

**RICHARD W LEVAN AIRPORT
WINGHAM**

NORTH HURON FEASIBILITY STUDY



FEBRUARY 2016

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OVERVIEW

As part of the North Huron Council Annual Review Process, some key areas that Council wishes to pursue for further analysis included a review of the Richard W. LeVan Airport. The intent was not to conduct a full scale service review which would require considerable staff time and outside expertise to complete. Instead the work involves an internal review of the programs and services to inform Council's decision making in conjunction with future budget deliberations.

The key tasks from Council direction identified for the Richard LeVan Airport included:

- Consultation with the public
- Consultation with key stakeholders
- Investigation of future options including closing or options for retaining the asset
- Assessment of the economic benefit
- Business opportunities for growth
- Ongoing challenges

Four options for moving forward are presented in the Executive Summary of the report. Staff request Council feedback and direction for next steps.

EXECUTIVE SUMMARY

The underlying finding in the report is that this airport provides a regional benefit, but is funded locally by North Huron. The airport is not located in the municipality of North Huron, and represents a potential significant source of revenue to North Huron if sold as farm land. The airport does not operate with a large annual operating deficit, however it will not ever break even, or be a source of operating revenue for the Township. It is a service, much like other services provided by the municipality, but is not an "essential" service and not a typical core service provided by most municipalities. The most valuable services the airport provides for the regional community is medivac and economic development.

The annual operating deficit is not the entire financial burden the airport brings to the municipality. The airport represents expensive infrastructure (runway, apron, taxiway, terminal building), and currently there is no long term asset management plan for the replacement cost of these components of the airport. The runway is in good condition now, however long term asset replacement planning will be necessary if the municipality chooses to continue to own and operate an airport.

OPTION A: Continue to operate the Richard W. LeVan Airport with no significant operational changes.

Recommended action steps associated with this option:

- Work with Huron County Economic Development Committee to recognize the asset as a regional benefit and seek sustainable and predictable ongoing regional financial support from Huron County.
- Communicate with the Town of Goderich to identify any opportunities for "shared services" with respect to municipal airport operations.
- Encourage the growth of hangar development that can be accommodated with the current taxi and apron configuration, and services available. Further hangar development would require

third party investment in the airport infrastructure to cover the capital and operating expense for that growth. Admit that significant growth at the airport is not something that can be supported with the current operating structure, and would need to be supported by regional investment.

- Retain an independent forester who is a member of the Ontario Professional Foresters Association and an Ontario Certified Tree Marker to develop a long term management plan and to mark the woodland for an improvement and salvage harvest sometime in the next year.

OPTION B: Plan to divest of the property

- Direct staff to establish a 2-3 year plan to divest of the property.
- Halt any further investment in growth or capital investment in the asset.
- Work with the Wingham Hospital Foundation to come to a resolution that would benefit the municipality and the hospital, by providing investment from the some of the sale proceeds to the hospital, with the condition that the hospital find an alternative local, long term option for medivac services to continue out of Wingham Hospital. Return the medivac service to the umbrella of the Health Care System, remove it from the burden of the municipality, but allow for support of this transition through shared investment. This would require approaching the hospital board and staff to consider options and costs.
- The sale of the airport would provide for funds to the Township that could be invested in other municipal essential infrastructure assets. This has been identified as a high priority need for the township at this time.
- Once closed and sold, the airport would have no deficit implications to the North Huron operating budget, and require no further capital or long term investment strategy.

OPTION C: Invest in a third party analysis of the airport (i.e. Explorer Solutions) to fully understand if there are any benefits of the airport, or opportunities for investment that exceed the scope of the analysis of this report.

- Explorer Solutions is a company that could be hired to analyze if there are any opportunities at the airport for additional revenues, restructuring, investment etc. Visit www.explorersolutions.ca for scope of work this company provides. Airports are Explorer Solutions main clientele. They provide expert services to all size airports and offer full airport planning and development services. They provide action ready solutions meeting the issues/questions North Huron is facing.

OPTION D: Undergo a Request for Proposal process, opening the future operations to public or private opportunities.

- There are staff resources and advertising expenses associated with this option, however a solution that has yet to be considered might come from an unexplored source.
- North Huron Council is cautioned that this will likely not result in an operating structure that will result in revenue for the municipality. Municipal airports that operate by third party contractors do operate in a deficit scenario that is supplemented by the municipality. Having said that, a unique opportunity may be presented, and there is no obligation on the municipality to accept any of the proposals submitted.

RICHARD W LEVAN AIRPORT BACKGROUND

The Richard W. LeVan Airport was developed in the mid-nineties as part of an infrastructure project to support growth of Wescast Industries and was located adjacent to the new North Plant. At the time that the airport was developed and opened, municipal airports received funding from Provincial and Federal government agencies to support both Capital and Operating expenses.

History

Around 1994, Dick LeVan suggested to the Wingham Town Council that the municipality should have an airport. Mr. LeVan was the President and CEO of Wescast Industries. Wescast contributed to the acquisition costs for the land for the airport, and were a constant user of the facility up until 2008.

Royal Homes, a builder of quality modular homes in Wingham, provided a terminal building at a reasonable cost. It was the former sales office for their homes in Eastern Ontario, and was no longer required by Royal Homes.

Initial funding approval 1994

Municipal Airport Development Agreement – May 24, 1995

April 1995 the Airport development project included purchase of 186 hectares (460 acres) of land from three property owners. Construction of a 1220x23m paved and lighted runway, connecting taxiway, aircraft parking apron, entrance road, parking lot, services building and aviation fueling installation. Cost estimate \$2,400,000

Airport Funding

Federal Funding

At the time the Richard W. LeVan Airport was developed, the federal government had a program entitled Local Commercial Airport Development Program. This program provided funding assistance on an ad-hoc basis to airports not owned by the Federal Government. This funding was directed mostly to airports with scheduled service. Wingham did not receive any funding under this program.

Provincial Funding

Currently there is no subsidy from the Province for funding municipal Registered Aerodromes.

The Provincial Ministry of Transportation (MTO) had a standing program for Municipal Airports that started in 1968. This program was in place in 1995 when the when the Richard W. LeVan Airport was developed and opened. The municipal Airport Development Agreement was signed in 1995, and the program that was in place since 1968, was in place. It provided development and operating financial assistance to eligible municipally owned airports throughout Ontario. This program came about in response to a determination that federal policies were not supporting the development of local community/municipal airports. Municipalities were eligible on the basis of meeting the objectives of the “Ontario Airport System Plan”. The operating and maintenance subsidy program ended in 1996, and the development subsidy program ended in 1998 under the provincial “Who Does What” initiative.

In the case of the Wingham Airport, a needs study would have been prepared by the municipality. It was recognized that there was a gap in the Wingham area for local airport service coverage. In 1995, the MTO provided financial assistance to Wingham for a comprehensive assessment of aviation, engineering and environmental factors. The subsidy would have been 80% of the estimated \$80,000. In 1995 MTO provided funding assistance for property acquisition and development of the new airport. The total cost was around \$2M with provincial funding at 80%. Construction was completed in 1996. When the Provincial MTO funding programs ended, the burden of maintenance and ongoing capital upkeep of the local regional airports fell on the municipalities that owned the airports. Since that time there has been no program through the Federal or Provincial government for funding assistance, with the exception of Municipal Infrastructure Grants, which list airports as eligible capital funding programs. However the competition both internally in the municipality for project funding and provincially and federally is competitive and funds are limited.

AIRPORT INFRASTRUCTURE INFORMATION

The airport was constructed in 1995/6 and was opened in June 1996. The runway is 1,220x23m (4000'x75') and in order to trim costs, only one 2" (50mm) lift of asphalt was applied to the runway , ramp, car parking lot, and street entrance in 1996. A second lift was added to the runway in 2006.

Runway 13/31

- 1,220 x23 meters
- The original lift was 50mm built in 1996. A second lift (50mm) was applied in 2006.
- 2006 Second lift expense and revenue details
 - \$294,122.70 (paving and engineering expenses)
 - \$199,633 revenue from forestry cutting
 - \$85,000 from reserves (money left from original airport build project set aside for new pavement)
 - \$9,489.70 paid from North Huron budget
- 2008 runway condition survey was complete by AMEC Earth and Environment as part of a study conducted by the Ontario Ministry of Transportation. At this time the following conditions were reported:
 - Main Runway 13-31 rated in "excellent to good condition"
 - Main Taxiway rated in "excellent to good condition"
 - Main Apron rated in "excellent to good condition"
 - Recommendation was to do nothing except routine maintenance as required

Support Infrastructure:

- Threshold lights
- Clear runway lights
- Blue runway lights
- Yellow apron lights
- Windsock
- Yard lights

Taxiway

- 180x10m

Apron

- 80x80m
- Includes concrete slap for heavy jet planes parked on apron
- 5 tie downs

Terminal Building

- Small tool shed on east side

Other Buildings

All other buildings at the airport are owned privately, and land is leased to the owners:

