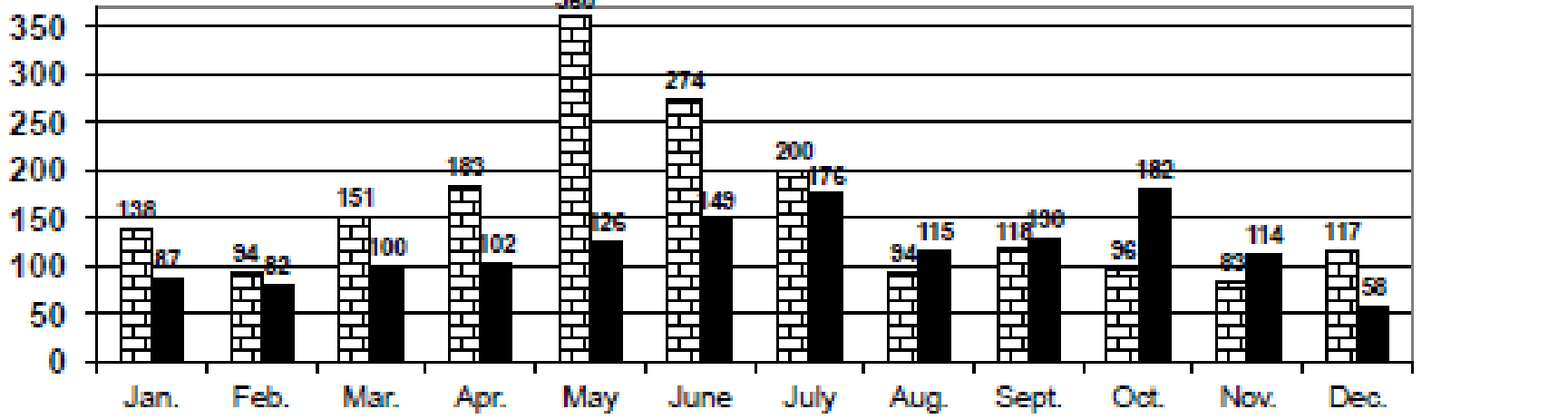
Air Carriers Movements



Air Ambulance Movements



Pgrs. via Air Charter



Community Contribution Summary - 2014

Community	Population	Contribution
Armstrong	1,265	6,894
Casey	374	2,038
Chamberlain	346	1,886
Charlton & Dack	670	3,651
Cobalt	1,103	6,011
Coleman	531	2,894
Englehart	1,546	8,426
Evanturel	464	2,529
Harley	526	2,867
Hillard	227	1,237
Hudson	457	2,491
James	474	2,583
Tem Shores	10,125	55,181
Thornloe	110	600
Total	18,218	\$99,288

Community	Population	Donation
Kerns	349	1,902
Total Donations		\$1,902

**Total Municipal Contributions:
\$101,190**

Per capita contribution: \$5.45

Community Contribution Comparison

Community	Contributions 2011	Contributions 2012	Contributions 2013
Armstrong	\$ 6,325	\$ 6,515	\$ 6,862
Casey	\$ 1,870	\$ 1,926	\$ 2,029
Chamberlain	\$ 1,730	\$ 1,782	\$ 1,877
Charlton & Dack	\$ 3,350	\$ 3,450	\$ 3,634
Cobalt	\$ 5,515	\$ 5,680	\$ 5,983
Coleman	\$ 2,655	\$ 2,735	\$ 2,880
Englehart	\$ 7,730	\$ 7,962	\$ 8,386
Evantual	\$ 2,320	\$ 2,390	\$ 2,517
Harley	\$ 2,630	\$ 2,709	\$ 2,853
Hilliard	\$ 1,135	\$ 1,169	\$ 1,231
Hudson	\$ 2,285	\$ 2,354	\$ 2,479
James	\$ 2,370	\$ 2,441	\$ 2,571
Kerns - Donation	\$ 1,745	\$ 1,797	\$ 1,893
Latchford	\$ 2,100	\$ 2,163	\$ -
Temiskaming Shores	\$ 50,625	\$ 52,144	\$ 54,923
Thornloe	\$ 550	\$ 566	\$ 597
Total Contributions	\$ 94,935.00	\$ 97,783.00	\$ 100,716.00
Rate per Population	\$ 5.00	\$ 5.15	\$ 5.30

