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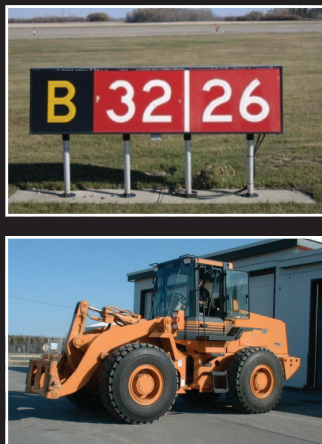
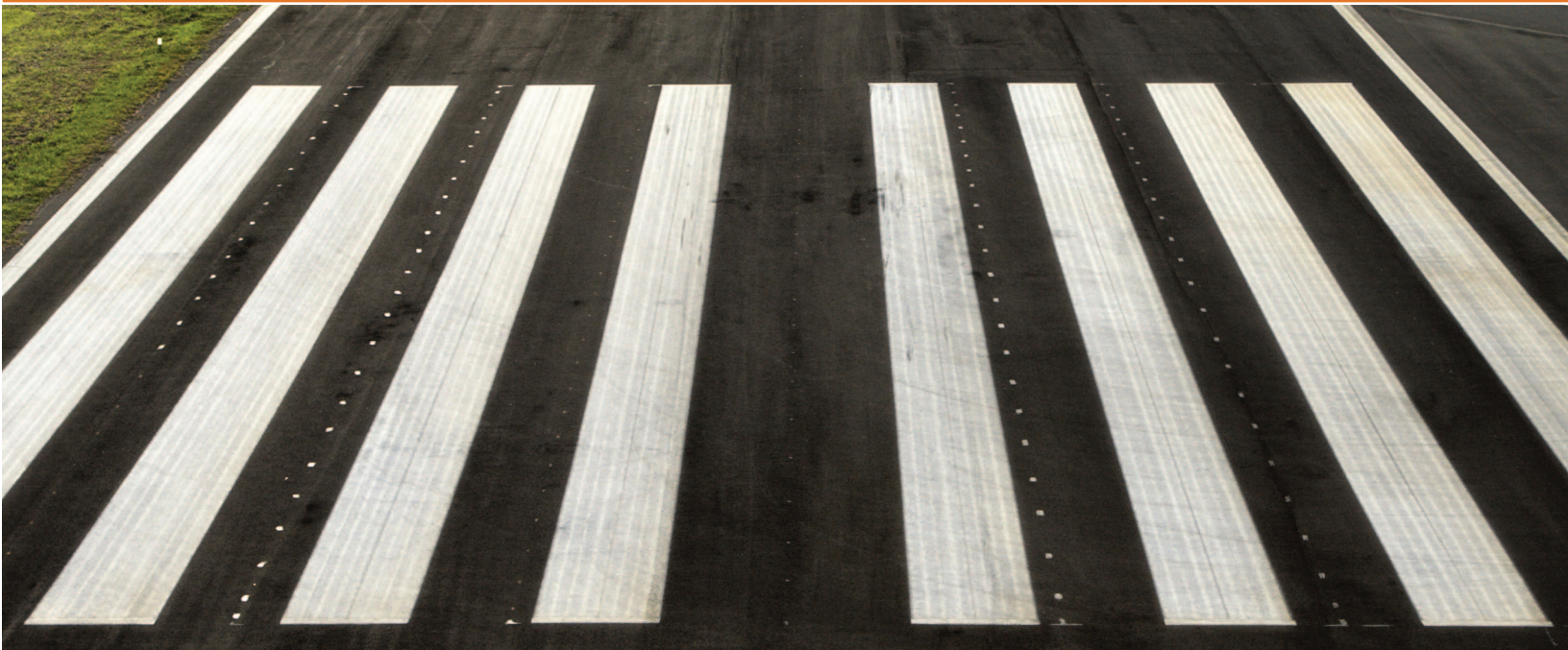
Transports
Canada



TP 12313
(06/2010)

Airports Capital Assistance Program

Information for Applicants



Canada

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Airports Capital Assistance Program

Information for Applicants

June 2010

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About ACAP

Transport Canada's Airports Capital Assistance Program (ACAP) provides federal funds to help eligible airports finance capital projects that will maintain and improve safety.

Any owner or operator¹ of an eligible airport may apply for ACAP funding.