- Hangar B1

- Hangar B2
- Hangar B3
- Jet Shed
- Cadet Storage Shed

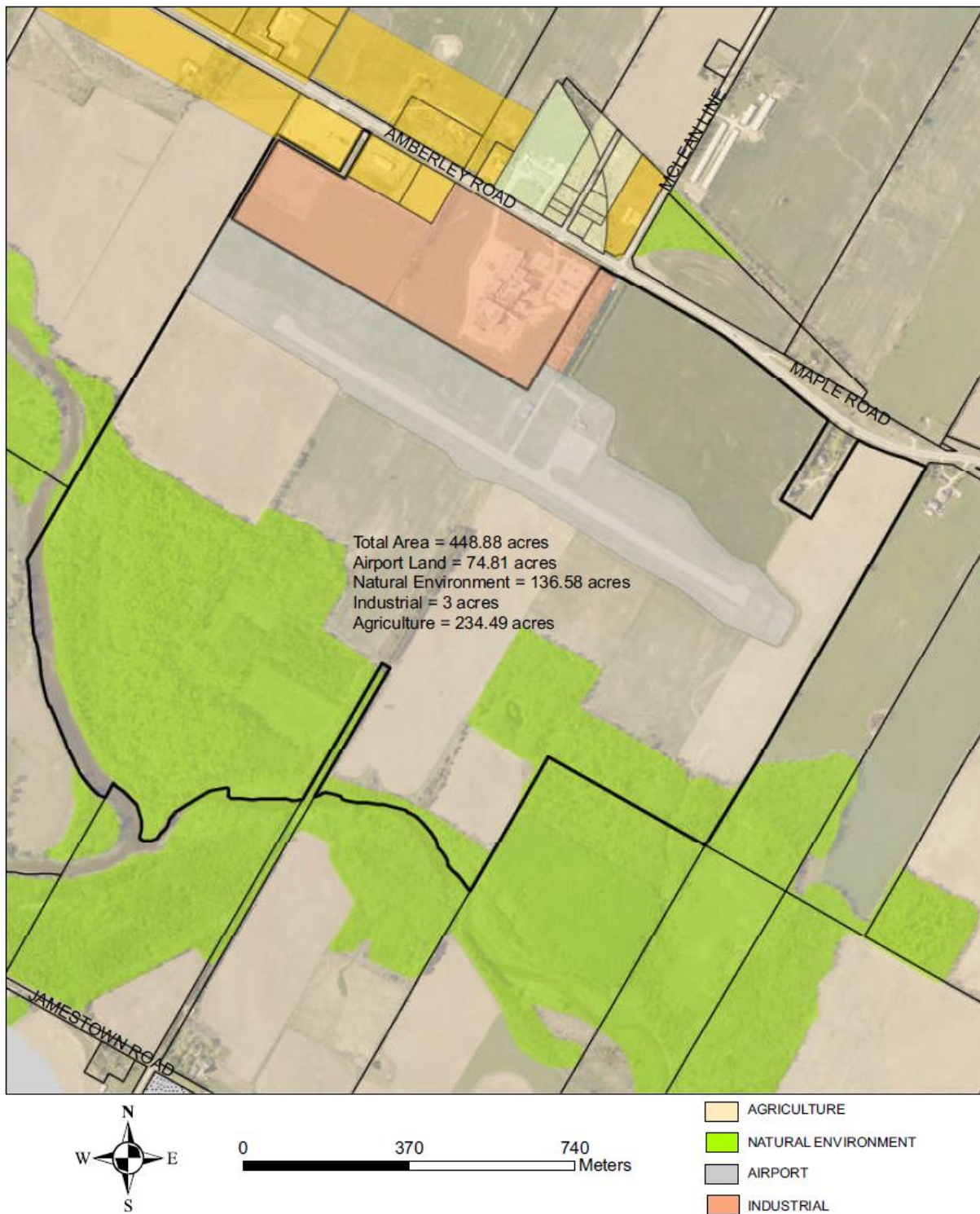
Farm Land: 234 acres

Natural Environment: 136 acres

Services

- Fuel
- Tie Downs
- Pilot lounge
- Customs
- GPS Approach

Wingham Airport with Surrounding Land Designations



BACKGROUND ON JURISDICTION

Registered Aerodrome

The Richard W. LeVan Aerodrome, (aka CPR7) is a Transport Canada recognized and published registered aerodrome, a public transportation facility and significant fixed asset, operated by the Township of North Huron, and located in the Municipality of Morris Turnberry. The aerodrome is home to general and business aviation aircraft and has a published GPS approach and allows for non-precision instrument flights to/from the aerodrome.

Zoning and Permitted uses

The airport is owned and operated by the Township of North Huron, but is located in the Municipality of Morris Turnberry. Information on the Richard W. LeVan Airport Lands zoning and permitted uses can be found in the Morris Turnberry Official Plan and Zoning By Law. Municipal taxes are collected by Morris Turnberry for the farm land and privately owned hangars. The Township of North Huron recovers the municipal taxes on the privately owned hangars from the owners.

Jurisdiction

The Aeronautics Act gives the Federal Government over-riding jurisdiction for aeronautics; it details the responsibilities of the Minister of Transport which states clearly that “The Minister is responsible for the development and regulation of aeronautics and the supervision of all matters connected with aeronautics...”(s.4.2, Aeronautics Act – September 4, 2013). All aerodromes fall under the Aeronautics Act, whether certified or registered aerodromes.

Transport Canada is the Federal Government agency that facilitates the Canadian Aviation Regulations (CARs) under the direction and approval of the Minister of Transport and the aerodromes are required to meet such regulations as mandated by the Minister of Transport.

The Provincial Government has no jurisdiction over aeronautical activities.

CURRENT TENANTS AND SERVICES

- Apex Helicopters
- Air Cadets
- Private Pilots
- RC Jets
- Medivac
- Farm Land Tenant

Apex Helicopters Inc.

Chris Vancoughnet

Apex Helicopters is a helicopter company operating five helicopters and occupying two hangars at the Richard W. LeVan Airport. They provide the following services:

- | | | |
|---------------------------|-----------------------|-----------------------|
| • Crop Spraying | • Seeding | • Aerial Mapping |
| • Herbicide Application | • Forestry Spraying | • Aerial Construction |
| • Fungicide Application | • Forest Fire Support | • Aerial Inspection |
| • Insecticide Application | • Wildlife Management | • Sight Seeing |
| • Irrigation | • Aerial Photography | |
| • Frost Flying | • Aerial Surveying | |

Their business is currently growing and have experienced a 47% growth per year, and are looking for space to expand. Ideally would like one larger hanger (100x100 feet) or two smaller (52x52). Also desire an asphalt landing pad adjacent to their hangars. Their requirements at the airport include: fuel, airport for training, hangars for storage and business space.

Wingham Radio Controlled (RC) Jets

Wingham Jet Club President: Blair Howkins

This club uses the airport for two related activities: club members flying throughout the season, and an annual RC Jets Rally.

Local Club:

Currently there are 65 pilots on the contact list that are invited to use the airport with support of recognized Club Air Marshals. They typically fly in groups of 5-10 pilots. The club rents land at the airport to hold their small storage shed for their equipment.

RC Jet Rally

2015 was the 7th annual event held at the Richard W. LeVan Airport

- Annual event held over 3 days in July. In 2015 the event attracted the following:

- 63 registered pilots, from all over Canada and US
- 200 cars of public attendees
- Based on their calculations of funds spent by the event, and funds spent on accommodations by the pilots the event has an estimated impact of \$40,000
- \$500 donated to airport for use of space for the event
- Event is featured in international Jets magazine and has become the premier Jet Rally in Canada

Hangar Owner – Personal Pilot

Don and Diane Thompson

Don Thompson has built the three privately owned hangars at the airport, while always owning at least one of these hangars, he has sold them to other Private Pilots and Apex Helicopters over the years. Don is an original member of the Airport Advisory Committee and an active pilot and advocate of the Richard W. LeVan Airport. Don and Diane travel to many airports in North America and have relevant experience to share at Airport Committee meetings.

As part of the intake process for this report, Don and Diane Thompson shared information on their experience as hangar owners at the Richard W. LeVan Airport.

- There are pilots interested in building additional hangars at the airport. That growth is stagnated by difficult process to build.
- Much of the activity at the airport is not seen by the public, this may leave the impression that no one uses the airport, which is not the case.
- Their impression is that the airport is a low priority on the Director's tasks, it falls behind the many other responsibilities of the position.
- Other pilots have built hangars at other airports because they could not get it done here in Wingham.
- There is no cost to the Township to build hangars. The expenses are covered by the builder/owner.
- There has been minimal growth at the airport, only maintenance. Services provided are sufficient and no additional services are required.

Air Cadets

A Federal Program operated through the Minister of National Defence.

Tenant at the airport utilizing land for storage building, aircraft tie downs, and office space in the terminal building. Pilots take groups of Air Cadet students gliding on weekends in the Spring and Fall. Cadets travel from an approximate 100Km radius to enjoy the program.

Annual rent is \$4,080, and they purchase approximately \$5,000 in fuel annually. Program runs in the Spring and Fall on weekends and is weather dependent, so fuel purchases fluctuate annually based on actual usage.

Ornge – Medivac

The Wingham and District Hospital relies on the Richard W. LeVan airport for air transport of patients through the use of Ornge aircraft. Ornge is used to transport the most critically ill and injured patients to tertiary care centres in London, Hamilton and Toronto from the Wingham area. President and CEO of the Wingham and District Hospital has provided a letter of comment on their dependence on the Richard W. LeVan airport. A copy of the letter is in the appendix of this report.

We often receive the question why the helicopters can land at a scene of an accident, but require the airport for patient transfer? In speaking with James Dennison, Manager of Flight Operations at Ornge, he explained the following:

- Patients are moved via two methods: fixed wing aircraft and helicopter. A fixed wing requires an airport for landing and take-off. Most activity at the Richard LeVan airport is helicopter, and fixed wing is typically used by Ornge for longer distance transport.
- During good weather and day light conditions a helicopter is able to land at most scene incidents.
- At night or in inclement weather the helicopters require an approved certified site. The Richard W. LeVan airport provides this option.
- There is no other approved heliport in Wingham, without one patients would be land transferred to Walkerton for transport.

	2011	2012	2013	2014	TOTAL
Incoming & outgoing					
Fixed	1	3	1	0	5
rotor	7	9	5	19	40
Total	8	12	6	19	45

The air summary report for Ornge separates the movements as incoming/landing and outgoing/departure. For the purposes of this report they have been combined in this table as one movement, but aviators would consider a landing and take-off as two movements.

The appendix of this report includes information from ORNGE outlining the requirements for a permanent helipad. No costs for development or maintenance are provided in the scope of this report.

Farm Land Tenant

The Township of North Huron leases the farm land located in the airport lands to Glen Warwick. The 230 acres of land is currently leased for a three year term (2014, 2015 and 2016) for \$260 per acre. Due to the nature of the airport activity, some fields are limited in the type of crops they are eligible to plant. For example corn near the runway would impact the Obstacle Limitation Surface of the transition zone of the runway. Annual revenue is \$59,800.