The **2010** Rate/Population was increase by 1.83% from **\$4.91 to \$5.00 in 2011**

The **2011** Rate/Population will increase by 3% to \$5.15 or **\$2,848 in 2012 to \$97,783**

The **2012** Rate/Population increased by 3% to \$5.30 or **\$2,933 in 2013 to \$100,716**

Profit & Loss Budget vs. Actual 2012

	Actual (\$)	Budget (\$)	\$ Over/Under Budget
Total Income	318,175.55	323,458.00	(5,282.45)
Total Expenses	328,174.72	344,383.00	(16,208.28)
Other Expense: Airport Capital Expenditures	0.00	3,000.00	(3,000.00)
Net Income	(9,999.17)	(23,925.00)	13,925.83

Profit & Loss Budget vs. Actual 2013

	Actual (\$)	Budget (\$)	\$ Over/Under Budget
Total Income	384,408.52	345,069.00	39,339.52
Total Expenses	487,975.16	353,679.00	134,296..16
Other Expense: Airport Capital Expenditures	15,666.35	25,000.00	(9,333.65)
Net Income	(119,232.99)	(33,610.00)	(85,622.99)

**** Write-offs for 2013 totalled \$98,099.23**

Profit & Loss Budget vs. Actual 2014

	Actual (\$)	Budget (\$)	\$ Over/Under Budget
Total Income	356,911.10	333,613.00	23,298.10
Total Expenses	390,475.78	383,227.00	7,248.78
Other Expense: Airport Capital Expenditures	0.00	10,950.00	(10,950.00)
Net Income	(33,564.68)	(60,564.00)	26,999.32

Business Plan Funding

- Township of Armstrong will prepare funding applications to NOHFC and FedNor to update the ETRA Business Plan (created in 2004)
- Together, NOHFC and FedNor would provide 90% funding
- Objectives:
 - Identify community objectives and priorities regarding air service
 - Develop strategies to achieve these objectives and priorities
 - Formulate business ideas and ventures for private/ public partnerships
 - Establish timeframes and work plans for objectives
 - Develop a process to measure progress



Opportunities - Air Passenger Service

History

- **Air North** (Rouyn-Earlton-Toronto)
 - Feb 2002 to May 2003 (15 months)
 - From/To Rouyn: 433 passengers;
 - From/To Earlton: 2741 passengers;
 - Year average: 2539 passengers;
- **Propair**
- In operation since 1954; 90 employees spread over 2 bases
- 11 Cabin pressurized turboprop aircrafts: Between 7,000 to 8,000 hrs of flight/yr
- Core Business:
 - Scheduled flight Rouyn-Quebec, 5 days/week, 2 flights/day
 - Charters - All over Quebec, Ontario and US northeastern
 - Air medical evacuation - 365 days, 24/24
 - Ground services - Counters; Baggage handling; Grooming; Fuel;
 - Cargo handling and storage for mining industry;
 - Aircraft maintenance.

Opportunities - Air Passenger Service

Market Study – Estimates

- **Earlton market potential**
 - 46 passengers per week; 2300 passengers per year (spring 2012 poll);
 - 2002 Air North forecast were 2560 passengers;
- **Rouyn-Noranda market potential**
 - From Rouyn to Toronto: 1100 passengers per year;
 - From Toronto to Rouyn: 1070 passengers per year;
 - Market study realized in 2008: 2000 passenger potential

Importance of Local Airports

- Today's increasingly global and high-tech economy is placing new demands on rural transportation systems.
- More efficient intermodal systems are required, with the local airport serving as a key transportation link for rural businesses.
- Airports provide communities with jobs, economic and social benefits, and a gateway to national and international air transportation system.
- Airports are required if rural communities are to make the most of their economic potential.
- Airports make important contributions to agriculture, utilities, finance, fishing, and real estate industries by providing services, such as crop-dusting; transportation of staff, visitors, and clients; and aerial surveys and photographs.
- As communities reflect on strategies for maintaining competitiveness in a global economy, airport services may be an overlooked crucial link.