Eligible Airports

Airports that can receive ACAP funding:

- Are not owned or operated by the federal government;
- Meet certification requirements²; and
- Offer year-round regularly scheduled commercial passenger service. This means that in each of the three most recent calendar years, the airport handled at least 1,000 year-round regularly scheduled commercial passengers as reflected in Statistics Canada "official" passenger statistics. If you are not part of these statistics, you must complete a statutory declaration.

Airports designated as a "Remote Airport" under the National Airports Policy issued July 13, 1994, do not need to meet the regularly scheduled passenger service requirement.

A registered aerodrome will be considered eligible if it is reasonably close to certification, and the proposed project will bring it up to certification. Transport Canada will assess eligibility on a case-by-case basis.

The Types of Projects ACAP Funds

ACAP funding is for projects needed to meet an airport's required level of safety. These are, in order of priority:

1st Priority: Safety-related airside projects³ such as:

- rehabilitating runways, taxiways and aprons;
- runway, taxiway and apron lighting;
- visual aids;
- sand storage sheds;
- utilities to service eligible items;
- site preparation costs, including directly related environmental costs;
- aircraft firefighting equipment required by regulation; and
- aircraft firefighting equipment shelters.

¹ Operators must be designated by the owner and in a long-term contractual relationship.

² See the TC publication *Aerodrome Standards and Recommended Practices (TP 312)*; Part III, Subpart 2, Airports.

³ ACAP will fund only airside safety-related projects required for aircraft providing the year-round regularly scheduled commercial passenger service. Any extra requirements are your responsibility.

2nd Priority: Heavy airside mobile equipment (safety related) such as:

- runway snowblowers;
- runway snowplows;
- runway sweepers; spreaders;
- winter friction testing devices; and
- heavy airside mobile equipment shelters.

3rd Priority: Air terminal building/groundside (safety related) such as:

- sprinkler systems;
- asbestos removal; and
- barrier-free access.

The Types of Projects ACAP Does Not Fund

- land purchases;
- feasibility, planning or zoning studies; or
- projects which have already been started or completed.

ACAP Evaluation Criteria

To be approved for ACAP funding you must:

- show that the airport cannot self-finance the project; and
- provide audited financial statements for the airport for the past three years⁴.

To be approved for ACAP funding your project must:

- be needed to maintain or improve safety;
- meet accepted engineering practices; and
- be justified on the basis of current demand.

Transport Canada will consider funding projects to expand facilities **only if** you can show that the current facilities put safety at risk.

⁴ The audited statements may extend to more than the airport if you have other operations.

Funding

Transport Canada will establish a project priority list on the basis of:

- Project category (i.e. priority 1, 2 or 3 as outlined above);
- Technical analysis (facility condition and asset maintenance); and
- Airport certification requirements.

For 1st and 3rd priority projects:

Transport Canada will fund eligible 1st and 3rd priority projects according to the table below. Aircraft Firefighting Services projects, as required by regulation, are reimbursed at 100% of eligible costs. ACAP funding is subject to the level of airport activity, based on the average of the statistics (identified by Statistics Canada or by statutory declaration) for the most recent three (3) calendar-year period:

Year-Round Regularly Scheduled Commercial Passengers* %			
1,000 – 49,999	100%	300,000 – 324,999	45%
50,000 – 74,999	95%	325,000 – 349,999	40%
75,000 – 99,999	90%	350,000 – 374,999	35%
100,000 – 124,999	85%	375,000 – 399,999	30%
125,000 – 149,999	80%	400,000 – 424,999	25%
150,000 – 174,999	75%	425,000 – 449,999	20%
175,000 – 199,999	70%	450,000 – 474,999	15%
200,000 – 224,999	65%	475,000 – 499,999	10%
225,000 – 249,999	60%	500,000 – 524,999	5%
250,000 – 274,999	55%	525,000 +	0%
275,000 – 299,999	50%		

* For airports north of the 60th parallel, Transport Canada will contribute at least 85% of approved project costs.

For 2nd priority projects:

Transport Canada funding for heavy airside mobile equipment is the same as Priority 1. But, when the equipment is not totally dedicated to airport use, ACAP funding will decrease to an amount that aligns with airport use.

Transport Canada will deduct equipment salvage value from the equipment cost before applying its contribution formula.