GPS Approach

Wingham has 1 GPS instrument approach to runway 31. For aircraft operating under instrument flight rules (IFR) an instrument approach is a series of predetermined maneuvers for the orderly transfer of an aircraft from the beginning of the initial approach to a landing, or to a point from which a landing may be made visually. This approach was designed and established at the request of Westcast Industries and

they paid for the initial expense to have it set up. Nav Canada, in the past, has maintained the approach and been responsible for the expenses associated with it. The Township of North Huron has been responsible for submitting Attestation reports and updated land surveys at the airport. This has been the expense of the Township of North Huron.

Customs

The airport is a port of entry for Customs.

Fuel

The Richard W. LeVan has both LL100 AV Gas and Jet A Fuel for sale. The tanks are maintained by a contractor. The fuel is sold at an average mark up of \$0.25.

There is also a small tank for Regular Unleaded gasoline used by the Air Cadets for their tow equipment. They make arrangements for the supply of this fuel and tank through Foxton Fuels.

SUMMARY OF FUEL SALES

	2011		2012		2013		2014		2015		5 year Summary
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
Fuel sold	14,520.00	25,187.26	23,100.00	20,366.62	18,150.00	22,235.46	19,800.00	28,569.86	19,800.00	21,761.33	
Fuel purchased	12,320.00	19,464.76	19,600.00	15,868.85	14,957.36	26,137.21	17,050.00	25,658.33	17,050.00	20,449.98	
Revenue	2,200.00	5,722.50	3,500.00	4,497.77	3,192.64	- 3,901.75	2,750.00	2,911.53	2,750.00	1,311.35	10,541.40
Fuel Maintenance		831.31		0		6969.95		272.00		3800.82	11,874.08

Litres Purchased and Sold	2011		2012		2013		2014		2015		5 Year Summary
	purchased	Sold	purchased	Sold	purchased	Sold	purchased	Sold	purchased	Sold	
100 LL AV Gas	14255.3	14117.2	10784.6	10205.4	12544.4	10974.5	13632.7	12298.5	9591.6	11055	58650.6
Jet A	0	0	0	0	4011.4	948	3976.6	4011	6252	4998	9957
									Sum =		68607.6

AIRPORT PAST STUDIES AND REPORTS

North Huron has participated or spearheaded a number of reports in an attempt to plan for the long term operations and viability of the Richard W. LeVan Airport.

1994 Paragon Engineering Ltd. - Proposed Wingham Community Airport – Airport Development Report

- In December 1993 the Town Council of Wingham voted unanimously in favour of proceeding with the development of a community airport. As a result, the Airport Committee was given the responsibility to investigate further the feasibility of developing the Wingham Community Airport. The summary statements and conclusions are in the report highlights. Page 47 of the report outlines the estimated airport revenues and expenses for the airport. It's noted that the land rental was included as part of the revenue sources for the airport operations to offset the expenses.

2007 Novatec Engineering Consultants Inc. - Preliminary Concept Plan for possible development of a fly-in community, and airside business park at the Richard W. LeVan Airport.

- After review and presentation of the report to Huron County Planning and Economic Development, North Huron Council and Morris Turnberry Council, there were road blocks to considering this type of development. It would require further studies and assessments to determine whether this type of development was feasible and could be supported by the Provincial Planning Act. North Huron was not in a position to fund these studies. Presently residential dwellings are not permitted at the airport lands, this creates a challenge with the Provincial Planning Policy as to whether any size of residential park would be permitted. The question of jurisdiction could be challenged. Before this concept plan could be supported, a developer would need to provide significant investment in this type of project to acquire and provide multiple reports, similar to any new residential developer. It would be further challenged by opposing the Provincial Planning Act. With so many hurdles, the project/concept was set aside.

2009 AMEC Earth and Environmental Airfield Pavement Study for the Wingham-Richard W. LeVan Airport. The Ministry of Transportation contracted AMEC Earth and Environmental to undertake Airfield Pavement Conditions Survey/Reports for 41 Municipal Airports in Ontario. Study was funded by the

- Ministry of Transportation
- Ministry of Northern Development and Mines
- Ministry of Economic Development and Trade
- Ministry of Tourism

2009 IAMG (International Aviation Management Group Inc.) - Development Feasibility and Market Analysis

- The report from this consultant provided information on the economic impact of the airport and commented on the Novatec plan.

2013 – Philip Van Manen, Aerodrome Planning & Management Specialist - Ensuring Long-Term Compatibility Between Wingham Richard W. LeVan Aerodrome and Township of North Huron & Municipality of Morris-Turnberry

- This consultant provided the necessary mapping and consulting information to provide detail for implementing Obstacle Limitation Surface (OLS) limits around the Richard W. LeVan airport. The airport is not a Certified Aerodrome so it does not enjoy Federal Protection of the Obstacle Limitation Surface as prescribed by Regulation TP 312. The goal of this project was to use Municipal Zoning as a method to provide height restrictions on lands surrounding the airport to minimize future impact on airspace. Morris Turnberry did not adopt the zoning map as a restriction in their Zoning By-Law, North Huron is considering this inclusion now as part of their Zoning By-Law review and update.
- Without OLS protection the airport is at risk for obstacles limiting access to the airport, or impacting the GPS approach.

Chatham Airport 1978



These studies are available upon request.

FINANCIAL INFORMATION

Value of Asset

A rough estimate of the value of the land at the airport can be configured using a retail rate of the following:

Workable farm land of 230 acres @ retail value of \$13,000 per acre = \$2,990,000.00

Bush lot of 136 acres @ retail value of \$1,000 per acre = \$136,000

Airport infrastructure has not been assessed, and would be difficult to apply a retail value. Is it something of value that someone would purchase? At what cost?

The Township of North Huron is in the process of completing an Asset Management Plan for all the facilities in the Township by end of 2016. This will provide a plan for the replacement cost of assets. This will identify the replacement value, life expectancy of the asset, maintenance plan, and funding that needs to be placed in reserves annually to maintain and replace the asset components at their end of life expectancy. Presently this is not factored into the airport operating budget.

Condition of airport closure:

If the Township were to decide to close the airport, there are obligations inside the hangar lease agreements that would require resolution. This would impact the overall proceeds from any sale of the airport asset as it would be an expense to the Township. This would need to be considered against the value of closing and selling the asset. A condition in the 3 hangar lease agreements is the following:

The parties acknowledge and agree that this Lease may be terminated by either party upon one year's notice in writing to be delivered to the other party, provided that the following rights and obligations shall apply.

If the Landlord shall give notice of its intention to terminate this Lease before the end of the Term, the Landlord shall pay to the Tenant a sum equal to either the then fair market value of the Building, or the depreciated capital cost (based upon the Tenant's financial statements of the immediately preceding year), whichever is lower (in either case, the "Price"). The Tenant shall provide the Landlord with access to the Tenant's financial statements in order to make this determination. The Building shall then become the sole property of the Landlord. The fair market value shall be determined by an independent third party with sufficient expertise to make such determination; such independent third party to be acceptable to both the Landlord and the Tenant... In the event of any dispute between the parties as to the determination of the fair market value of the Building, and such dispute cannot be resolved within sixty (60) days of decision of the independent third party, either party may refer the matter for determination pursuant to the provisions of the Ontario Arbitrations Act. In no event shall any delay in the determination of the fair market value delay the Landlord's right to terminate the Lease or regain possession of the Demised Premises. Notwithstanding the foregoing, if the Landlord determines that the Price of the Building is greater than the Landlord is prepared to pay, the Landlord has the option to require the Tenant to remove the Building from the Demised Premises within thirty (30) days of the early termination of the Lease. Further in such event, the cost of removing the Building shall be split equally between the Landlord and the Tenant.

BUSH PROPERTY LOGGING

The bush property was logged in 2005/2006. The municipality received revenue of \$199,633.

At the request of North Huron staff, David Pullen, Huron County Forest Conservation Officer was contacted to assess the current status of the airport bush property. His comments and aerial view of the property follows:

The total area of woodlands on the property is approximately 133 acres, consisting of over 92 acres of upland hardwoods, 30 acres of lowland mixed forest and 11 acres of upland conifer plantations, including 4 acres along the old railway bed in the centre of the property.

I walked the woodlands on the property on October 14, 2015 at your request and made the following observations:

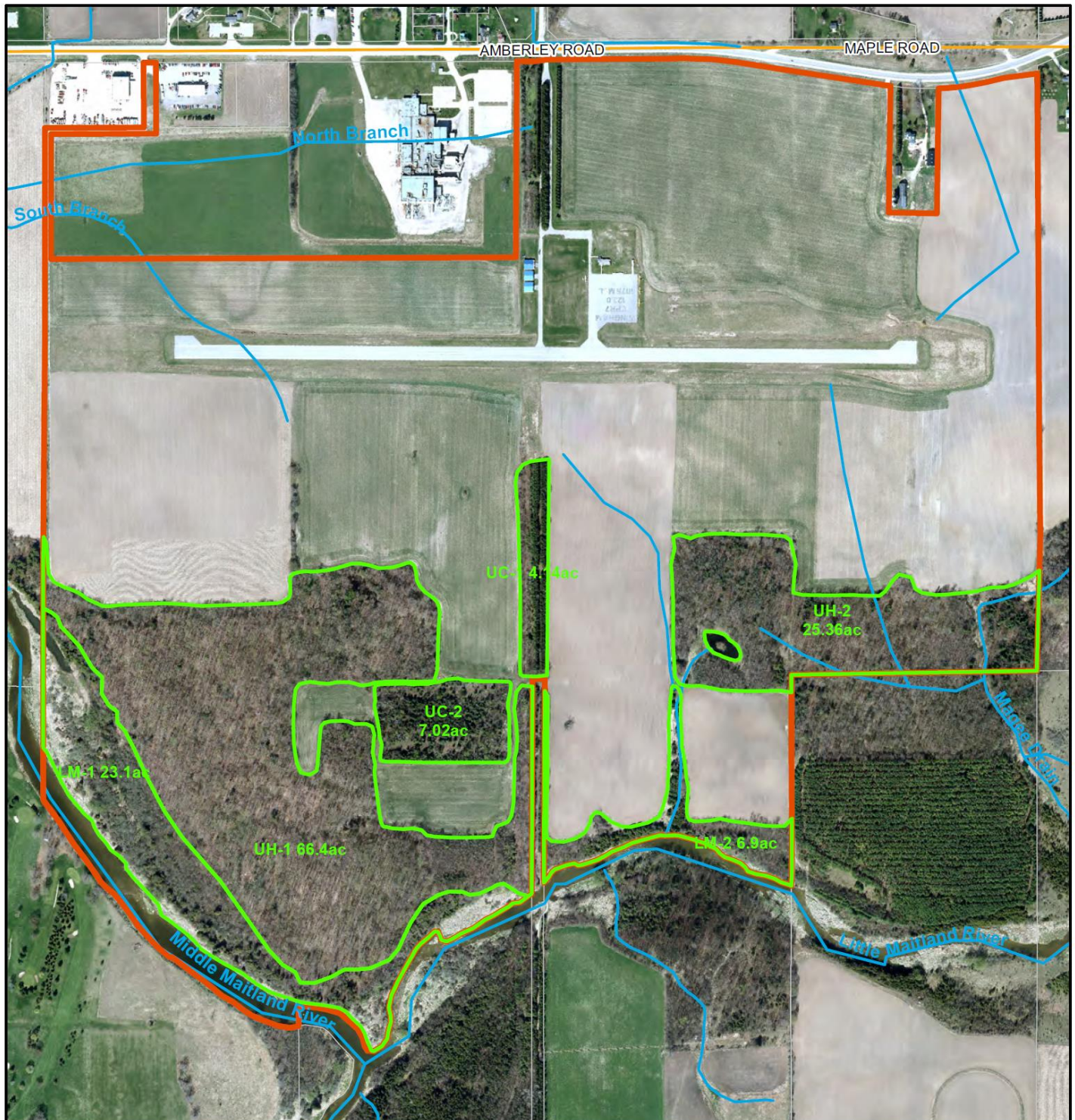
1. The woodlot appears to have been harvested approximately 10 years ago
2. The harvest was relatively heavy, and many diseased and defective trees were not removed at that time.
3. There is a significant population of ash, especially in the western part of the woodland, and these are showing signs of decline.
4. There is a good diversity of species in these woodlands, including Sugar Maple, Black Cherry, Beech, Yellow Birch, Hemlock and Ash.
5. The woodland has potential for producing high value wood products, but in the short term an improvement cut and salvage of ash would be of most benefit.

My recommendations are as follows:

1. Retain an independent forester who is a member of the Ontario Professional Foresters Association and an Ontario Certified Tree Marker to develop a long term management plan and to mark the woodland for an improvement and salvage harvest sometime in the next year.
2. Apply for the Forest Management Plan and Woodlot Enhancement Category of the Huron Clean Water Project to assist with the cost of using an independent forester (funding of 50% of the cost of forestry consulting fees is available up to \$1000.)
3. Using the assistance of the same independent forester, tender the sale of wood products to a list of reputable logging companies.
4. Assess the value of the woodland for environmental values and future income potential from sale of forest products.

In summary, this is a woodland with very high ecological value, especially given its location at the convergence of the Little Maitland and Middle Maitland Rivers. With proper management, the woodland also has excellent potential for long term income from sale of forest products. In the short term however, the woodland will benefit most from the salvage of ash timber and the removal of lower value diseased and defective trees for fuelwood.

NORTH HURON TOWNSHIP - WINGHAM AIRPORT
40647 AMBERLEY RD
CON 1 PT LOTS 7 TO 14 PT; ROAD ALLOWANCE CLOSED



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Date: 11/4/2015



0 125 250
 Meters
 1:8,500

- Woodlands
- Subject Property
- Watercourse
- Parcel Fabric

Richard W. LeVan Airport Operating Budget – next page

Township of North Huron											
Richard LeVan Airport Summary											
	2011		2012		2013		2014		2015	2015	Average
Revenue	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
Admissions/Rentals	41,593.00	44,491.52	41,593.00	40,651.58	43,684.00	45,927.09	71,114.00	70,676.85	67,744.00	67,737.98	
Sales	14,520.00	25,187.26	23,100.00	20,366.62	18,150.00	22,235.46	19,800.00	28,569.86	19,800.00	21,761.33	
Vending	350.00	317.22	350.00	259.00	350.00	2,725.16					
Grants/Levies	1,500.00	1,300.00	1,500.00	2,000.00	1,500.00	1,975.00	1,800.00	1,500.00	1,800.00	2,000.00	
Total Revenue	57,963.00	71,296.00	66,543.00	63,277.20	63,684.00	72,862.71	92,714.00	100,746.71	89,344.00	91,499.31	79,936.39
Expense											
Salaries - FT	2,690.00	2,749.73			3,085.00	3,084.54	3,286.00	3,702.50	3,281.00	3,601.25	
Salaries - PT	18,635.00	18,216.51	18,020.00	16,994.13	18,374.00	18,572.55	18,588.00	17,346.28	19,360.00	17,153.86	
Benefits	3,894.00	1,747.87	3,063.00	1,723.45	3,124.00	1,996.98	4,026.00	2,047.23	4,177.00	1,731.22	
Clothing/Unifirms	150.00	104.81	150.00		150.00		150.00	110.40	150.00		
Meeting Allowance	480.00	400.00		180.00					300.00		
Subscriptions/Memberships	850.00	595.87	850.00	595.87	850.00	899.03	850.00	605.00	850.00	425.00	
Training/Travel/Workshops	762.00	115.89	762.00	453.34	762.00	449.11	862.00	50.00	862.00	407.33	
Advertising/Promotion	2,000.00	403.05	3,600.00	1,822.04	2,600.00	2,430.18	2,600.00	284.33	600.00		
Office Supplies	50.00	19.49	50.00	108.86	50.00		50.00	38.45	50.00	56.99	
Phone/Fax/Internet	1,560.00	1,406.66	1,500.00	1,349.45	1,500.00	1,625.16	1,716.00	1,606.22	1,380.00	1,337.54	
Insurance	9,000.00	7,437.68	7,407.00	5,880.28	6,173.00	4,976.74	6,281.00	5,784.79	6,281.00	5,856.63	
Materials/Supplies	500.00	376.20	500.00	112.00	500.00	587.68	2,500.00	126.80	2,500.00	1,370.38	
Bldg Repair/Maintenance	6,300.00	4,188.91	4,800.00	3,433.68	4,800.00	2,709.20	6,300.00	4,689.75	7,300.00	5,025.22	
Taxes	3,000.00	2,777.79	3,000.00	3,028.45	3,000.00	3,903.18	4,000.00	4,794.01	5,000.00	5,799.23	
Janitorial Supplies	800.00	258.03	350.00	218.68	350.00	135.50	350.00	193.82	200.00	200.00	
Inspections/Contracts	2,150.00	1,637.38	2,750.00	2,056.38	2,750.00	2,953.46	3,450.00	1,943.16	3,450.00	5,743.06	
Electricity	5,500.00	6,197.05	6,600.00	5,939.51	6,798.00	8,141.31	8,400.00	8,697.87	9,500.00	8,757.04	
SnowPlowing	9,700.00	6,692.79	9,200.00	1,838.04	9,200.00	5,674.20	8,500.00	5,521.23	5,765.00	3,380.00	
Fuel	12,320.00	19,464.26	19,600.00	15,868.85	15,400.00	25,200.06	17,050.00	25,658.33	17,050.00	20,449.98	
Total Expenses	80,341.00	74,789.97	82,202.00	61,603.01	79,466.00	83,338.88	88,959.00	83,200.17	88,056.00	81,294.73	76,845.35
Net Operating	(22,378.00)	(3,493.97)	(15,659.00)	1,674.19	(15,782.00)	(10,476.17)	3,755.00	17,546.54	1,288.00	10,204.58	3,091.03
Capital /Special Projects											
Airspace/Zoning Report						(9,189.65)		(12,234.43)			
Terminal Siding						(3,929.77)					
Roof Repairs						(977.21)		(22,396.50)		(4,728.15)	
Fuel Pump Repairs						(6,509.47)					
Total Capital/Special Projects						(20,606.10)		(34,630.93)		(4,728.15)	
Net Operating/Capital Expense		(3,493.97)		1,674.19		(31,082.27)		(17,084.39)		5,476.43	(8,902.00)

AVIATION INDUSTRY TRENDS THAT IMPACT THE RICHARD W LEVAN AIRPORT

GPS Approach

GPS approach maintenance – the GPA approach at the Richard W. LeVan airport has been maintained in the past by Nav Canada. Maintenance includes surveys and flight checks. New policies from Nav Canada will be downloading this expense to the airport in the future. Their new draft policy statement is available upon request.

The expense is estimated as additional operating expense downloaded by Nav Canada. An estimate for annual maintenance and flight check every 4 years would be approximately \$13,000 shared over a 4 year period (\$3,250 annual operating expense). Likely starting as early as 2017.

Provincial and Federal Funding

There is no predictable and sustainable funding from the Province or Federal governments for local municipal airports. Funding is focussed on larger airports with scheduled service. No available outside of the infrastructure grants available for all municipal infrastructure (roads, water, sewer, bridges etc.). The funding is limited and competitive, and in North Huron infrastructure funding applications have not been focussed on airport. They have been dedicated to roads, water and sewer projects. The Provincial MTO is focussed on a Northern Ontario Transportation Policy, and presently there appears to be no appetite for funding southern Ontario small municipal airports without scheduled service. The frustration is that airports with scheduled service have an opportunity to collect revenue from scheduled service airlines.

Asset Management Plan

Municipalities are required to have an asset management plan for facility assets by the end of 2016. As part of the asset management plan, budgeting for the maintenance and replacement cost of an asset will be necessary to fulfill long term planning for the municipality. The impact to the Operating Budget of each facility will be significant as each budget will be required to place into reserves adequate funding for long term maintenance and replacement costs.

Summary

The current operating expenses at the Richard W LeVan airport will be impacted by an Asset Management Plan and GPS Approach maintenance. It is anticipated that the deficit will increase as a result of these two factors.

ECONOMIC IMPACT OF AIRPORT

In almost all cases, small municipal airports cannot be run on a cost-recovery basis and mostly operate at a deficit. Airports are a significant assets and require ongoing capital investment for maintenance, expansion or replacement.

