

REPORT TO: ECONOMIC DEVELOPMENT COMMITTEE - 17TH APRIL 2006

REPORT ON: DUNDEE AIRPORT:- CAPITAL EXPENDITURE PLAN: 2006-07, AND INDICATIVE FORWARD PROGRAMME TO 2009-2010

REPORT BY: DIRECTOR OF ECONOMIC DEVELOPMENT

REPORT NO.: 234-2006

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to request approval for a programme of Capital Investment for Dundee Airport, on a definitive basis for 2006-07, and on an outline basis for the three subsequent years.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Committee should approve the terms of this report, and remit the Director of Economic Development to implement the programme of works.

3. FINANCIAL IMPLICATIONS

- 3.1 Financing charges on expenditure proposed in this report are covered by grant from the Scottish Executive.

4. LOCAL AGENDA 21 IMPLICATIONS

- 4.1. There are no implications for Local Agenda 21.

5. EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1. There are no negative equal opportunities implications.

6. REPORT

- 6.1 The major item in the 2006-07 programme is the second phase of construction of the fire training ground and the related procurement of the fire training rig itself. A separate report requests specific approvals for expenditure on this project. The remainder of the expenditure in 2006-07 is almost entirely composed of projects to replace, refurbish or upgrade existing facilities that have significant defects or weaknesses, with no single project exceeding £60,000.
- 6.2 The programme beyond 2006-07, remains dominated by the replacement of life expired facilities and equipment, including substantial provision for a new-build fire vehicle spread over financial years 2008-09 and 2009-10 - although favourable operational experience following refurbishments of existing fire vehicles might yet see this requirement deferred to a later date. Wholly new provision in the advance programme includes a proposal to construct further covered storage for airport emergency vehicles combined with a workshop facility to allow repairs and overhauls to be carried out on site. This project is important because of the high costs associated with the maintenance of vehicles stored permanently outside, and the high costs associated with transporting specialised equipment on low loaders to maintenance facilities off the aerodrome.
- 6.3 In the 2009-10 programme a project is proposed to increase fuel storage capacity at the airport, and to further increase the size of the airport apron. The inclusion of these projects is in anticipation that the very strong growth of business executive jet traffic, which has been sustained over the last four years, -and shows no sign of abating, will result in serious issues of apron space and fuel availability in a few years time, if measures are not in place to provide increased capacity. Provision for the replacement of the airport rescue hovercraft is also listed for 2009-10. The present craft will be eleven years old by that time, and it operates in a punishing saline environment. It can therefore be expected to be at the end of its useful life by the anticipated replacement date.

7. CONSULTATIONS

- 7.1. The Chief Executive, Depute Chief Executive (Support Services), Depute Chief Executive (Finance) and the City Engineer have been consulted in the preparation of this report.

8. BACKGROUND PAPERS

- 8.1. None.

**DOUGLAS A A GRIMMOND
DIRECTOR OF ECONOMIC DEVELOPMENT**

DATE: 10TH APRIL 2006

Dundee Airport Capital 2006-07 and Indicative Forward Programme						
	Description	Explanation	2006-07	2007-08	2008-09	2009-10
			All sums are £,000	All sums are £,000	All sums are £,000	All sums are £,000
1	Minor Retention Payments	Contractual Obligation	5	5	5	5
2	Minor Works		25	30	30	30
3	Fire Practice Ground, Rig, and Fire Mains	CAA Fire Inspector Requirement for completion by 2006-07	320	10		
4	Aerodrome Lighting Replacements/ Upgrades	Light West Apron, and Replace Runway Guard Lamps	13			
5	RFFS Vehicle and Equipment Investment	Upgrade vehicles, etc, to maintain reliable operations	60	70	250	150
6	Airport Vehicle and Plant Storage Building	Improved vehicle reliability and reduced maintenance	10	100	90	10
7	Surfacing / Runway Strip Works	Upgrading of life expired surfaces	30	30	30	
8	Car Parking	Improvements to Car Parking	50	30		
9	Shore Protection Works	Protect the southern security fence against wave erosion	20			
10	X-Ray and Metal Detector Replacement	Replace Gatehouse equipment nearing life expiry	40			
11	Standby Generator and Switch Room Works	Move generator to allow electrical switchroom upgrade	40			
12	Refurbishment of Eagle 540	Major rebuild as an alternative to replacement	25			
13	Runway Friction Tester Upgrade	Upgrade the device for measuring runway grip safety	12			
14	Rationalised access to Fuel Compound	Better Security, easier access, efficient use of scarce space		40		
15	Provide new Fire Mains and Hydrants	Improvement of mains pressure		50		50
16	New Non-Directional Beacon	Replacement of 1988 unit nearing life expiry		20		
17	Air Traffic Control Cab Refit/ Lighting Panel	Replacement of desk and control boards		30		
18	Security Fence	Replacement programme		25	50	
19	Vehicle Fleet Replacements/Upgrades	Provision for routine replacement / upgrade of vehicles		10	20	
20	Terminal Alterations	Improvements to baggage handling area		30	25	
21	Fuel Storage Capacity Increase	Improve reserves provision				100
22	Increased Apron Space and Taxiway works	Improve capacity				150
23	Relocate Airport Radios from Tayside House	Tayside House due to be demolished		20		
24	New Hovercraft	1998 Craft expected to be life expired				120
Totals			650	500	500	615