Transport Canada funding will be no more than 50% of the cost of airside mobile equipment shelters.

How to Apply

1. Discuss your plans

While developing your project and preparing the application are **your** responsibility, we strongly encourage you to discuss your funding request with Transport Canada Regional officials before formally submitting your application.

2. Prepare your application

While you may include the cost of development work (i.e. design work and environmental assessment reports) in the total amount requested, please note that Transport Canada will only reimburse these costs for items we approve and fund.

To help Transport Canada make a proper evaluation, please include the information below, with the application:

Airport-Related Data (as appropriate to the project)

Please describe:

- airport history: geographical location, services provided to stakeholders, economic benefit of the airport to the community/communities, number of airport employees, catchment area, population served, etc.;
- geotechnical data (soil type, subgrade bearing strength, surface topography, drainage); services and utilities: water, sewer, power, fuel, etc.;
- type and location of visual aids for navigation and airside lighting facilities;
- air carrier(s)/aircraft providing the year-round regularly scheduled passenger service and flight schedule(s); and
- number of aircraft movements.

Please provide:

- proof of existing ownership or lease or other operating arrangements;
- existing site plans providing details on the location and layout of the airport, facility dimensions, structure construction and condition, and the dimensions of the aircraft movement areas;
- long-range capital investment/asset replacement plan, if applicable;
- audited financial statements for the airport for the past three (3) years and a demonstrated inability to currently finance the project; and
- annual enplaned/deplaned year-round regularly scheduled commercial passenger statistics for most recent three (3) calendar-year period or a statutory declaration.

Project Specific Data (as appropriate)

Develop your project with enough detail so that if you receive funding, you can tender the project within a reasonable timeframe after signing the contribution agreement.

Please describe:

- your “before and during” project quality assurance program; and
- anticipated changes in operating and maintenance costs as a result of the project.

Please provide:

- a statement of project requirements and scope of work including a project definition and justification based on the evaluation criteria;
- a statement of project management services including design, consultant services, construction, field services, quality control and commissioning;
- a cost plan incorporating budgeting, estimating and cost control processes as well as a substantive estimate of cost by major work item for all phases of project delivery (i.e. design, environmental assessment, tendering, construction, etc.);
- a project schedule for all phases of project delivery showing anticipated start and finish dates, major milestones and a cash flow projection;
- a financial plan incorporating the securing of project financing including cost sharing arrangements, payment certification and project accounting;
- a design indicating geometric dimensions, specifications, construction methods, materials, etc.;
- the source of the design and the name of the engineer/engineering firm/ architect which prepared or reviewed the design;
- as evidence of appropriate maintenance of the existing facility, an operational/ maintenance plan (i.e. crackfilling program, electrical maintenance, etc.), and relevant copies of maintenance records indicating maintenance work undertaken and costs incurred; and
- for heavy airside mobile equipment applications, a vehicle condition report and maintenance/repair record, vehicle inventory list, proposed vehicle replacement schedule, and the trade-in or salvage value (i.e. a written independent estimate from a qualified source for the equipment being replaced).

Environment

You must submit an environmental information form for each construction project, to determine if an environmental review is required under the *Canadian Environmental Assessment Act*. You may request the form from your Transport Canada Regional Office.

Aboriginal Consultations

In Canada, the Crown has a legal duty to consult and, where appropriate, accommodate when the Crown contemplates conduct that might adversely impact potential or established Aboriginal or treaty rights.

This is why you must determine at an early stage, whether your proposed activity could adversely impact an Aboriginal or treaty right. Seek advice from Transport Canada. Our experts will help make this determination and if necessary, provide direction on the consultation process.

Lowest Project Costs

You must show that you:

- held/will hold a competitive process for all phases of each project, including selecting consultants; and
- did/will accept the lowest qualified bid.

3. Submit your application

Send your application to the Regional Director General, Transport Canada, of the Region your airport is located in. A list of Transport Canada Regional Offices is attached as Annex A.

Note: While you may apply at any time, to be considered for funding during a certain fiscal year (April 1 to March 31), your application should reach the Regional Office by April 1 of the preceding year.