Comparison of other municipal airport operating budgets. This is a snap shot of information shared from these airports.

Tillsonburg Airport

YEAR	2012	2013	2014	2015	2016
OPERATING REVENUE	\$460,964	\$415,794	\$639,472	\$506,027	\$515,400
OPERATING EXPENSE	\$517,603	\$554,544	\$741,277	\$544,393	\$612,400
OPERATING DEFICIT	-\$56,639	-\$138,750	-\$101,805	-\$38,366	-\$97,000
CAPITAL INVESTMENT	\$11,570	\$5,000	\$11,131	\$44,000	\$50,000

Stratford Airport

YEAR	2012 (FINAL)	2013 (FINAL)	2014 (FINAL)	2015 (DRAFT)	2016 (DRAFT)
OPERATING DEFICIT	-\$42,217	-\$78,195	-\$84,540	-\$85,994	-\$87,427
CAPITAL INVESTMENT	\$93,000	\$86,294	\$86,294	\$86,294	\$84,294

Goderich Airport

YEAR	2011	2012	2013	2014	2015
OPERATING REVENUE	\$130,964	\$116,507	\$133,173	\$127,141	\$117,925
OPERATING EXPENSE	\$257,065	\$267,926	\$295,313	\$301,318	\$308,571
OPERATING DEFICIT	-\$126,100	-\$151,419	-\$162,140	-\$174,177	-\$190,646
CAPITAL INVESTMENT	\$60,000	\$20,000	\$20,000	\$127,500	\$62,500

Huronion Airport (Near Midland Ontario)

YEAR	2015 Budget
OPERATING REVENUE	\$324,000
OPERATING EXPENSE	\$306,000
OPERATING DEFICIT	+ \$18,000
CAPITAL INVESTMENT	Operating surplus used for small Capital funding.

Haliburton Stanhope Municipal Airport

	2014 Budget	2014 Actual
OPERATING REVENUE	\$180,000	\$161,877
OPERATING EXPENSE	\$250,050	\$211,907
OPERATING DEFICIT	-\$70,050	-\$50,030

The 2009 report from International Aviation Management Group (IAMG) performed a rudimentary study analyzing the estimated economic impact of small general aviation airports such as the Richard W. LeVan Airport. By applying recent activity and revenue data from the airport, the research estimated that the airport currently generates as little as \$300,000 in total economic activity, but has the potential of generating upwards of \$4 million in total economic activity with additional development.

Direct Impacts:

Fuel sales, hangar rents, flight instruction activity, jobs at the airport itself.

Indirect Impacts:

Increased business at local establishments or services, tourism, regional asset for business use, health care, attractive to new businesses that require this service on site or near by.

THE COST/BENEFIT GAP

The challenge at the Richard W. LeVan Airport is that the economic and service benefit is regional, however since airports were downloaded in the mid-nineties to the municipalities that own and operate them, the burden of operating and capital upkeep at the airport rests on one small municipality, and in our case that is North Huron. The direct and indirect benefits of the airport such as medivac services and economic spin offs in tourism and industry are enjoyed by the entire region. This creates a “gap” in the cost/benefit analysis of the Richard W. LeVan airport. The benefits are recognizable and arguably measurable, but the costs are not shared. This is an unfortunate circumstance and presents challenges for the Richard W. LeVan Airport.

AIRPORT OPERATING STRUCTURE

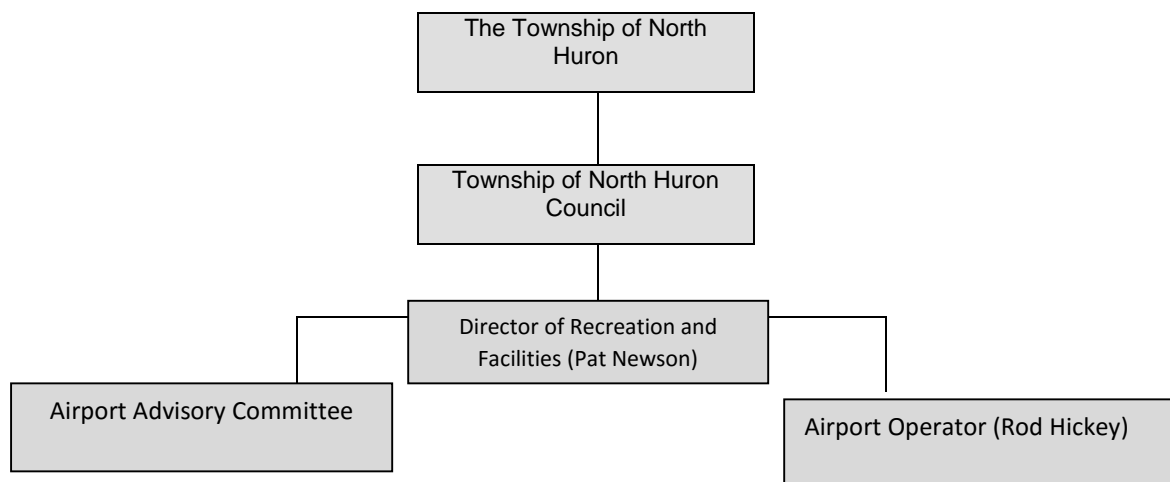
RICHARD W LEVAN AIRPORT OPERATING STRUCTURE

The Township of North Huron owns and operates the Richard W. LeVan Airport and decision making authority is with the Township of North Huron Council. The airport is under the authority of the North Huron Recreation and Facilities Department. The Airport is operational 24 hours per day, 7 days per week; and is staffed with a part time Airport Operator working 16 hours per week, and on call at all time for any airport emergency or fuelling needs. The North Huron Public Works Department handles snow removal, weather permitting. If the airport is not able to remain open due to poor weather or snow/ice conditions on the runway, the airport operator will issue a NOTAM that the runway is closed. If the Airport Operator is not on site, pilots who have preauthorized accounts are permitted to pump their own fuel and recorded the information for billing. Pilots can access the terminal building 24/7 and turn on the runway lights by using a Radio activation system.

The Airport Operator reports to the Director of Recreation and Facilities. Two weeks per year of this position is allocated to the operations and supervision of the Airport. Administrative support of the airport is provided by the North Huron Recreation and Facilities department.

The Airport has an Airport Advisory Committee of volunteers. This is a Committee of Council, and under the new North Huron By Law 54-2015 Committee Appointment Policy, the committee will be required to undergo a review and develop Terms of Reference for Council consideration.

ORGANIZATIONAL CHART:



SAMPLES OF OTHER AIRPORT OPERATING STRUCTURES

Municipal Airports are either owned and operated by the municipality, a group of municipalities, or the service is contracted out to an independent third party Airport Management contractor. In the situation where the airport operations are contracted out, this expense is reflected as an operating expense. The municipality is responsible for capital upkeep and the operating deficit as part of the contract.

Goderich Airport

This airport is staffed with two full time municipal employees (Airport Manager and Airport Assistant). The Airport is staffed 7 days per week from May 1st to Thanksgiving Day. For the balance of the year weekends may only have on-call support. Normal operating hours are from 8:00am – 5:00pm. However someone is on call 24/7. Staff are responsible for the airport operations and the grounds and runway maintenance, snowplowing and blowing.

Stratford Airport

The Stratford Airport is managed under a third party management contract: Stratford Air Services. This company has four full time staff and one part time staff. Hours of operation from April 1 to October 31 8:00am to 9:00pm, seven days per week. From November 1 to March 31 hours of operation are from 8:00am – 6:00pm, seven days per week. This company also operates the flight school at the airport which is independent of the airport operations.

Hurononia Airport

The Huronia Airport is located adjacent to the towns of Midland and Penetanguishene on Georgian Bay and is owned by three municipalities. The airport is governed by the Huronia Airport Commission which is made up of representatives of the 3 municipalities. The Huronia Airport is incorporated. The Airport employees two full time (manager and operations person), and 2 part time (administration and operations person) and volunteers. The airport is staffed from 8:00am to 5:00pm from October 1st to April 30th, then from May 1st to October 31st the airport is open from 8:00am to 8:00pm. Staff are available for call out 24/7.

Elliot Lake Airport

The Elliot Lake Airport is staffed by municipal employees. The airport is open from 7:00am to 7:00pm Monday to Friday, and on Statutory Holidays and weekends the staff are on-call for a call out fee of \$75. The Two staff work 60 hours total per week and share the on-call duties. The staff perform all tasks to operate the airport and the Airport Facility Supervisor reports to the Director of Operations for the Municipality.

Owen Sound Billy Bishop Regional Airport

This Airport is owned by the City of Owen Sound and contracted out to a third party contractor for its daily operations. Currently CYOS Group (the hangar and aircraft owners on the field) hold the 3 year contract to operate the airport. The staff include on full time person that works 45 hours per week, and one part time person to cover weekends. The airport is open from 8:00am – 5:00pm daily, 7 days per week. Staff are responsible for all airport operations and are also on-call for other hours.

Appendix

Hospital Letter

ORNGE – Specifications for helipads



Sharon Chambers, CAO
Township of North Huron
P.O. Box 90, 274 Josephine Street
Wingham, Ontario
N0G 2W0

Re: Richard W. Levan Airport

Dear Sharon:

Thanks for the opportunity to provide comments to the Township of North Huron on the importance of the Richard W. Levan airport. The airport is currently utilized by the Wingham and District Hospital as the landing site for Ornge aircraft. Ornge is utilized to transport the most critically ill and injured patients to tertiary care centres in London, Hamilton and Toronto from Wingham and area.

In conversation with our medical staff, access to the airport for Ornge aircraft is a critical link to tertiary medical care for one of the most isolated hospital emergency rooms in southern Ontario. Wingham is over an hour by highway to the nearest secondary care centres. One of our experienced ER physicians has indicated that he would not practice ER medicine in Wingham without access to Ornge's ability to transport critically ill patients by air from Wingham to the health care services they need.

Ornge transport services are utilized approximately twice per month (19 times in the last year) with 6 landings in the month of September 2014. This is a significant number of patients within a small community.