Importance of the ETRA

- Providing an efficient transportation service is critical for economic and business competitiveness in today's market; therefore, the creation of the air service would enhance the potential growth and economic benefits in the region.
- Generates direct and indirect employment which would stimulate economic activity by income spending, particularly in the retail and services sectors, such as automobile rentals, taxi services, hotel accommodations, retail stores and restaurants. The air service may also allow for ancillary business, such as "pay and display" parking and the associated enforcement.
- The air service would also promote a means for outbound tourism creating shorter travel times for travellers by relieving time spent on highways.
- The air service may attract new investment, and will support and retain/expand existing business to enhance and increase competitiveness; and to provide an efficient means to conduct business and manage client relations outside the area.

Importance of the ETRA

- Only airport in the Timiskaming District to offer air passenger service; alternative options are: Timmins (241 km), North Bay (181 km), Rouyn-Noranda (161 km), and Sudbury (256 km).
- The air service will provide a significant transportation linkage for more than 30,000 residents in the Timiskaming region.
- Would offer a convenient and efficient method for travelling in and out of the area - especially since the cancellation of rail transportation by Ontario Northland.
- Air Service would allow business partners to travel to and from the region for business meetings - reducing total journey time, as well as service citizens who travel for medical or family reasons, and the tourism industry.
- Skilled labour shortages are requiring the import of labour to fulfill the needs of the mining industry, and those employees are looking for simplified travel arrangements to and from their place of work.



Air Ambulance Service

- Continue to provide Air Ambulance Service for patients to access specialized care and services in larger centers.
- Currently, \$5.45 per capita guarantees every individual free air transportation for medical emergencies.
- Air ambulance is the fastest method for transporting patients to hospitals who are critically ill or injured, by eliminating geographic boundaries for access to care.

Proposals for Future Operations

Option A:

- Incorporate the MSB as a Not For Profit Corporation, allowing it to apply for funding grants, and accumulate assets.
- Set up a Board of Directors from the Supporting Municipalities.
- Transfer all assets of the airport over to the MSB, to make it a regional airport, owned, maintained and operated by all the supporting municipalities.

Proposals for Future Operations

Option B:

- Similar to present operations,
- Gaining assurance that the Airport Property will not be sold, (other than the Hanger) in the foreseeable future, without consultations with contributing communities.
- Develop a clear understanding of the Capital assets that will be maintained by the Township of Armstrong, and what are the operating costs covered by the MSB.
- Create a more formal agreement between supporting municipalities, of the MSB, with firm commitments, and a clear direction and rules for opting out of the MSB.
- Institute an additional per capita fee to cover operating losses. Possibly \$2.50 per capita.



Questions?

DRAFT MOTION FOR CONSIDERATION

Whereas the Earleton-Timiskaming Regional Airport Joint Municipal Services Board (MSB) made a presentation on January 24, 2015 regarding the future of our Regional Airport; and

Whereas the following two options have been presented for consideration by the member municipalities of the MSB:

- a) Incorporate the Municipal Services Board as a Non-Profit Corporation and transfer the assets of the airport from the Township of Armstrong to the Non-Profit Corporation.
- b) Maintain the current operations and create a more formal agreement between the supporting municipalities for the MSB with ownership of the assets remaining with the Township of Armstrong; and

Whereas the MSB has requested that each Council pass a motion indicating its preferred option for further investigation.

Now therefore be it resolved that the Corporation of the Town / Township of _____ hereby endorses Option A / Option B for further investigation by the Earleton-Timiskaming Regional Airport Joint Municipal Services Board and that a copy of their findings be presented back to the member municipalities of the MSB at the conclusion of their investigation.