What Happens Next

Evaluation and Notification

Transport Canada will review your application against ACAP criteria and will:

- Let you know that they have received your application;
- Contact you for more information, to arrange a site visit, or to discuss the project and cost estimates;
- Advise you if your project does not qualify for funding;
- Review the qualified applications and decide whether or not to award funds;
- Advise you if your project is approved for funding in the upcoming fiscal year;
- Announce all approved projects;
- Place projects that cannot be funded on a reserve list; and
- For projects still on the reserve list on April 1st, ask you if the project is still necessary and the design work and cost estimates are still valid.

Note: Eligible Applicants are not automatically entitled to receive ACAP funding. These funds are given as they are available and at the discretion of Transport Canada.

The Contribution Agreement

If your project is funded, you must enter into a contribution agreement as a Recipient before any work on the project can begin. The Regional Office will negotiate this agreement. It will specify:

- the nature and scope of the work to be done; and
- the maximum amount Transport Canada will pay towards the project.

As a Recipient, you must:

- meet the Values and Ethics Code and the *Lobbying Act*;
- meet the requirements of the *Official Languages Act*;
- continue to operate the airport to aerodrome certification standards for a period of ten years following the signing of the Agreement—if your ACAP funding is \$1,000,000 or more—or repay the amount;
- if your ACAP funding is less than \$1,000,000, the period you must continue to operate will correspond to the amount you received, i.e. one year for every \$100,000. **Note:** No operating term will be less than two (2) years;
- declare any and all sources of funding for the project when the agreement is negotiated **and** when the project is complete.

Transport Canada may consider placing limits to ACAP funding if you receive funding for your project from other levels of government, including other federal sources.

- give Transport Canada the right of access, information and audit to determine if you have complied with the terms and conditions of the contribution agreement.

Payment

Transport Canada will:

- provide funds for actual eligible project expenditures you incur or pay, based on invoices or proof of payment.
- hold back at least 10% of the contribution until it has received evidence that you have fully complied with the terms and conditions of the contribution agreement.
- not pay for the purchase of heavy airside mobile equipment for the airport until you have met delivery, insurance and training requirements.

Notes:

1. ACAP payments are subject to Parliament approving the funds required for the fiscal year the payment is to be made. If Parliament changes departmental funding levels, a contribution may be reduced or cancelled.
2. The scope of a project cannot be changed without written agreement between the Recipient and Transport Canada.
3. Costs associated with work performed outside the approved scope without Transport Canada approval will be your responsibility.
4. Any costs over and above the approved level of funding will be your responsibility.

Service Standards

Our goal is to provide our clients with written acknowledgment of the receipt of their application within ten (10) business days.

Our goal is to notify our clients of any deficiency in their project proposal (if any) within sixty (60) business days following its receipt. If the standard will not be met, the client will be contacted on the delay.

Our goal is to provide recipients with their initial draft contribution agreement within six (6) weeks of the final project approval. If the standard will not be met, the recipient will be contacted on the delay.

You can learn more about the Airports Capital Assistance Program by contacting any of the Regional Offices listed in Annex A.

Annex A

Transport Canada Regional Offices

Atlantic Region

Regional Director General
Atlantic Region, Transport Canada
P.O. Box 42
95 Foundry Street, 6th floor
Heritage Court
Moncton, New Brunswick E1C 8K6

Telephone: 1 (506) 851-7315
Facsimile: 1 (506) 851-3099

Québec Region

Regional Director General
Québec Region, Transport Canada
700 Leigh Capréol
Dorval, Québec H4Y 1G7

Telephone: 1 (514) 633-2717
Facsimile: 1 (514) 633-2720

Ontario Region

Regional Director General
Ontario Region, Transport Canada
4900 Yonge Street, 4th floor
Toronto, Ontario M2N 6A5

Telephone: 1 (416) 952-2170
Facsimile: 1 (416) 952-2174

Prairie and Northern Region

Regional Director General
Prairie and Northern Region, Transport Canada
P.O. Box 8550
344 Edmonton Street, 4th Floor
Winnipeg, Manitoba R3C 0P6

Telephone: 1 (204) 984-8105
Facsimile: 1 (204) 984-8119

Pacific Region

Regional Director General
Pacific Region, Transport Canada
800 Burrard Street, Suite 620
Vancouver, British Columbia V6Z 2J8

Telephone: 1 (604) 666-5849
Facsimile: 1 (604) 666-7255