Without access to the airport for Ornge aircraft, the community would have little choice but to create a heliport facility. Without compiling a detailed cost estimate, we believe it would cost between \$500,000 and \$1,000,000 to purchase land and create a facility suitable for Ornge helicopter landings and takeoffs. In my experience at other hospitals, the maintenance costs of a Transport Canada heliport approximate \$10,000 per year.

We understand the fiscal pressures experienced by the municipality. The hospital is in the 4th year of a funding freeze as well. We have always appreciated the support and partnership of the Township of North Huron on maintaining a strong health care system within our community. The airport is a key linkage to maintaining a robust emergency department and providing timely transportation services to our most critically ill patients.

If you require additional information to help inform your analysis of the Richard W. Levan airport and its impact on the Wingham and District Hospital, please let me know.

Listowel Memorial Hospital
255 Elizabeth Street
Listowel, ON N4W 2P5
Tel 519-291-3120 Fax 519-291-5440

Wingham & District Hospital
270 Carling Terrace
Wingham, ON N0G 2W0
Tel 519-357-3210 Fax 519-357-2931

Yours truly,

A handwritten signature in black ink, appearing to read 'K. Ellis', is shown within a light gray rectangular box.

Karl Ellis
President and CEO
Wingham and District Hospital
Listowel Wingham Hospitals Alliance

Karl.ellis@lwha.ca Ext 6221

Copy:
Trevor Seip, Board Chair
Wingham Medical staff



The following slides include specifications for helipads with operators that wish to be included in our system and the annual inspection cycle.

Definitions

- “**TLOF**” means a touchdown and lift off area, which consists of a load-bearing area on which a helicopter may touch down or lift off.
- “**FATO**” means a final approach and take-off area, which consists of a defined area over which the final phase of a helicopter approach manoeuvre to hover or land is completed and from which the take-off manoeuvre is commenced.
- “**Safety Area**” means a defined area surrounding the FATO which is kept free of obstacles other than objects required for navigation purposes.
- Every area does not need to be a “separate” surface
 - i.e. The TLOF is load bearing concrete, the FATO & Safety Area are grass.
 - If the helipad has a FATO that is load bearing, the TLOF does not need to be a separate surface.
- For a daytime only helipad, all the dimensional requirements must still be met. The helipad must also have perimeter markings that are secured to the surface and able to withstand the rotor downwash.
 - Perimeter markings should be a minimum of a 10 & 2 setup; with 10 being the number of markings evenly spaced around the perimeter, and 2 lead-ins for each arrival/departure route.
 - Square shaped helipads require at least one perimeter marking to be at each corner.
- For a 24/7 operation, all requirements of a day time helipad must still be met, but the helipad must be lit at night.
 - Flood lights or lights mounted on the perimeter markings are acceptable. Using lights as perimeter markings instead of 2 separate units (i.e. a cone with a light attached to the top) is also an option.
- Remember, all the dimensions given are considered minimums for the current aircraft in service. Expanding the boundaries will only allow your helipad to remain compliant should a larger aircraft come into service.

AW139 CHARACTERISTICS

DIMENSIONS

Length overall*	54.66 ft
Overall height*	16.24 ft
Rotor diameter	45.28 ft

* rotors turning

PROPULSION

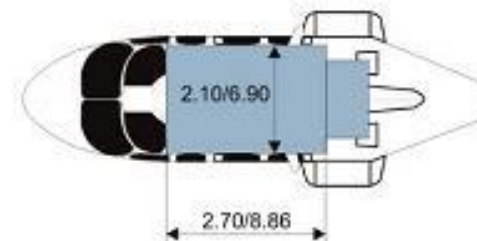
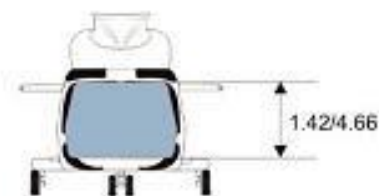
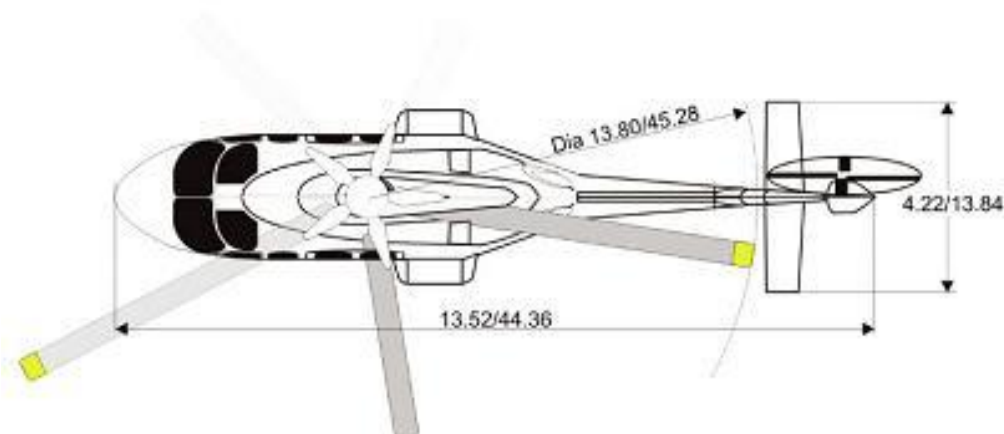
Powerplant (2)	Pratt & Whitney PT6C-67C Turboshafts with FADEC
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WEIGHT

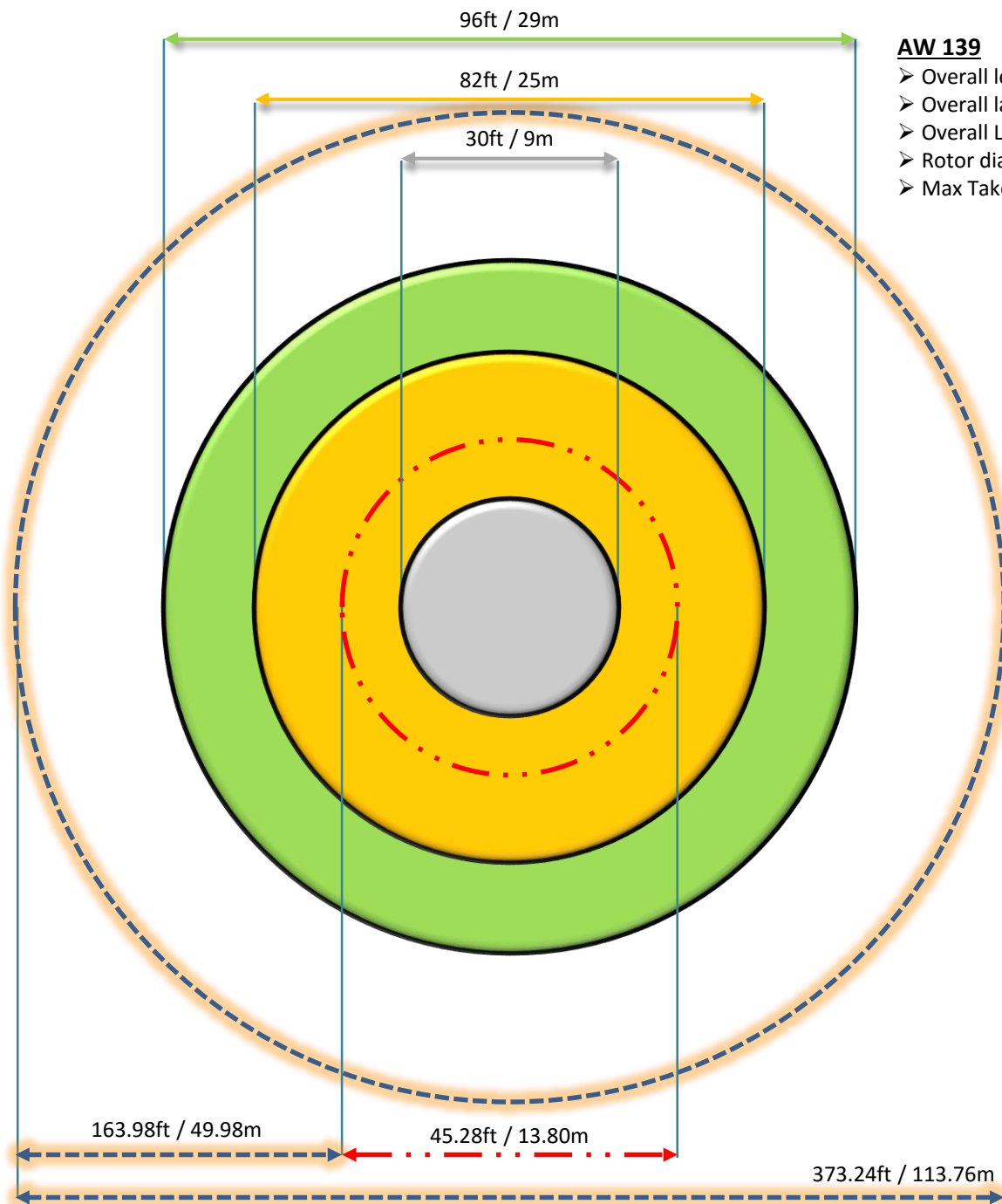
Max takeoff weight	6,400 kg	14,110 lb
Max internal useful load (basic configuration)	2,715 kg	5,986 lb

CAPACITY

Required crew	1 - 2	
Passenger seating	standard, up to 15	VIP, 4 to 12
Baggage compartment	3.4 cu m	120 cu ft

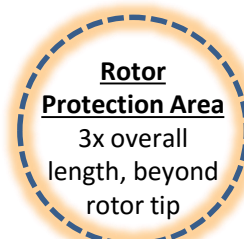
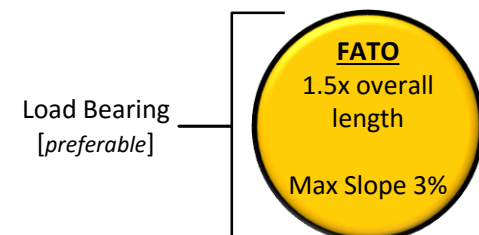
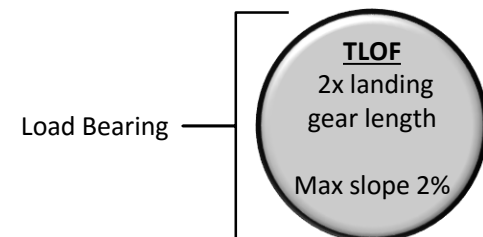
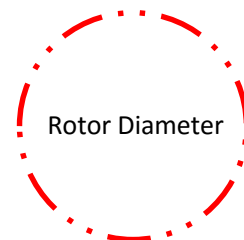


