

# Transport Canada Airport Lease Monitoring

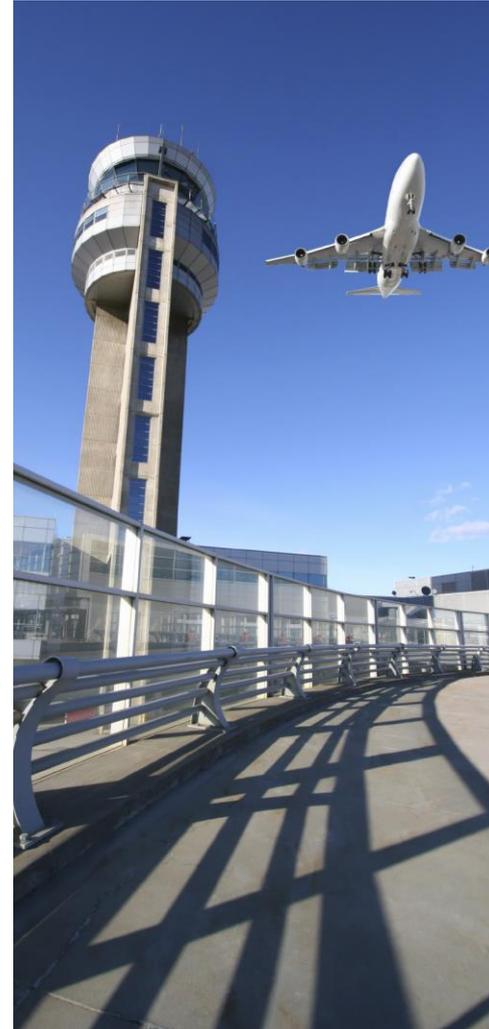
Auditing Association of Canada Annual Conference  
Halifax, NS

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# Discussion topics

- Background
- National Airport System (NAS) Overview
- National Airport Policy
- Monitoring Framework and Principals
- Risk Management
- Methodology of Site Visit
- What are we looking at?
- Indication of Success





# BACKGROUND

- Until the 1990s, airports in Canada were owned, operated or subsidized by the federal government, through Transport Canada.
- Beginning in 1992, control of these Canadian airports was transferred to local airport authorities, a governmental initiative that would become known as the National Airports Policy (NAP).
- Today, 26 of Canada's airports are operated by non-share, not-for-profit airport authorities under long-term leases with the federal government .
- The federal government retains ownership of these airports, but has transferred the management and upkeep responsibilities to local entities.
- The federal government continues to set safety and security standards for all Canadian airports.



# National Airport Policy

- The federal government's National Airports Policy (NAP) provides a framework that clearly defines the federal government's role with airports.
- There are two main levels of federal involvement in airports: nationally-significant airports that form a National Airports System (NAS) and regional/local airports.
- The National Airports System comprises 26 airports that link the country from coast to coast and internationally.



# Monitoring Framework

- Transport Canada is responsible for protecting the interest of the Crown and for promoting public policy in the use of public property.
- Transport Canada must be a diligent landlord with response to the National Airport System airports transferred by means of a long term Ground Lease.
- The *Federal Real Property Act* describes the requirement to ensure that Crown assets are managed to the maximum long-term advantage of the Crown while at the same time ensuring that public policies are suitably protected.
- The legal relationship between the Crown and various Airport Authorities (AAs) is spelled out in the Ground Lease and various attendant documents.
- The Canadian Airport Authority Ground Lease gives the Landlord specific authority to inspect and audit the activities of the tenant with respect to the premises.



# Monitoring Principles

The **Transport Canada Airport Lease Monitoring Program** strives to:

- Ensure that both the Airport Authorities and Transport Canada are carrying out their obligations under the Ground Lease and associated agreements.
- Achieve a balance that provides due diligence, but not inappropriate interference, in airport management.
- Ensure national consistency in lease monitoring, reporting methodologies and documentary evidence gathering.
- Respect Airport Authorities and Departmental resource constraints.
- Recognize individual airport differences.
- Take into account the need for positive and ongoing personal interactions between the Airport Authorities and Transport Canada.



# Risk Management

- Transport Canada has introduced risk management into their Airport Lease Monitoring procedure to allow for more effective and efficient use of resources.
- Risks are owned by the Airport Authority. It is the responsibility of the Airport Authorities to manage their operations to mitigate potential risks, including the risk of non-compliance with the Ground Lease.
- Transport Canada needs to be aware of the risks to the extent that these risks impact on the Airport Authority's ability to comply with the ground lease.
- Applying risk management in National Airport System airport lease monitoring activities implies that resources are better allocated to higher risk areas allowing for increased efficiency and effectiveness of the process.



# Risk Management

- Applying a risk management approach also help to reduce the interaction with the Airport Authorities in areas that are routine and deemed low risk. Such decisions, however, need to be documented and justifiable.
- When airports are not physically visited Transport Canada relies on information collected from the Airport Authority by means of correspondence, supporting documents and attestations.
- The Airport Authorities are required to report on their glycol management, environmental management system updates, water quality programs (including sampling results), storage tank management, tenant environmental management, etc.

# Methodology Site Visit

- Transport Canada conduct site visits at approximately 14 airports per year. The number of airports visited depends on the results of the risk assessment reports.
- The monitoring visit consists of an opening and closing meeting with airport staff in conjunction with Transport Canada's Commercial and Technical groups. The monitoring visit consists of a site tour, interviews with airport staff and completion of the environmental checklist.
- An environmental summary report is generated after the lease monitoring visit for inclusion in the lease monitoring report.





# What are we looking at?

- Changes in staff, operations, procedures, equipment, infrastructure, tenants, etc.
- Are there outstanding issues from last year?
- Updates to :
  - The Environmental Management System
  - The Environmental Emergency Plan
  - The Glycol management plan
  - Storage tank inventory updates
  - Water quality management plan, etc.
- Surface water and drinking water quality sampling results.
- Waste water sampling results for sites that have a water treatment system.

# What are we looking at?

- Has the Airport Authority undertaken remedial work, including monitoring and risk management, to clean-up contamination?
- Has the Airport Authority received a notice of non-compliance with any environmental laws?
- Do the lease agreements between the Airport Authority and its tenants contain environmental requirements?
- Is there a procedure in place for the Airport Authority to ensure that its tenants comply with their environmental responsibilities?





# What are we looking at?

- Has the Airport Authority received any notice from a regulatory authority requiring remedial action for hazardous materials?
- Has the Airport Authority been aware that one of its tenants has not been in compliance with an applicable environmental law?
- Were there any spills, accidents and or releases at the airport?
  - Were they documented and remediated properly?
  - What steps were taken to prevent future incidents of the same nature?



# Indications of Success

- Improved environmental awareness of airport staff.
- Improved management of hazardous materials.
- Decrease in spills and releases.
- Decreased environmental impacts of the airport.
- Increase in positive and ongoing personal interactions between the Airport Authorities and Transport Canada.

