

REPORT TO: ECONOMIC DEVELOPMENT COMMITTEE - 18TH APRIL 2005
REPORT ON: THE ACQUISITION OF AIRCRAFT TOWBARS FOR DUNDEE AIRPORT
REPORT BY: DIRECTOR OF ECONOMIC DEVELOPMENT
REPORT NO.: 241-2005

1 PURPOSE OF REPORT

- 1.1 To request approval of a proposed contract with McKechnie Aerospace for the purchase of aircraft towbars and interchangeable heads.

2 RECOMMENDATIONS

- 2.1 That the Committee should approve the letting of a contract to McKenchie Aerospace in the sum of approximately US\$16,000 for the acquisition, shipping, import clearance and local delivery of an aircraft towbar and interchangeable towheads, for Dundee Airport.

3 FINANCIAL IMPLICATIONS

- 3.1 Provision for this purchase is included in the approved 2005-06 capital programme for Dundee Airport. Initial training costs for staff to be able to use this equipment will be met from the airport revenue budget. Once in service this equipment will substantially increase the amount of traffic that Dundee Airport can accept at busy periods and during special events, and thereby generate significant additional income.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 None.

6 REPORT

- 6.1 Up to the present time, aircraft parking at Dundee Airport has been carried out on a self-maneuvring basis by aircraft moving and turning under their own power. While this is quick and easy in operational terms, it is very demanding of apron space, - because the aircraft must have room left for them to turn on the aircraft stand. Apron space is very expensive to provide, - perhaps £100,000 for a single self-maneuvring parking stand.
- 6.2 However by acquiring the equipment and skills needed to push and pull aircraft using towbars and tug vehicles (*known as 'pushback' working*), parking densities can be approximately doubled. Thus at the present time, - and including the newly completed west apron, Dundee Airport can accommodate 4 of the most typically experienced airliners/business executive jets on a self-maneuvring basis. However, with the use of pushback working this total is would increase to at least 7, and probably 8 or more, depending on the precise aircraft types involved.
- 6.3 Pressures on space have already been experienced at Dundee Airport. With business executive aviation growing strongly and several major peak-demand events due in the near future, (*such as the Open Golf Championship*), an ability to implement pushback working would substantially increase Dundee Airport's revenue earning capability at peak demand times. In that context it should be noted that each visit by a business executive aircraft makes a substantial net contribution to Dundee Airport's income.
- 6.4 Thus it is proposed that Dundee Airport should now develop a pushback capability, which it can implement in the first instance by spending approximately £9,000 on towbars/towheads and then implementing a training programme. In the first instance airport tractors will be used to carry out towing and pushing duties, with a specialist push/tow vehicle being acquired in due course, as demand requires. This is seen as a very cost effective way to increase revenue earning potential at the airport, because the provision of the same capacity by increases in apron space would be likely to cost in excess of £300,000.

- 6.5 The towbar and towhead equipment involved needs to come from a specialised source in the United States and has to be purchased in US Dollars. The provider, McKechnie Aerospace, has indicated that it cannot give an exact quote in advance for shipping costs from the United States, export/Import clearance charges, or local delivery within the UK. The Committee is therefore asked to authorise the officers to incur costs of approximately US\$16,000 for this purchase, equivalent to approximately £9,000 at current exchange rates.
- 6.6 A total of £12,000 has been allowed for towbar/towhead purchase in the 2005-06 Capital Programme. Because the towheads are bespoke for individual aircraft types it may be that a future report will request the purchase of additional towheads if there are regular visits by aircraft not covered by the initial portfolio.
- 7 **CONSULTATIONS**
- 7.1 The Chief Executive, Depute Chief Executive (Support Services) and Depute Chief Executive (Finance) have been consulted in the preparation of this report.
- 8 **BACKGROUND PAPERS**
- 8.1 None.

DOUGLAS A A GRIMMOND
DIRECTOR OF ECONOMIC DEVELOPMENT

DATE: 11TH APRIL 2005