All dimensions in m/ft



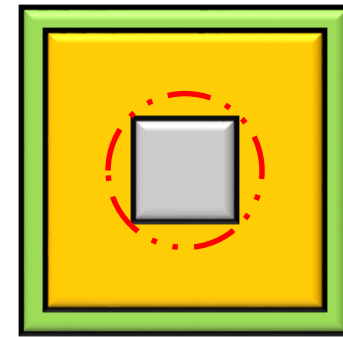
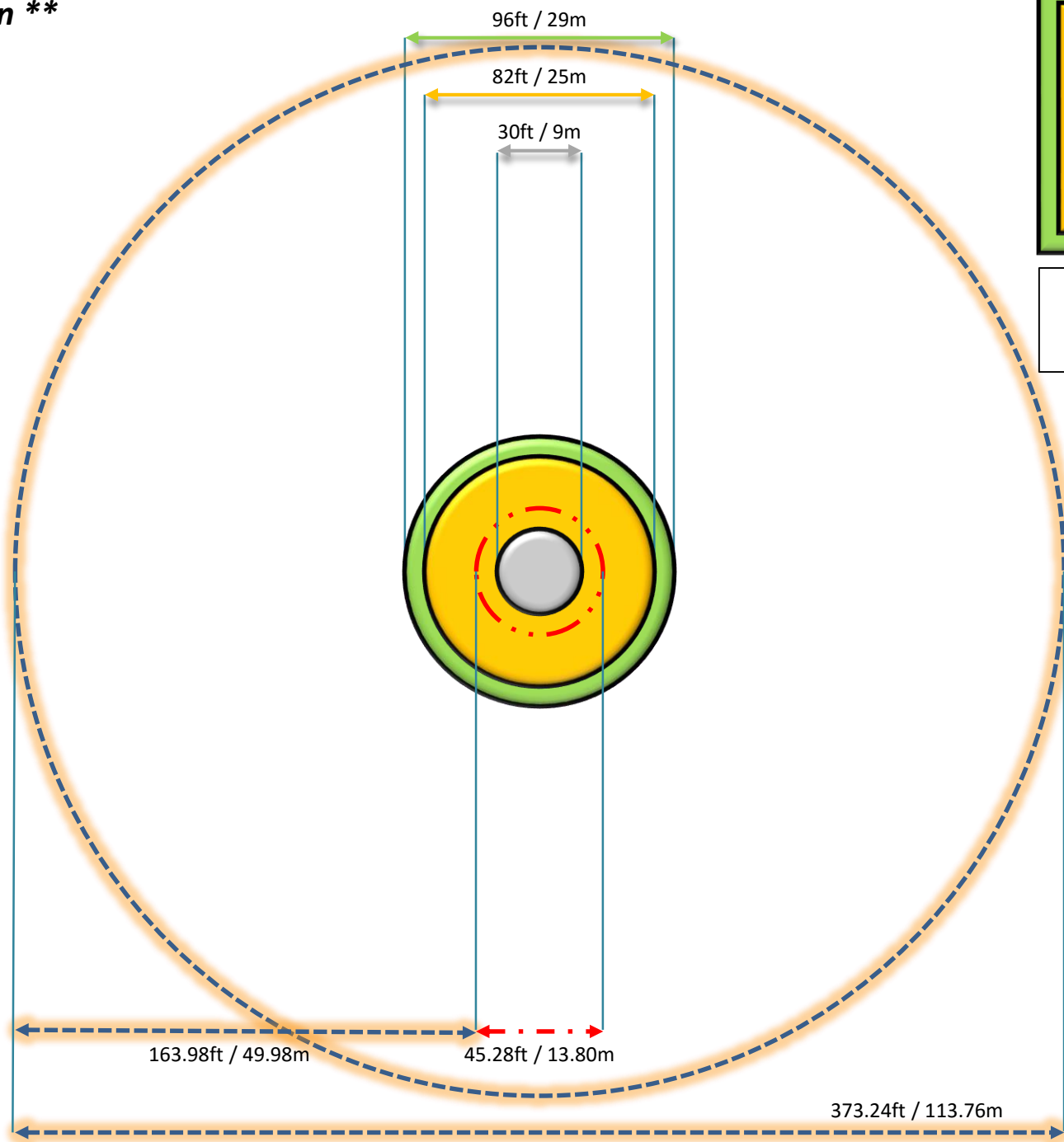
AW 139

- Overall length – 54.66ft / 16.62m
- Overall landing gear width – 10.50ft / 3.04m
- Overall Landing Gear length – 14.27ft / 4.34m
- Rotor diameter – 45.28ft / 13.80m
- Max Take-Off Weight – 14110 lbs / 6400 kg



**** This drawing is not to scale ****

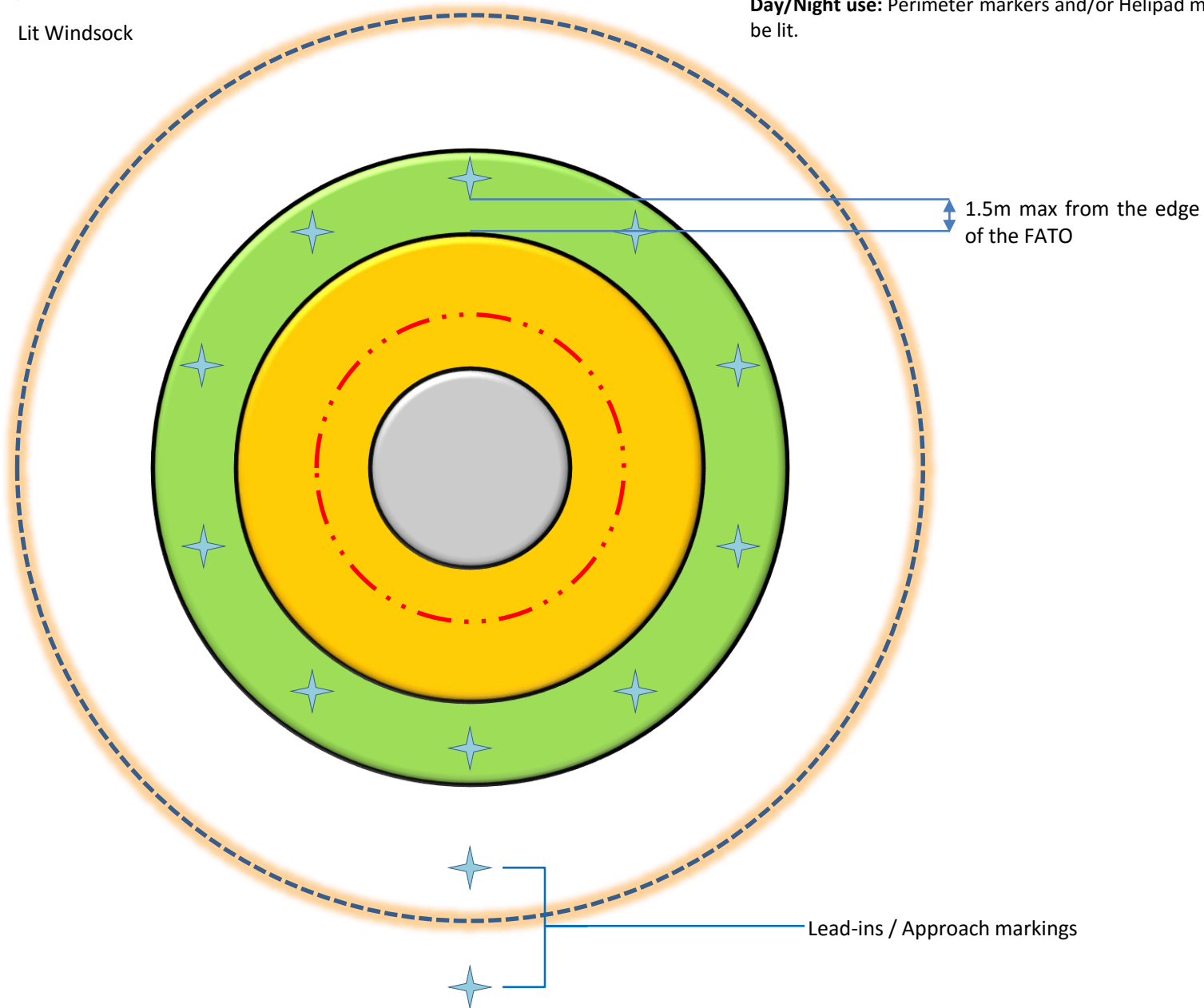
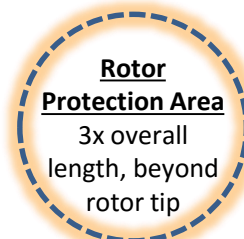
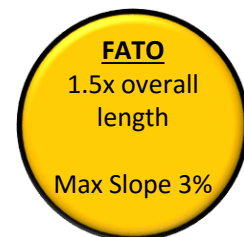
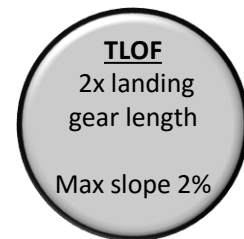
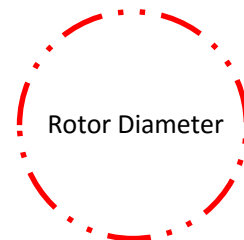
**** Scale version ****



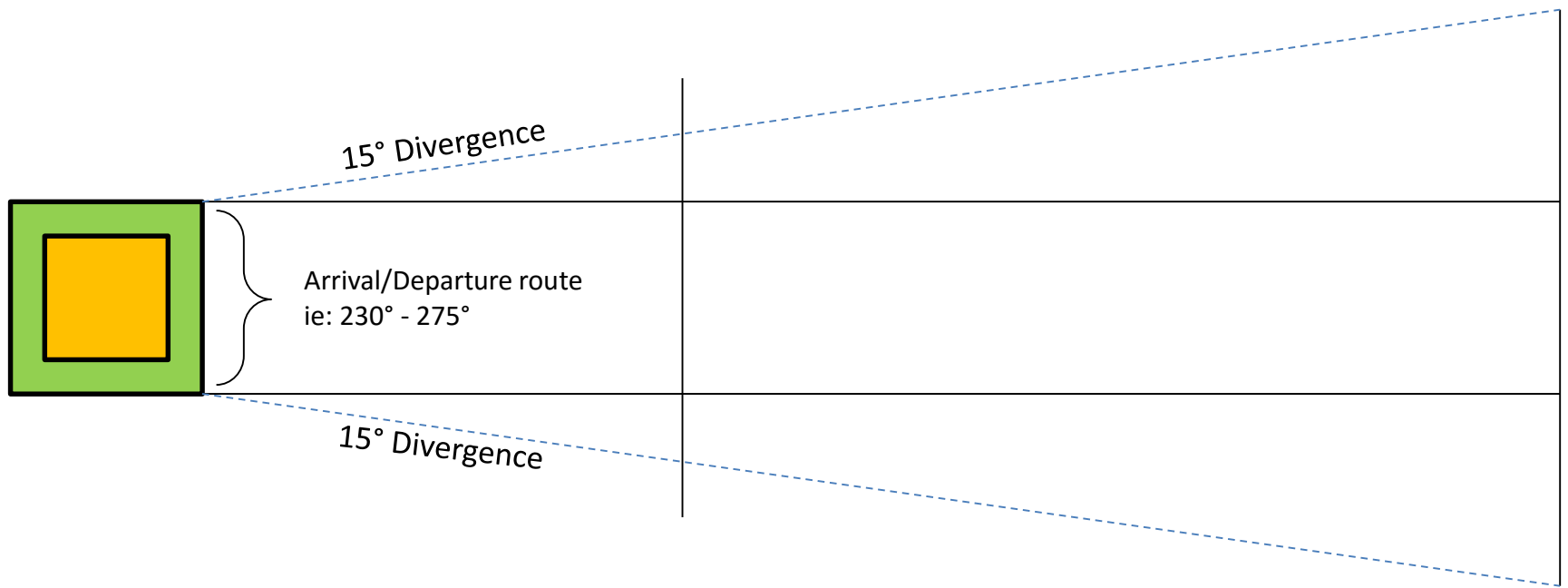
**TLOF/FATO/Safety
Area can also be
square**



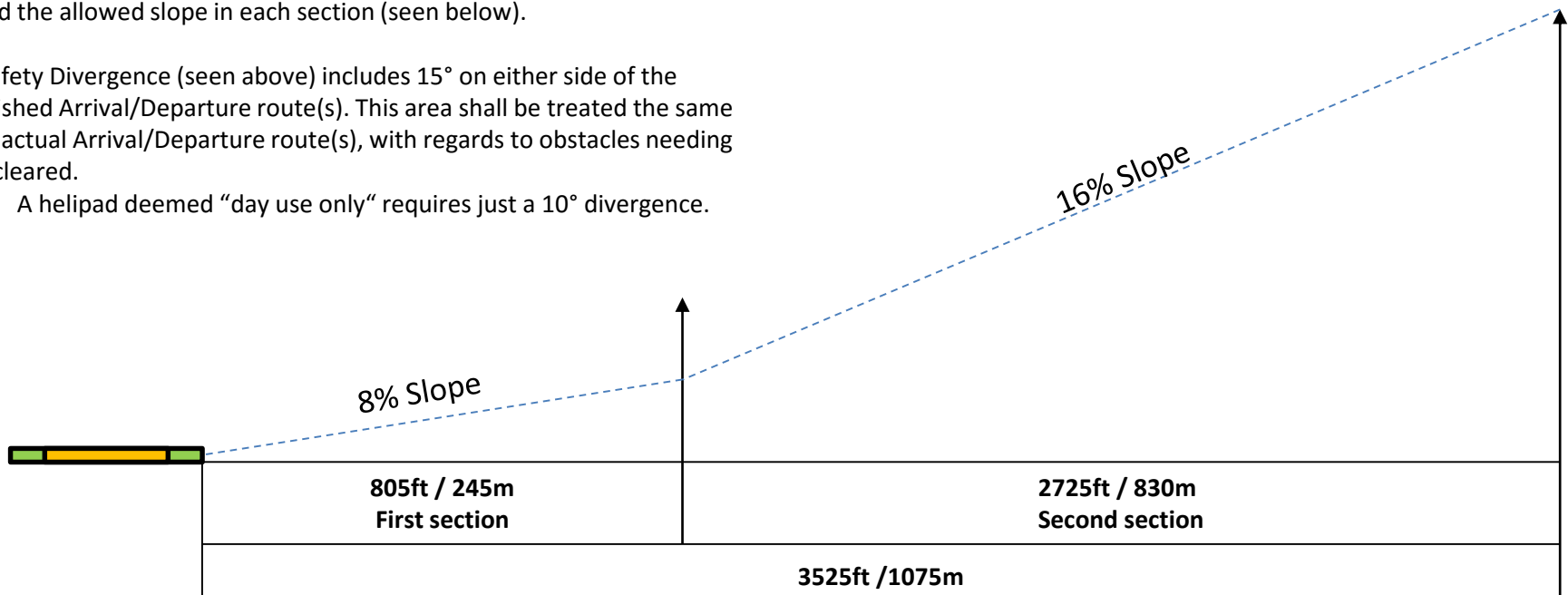
Day use only: Perimeter markers must be secured to the ground or able to withstand the rotor downwash.
Day/Night use: Perimeter markers and/or Helipad must be lit.



**** This drawing is not to scale ****

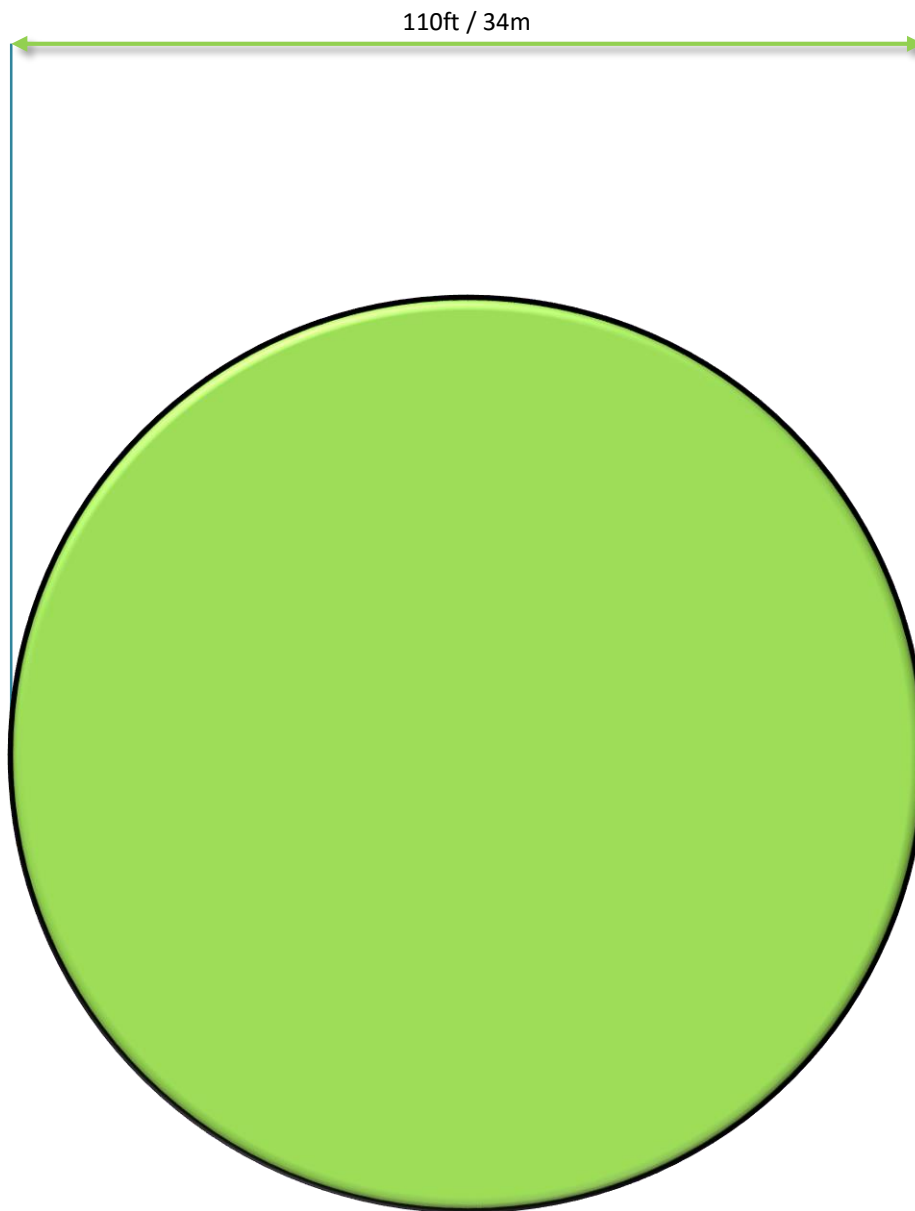


- The Arrival/Departure route(s) shall be cleared of all obstacles that infringe beyond the allowed slope in each section (seen below).
- The Safety Divergence (seen above) includes 15° on either side of the established Arrival/Departure route(s). This area shall be treated the same as the actual Arrival/Departure route(s), with regards to obstacles needing to be cleared.
 - A helipad deemed “day use only” requires just a 10° divergence.





The following slide includes specifications for helipads that intend to be temporary in nature. These helipads will be **DAY ONLY** and useable for a period of no more than 2 weeks.



- The 110 feet (34 meters) is a strict minimum.
- The safety area must still be at an acceptable grade of 3%
- Unless used to aid navigation, no objects may be within the safety area.
- If this landing zone is to be at an event with crowds, it is recommended that no person be within 90 feet of the edge of the landing zone