

# Airport Advisory Committee

## AGENDA



Friday, October 5, 2018

9:00 am

Airport Administration Boardroom

Kelowna International Airport

1-5533 Airport Way

Kelowna, BC

	Pages
<b>1. Call to Order, Welcome &amp; Introductions</b>	
<b>2. Confirmation of Minutes</b>	2 - 4
February 1, 2018	
<b>3. Reports</b>	5 - 52
<b>3.1 2018 Year to Date Overview</b>	
<b>3.2 Airport Improvement Fee (AIF) Program Background</b>	
<b>3.3 Drive to 1.6M Passengers and Flight to 2020 AIF Programs</b>	
<b>3.4 Soaring Beyond 2.5M Passenger AIF Program</b>	
<b>3.4.1 Schedule</b>	
<b>3.4.2 Implementation Plan</b>	
<b>3.4.3 Major Projects</b>	
<b>3.4.4 Implementation Timeline</b>	
<b>3.4.5 Terminal Building Expansion</b>	
<b>3.4.6 Financial Implications</b>	
<b>4. Questions &amp; Wrap Up</b>	
<b>5. Termination of Meeting</b>	



## Airport Advisory Committee Minutes

Date: Thursday, February 1, 2018  
Location: Airport Administration Boardroom  
Kelowna International Airport  
1-5533 Airport Way  
Kelowna, BC

Committee Members Present: Chair, Mayor Colin Basran, City of Kelowna  
Councillor Luke Stack, City of Kelowna  
Carmen Sparg, Kelowna Chamber of Commerce  
Mayor Akbal Mund, City of Vernon  
Mayor James Baker, District of Lake Country  
Councillor Alan Harrison, City of Salmon Arm  
Councillor Peter Scheirbeck, District of Peachland  
Jaron Chasca, Greater Vernon Chamber of Commerce  
Thom Killingsworth, Tourism Kelowna  
Councillor Duane Ophus, City of West Kelowna  
Councillor Fernanda Alexander, Westbank First Nation  
Norm Lecavalier, Greater Westside Board of Trade  
Erick Thompson, Summerland Chamber of Commerce

Committee Members Absent: Mayor Andrew Jakubeit, City of Penticton  
Brian Highley, South Okanagan Chamber of Commerce  
Chair Gail Given, Regional District of Central Okanagan  
Corie Griffiths, Central Okanagan Economic Development Commission  
Meryle Corbett, Aviation Industry Representative  
Walter Gray, Kelowna City at Large  
Andre Blanleil, Kelowna City at Large

Staff Present: Airport Director, Sam Samaddar  
Senior Airport Finance & Corporate Services Manager, Shayne Drydal  
Senior Airport Development Manager, Ed Stephens  
Senior Airport Operations Manager, Phillip Elchitz  
Airport Administration Manager, Toni McQueenie

Guests: Consultant, Vicki Brown, 3BP Solutions Ltd.  
 Consultant, Rob Grant, OMB Architects & Designers  
 Consultant, Ryan Panos, OMB Architects & Designers

### 1. Call to Order, Welcome and Introductions

The Chair called the meeting to order at 9:04 a.m. and welcomed everyone in attendance. Introductions were conducted.

### 2. Confirmation of Minutes

Moved by Mayor James Baker/Seconded by Mayor Akbul Mund

THAT the Minutes of the January 20, 2017 Airport Advisory Committee meeting be adopted.

Carried

### 3. Reports

#### 3.1 2045 Master Plan Overview

Airport Director and Senior Airport Development Manager:

- Provided an update on YLW's passenger growth - eighteen percent (18%) over past 2 years.
- Provided a brief overview of air service changes in 2018 and the impact the current pilot shortage is having on air service development.
- Displayed a PowerPoint presentation and provided an overview of the 2045 Master Plan.
- Responded to questions from the Committee regarding the plans for the portion of the multi-use pathway that runs through the airport lands and confirmed that this was included in the 2045 Master Plan.

#### 3.1.1 Key Findings/Concerns

Senior Airport Development Manager:

- Displayed a PowerPoint presentation and provided an overview of the key findings and concerns.

#### 3.2 Soaring Beyond 2.5 Million Passengers

#### 3.2.1 Timeline

Senior Airport Development Manager:

- Displayed a PowerPoint presentation setting out the timeline for "Soaring Beyond 2.5M Passengers".

### 3.2.2 Major Projects

Senior Airport Development Manager:

- Displayed a PowerPoint presentation and provided an overview of the upcoming major projects.

### 3.2.3 Terminal Building Expansion

Vicki Brown, 3BP Solutions Ltd. and Rob Grant, OMB Architects & Designers:

- Displayed a PowerPoint presentation and provided an overview of the terminal building expansion.
- Displayed a physical model of the air terminal building.

Airport Director:

- Responded to questions from the Committee regarding the wait times at pre-board screening and advised that funding for screeners is controlled at the national level.
- Responded to questions from the Committee regarding possible changes to the air terminal building configuration and possible relocation.

## 4. Questions & Wrap Up

Committee Member, Councillor Fernanda Alexander:

- Advised that she recently attended a conference on indigenous tourism and its economic benefit. Westbank First Nation is looking for support to install an e-kiosk for indigenous tourism in the airport as well as a commitment from the airport to discuss reinstating the Westbank First Nation display in the airport's terminal building.
- Extended an open invitation to all members of the Airport Advisory Committee to attend a one-day presentation that Aboriginal Tourism BC will be making to Westbank First Nation between February 14-16, 2018. Please contact Councillor Alexander for more information.
- Advised that there will be a tourism conference in March and provided the link for more information: <http://www.bctourismconference.ca>.

Mayor Basran, Chair:

- Advised Councillor Alexander to contact the Airport Director to discuss indigenous tourism and the possibility of an e-kiosk in the terminal building.

## 5. Termination of Meeting

The Chair thanked everyone for attending and provided closing comments.

The Chair declared the meeting terminated at 10:28 a.m.

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Mayor Colin Basran, Chair

tmcq/slh

# Airport Advisory Committee Meeting

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October 2018



# Agenda

- Call to order, welcome and introductions
- Confirmation of minutes
- 2018 Year to Date Overview
- AIF Program Background
- Drive to 1.6 M Passengers and Flight to 2020 AIF Programs
- Soaring Beyond 2.5 Million Passenger AIF Program
  - Schedule
  - Implementation plan
  - Major projects
  - Implementation timeline
  - Terminal building expansion
  - Financial implications
- Questions

# 2018 Year to Date Overview – Passenger Traffic

Monthly Diff (2018 to 2017)				
Month	2018	2017	Diff	% Diff
January	176,389	163,319	13,070	8.00%
February	173,940	161,626	12,314	7.62%
March	185,796	173,504	12,292	7.08%
April	156,816	146,331	10,485	7.17%
May	155,911	143,061	12,850	8.98%
June	162,040	143,008	19,032	13.31%
July	187,678	163,751	23,927	14.61%
August	201,485	179,153	22,332	12.47%

YTD Diff (2018 to 2017)				
Month	2018	2017	Diff	% Diff
January	176,389	163,319	13,070	8.00%
February	350,329	324,945	25,384	7.81%
March	536,125	498,449	37,676	7.56%
April	692,941	644,780	48,161	7.47%
May	848,852	787,841	61,011	7.74%
June	1,010,892	930,849	80,043	8.60%
July	1,198,570	1,094,600	103,970	9.50%
August	1,400,055	1,273,753	126,302	9.92%

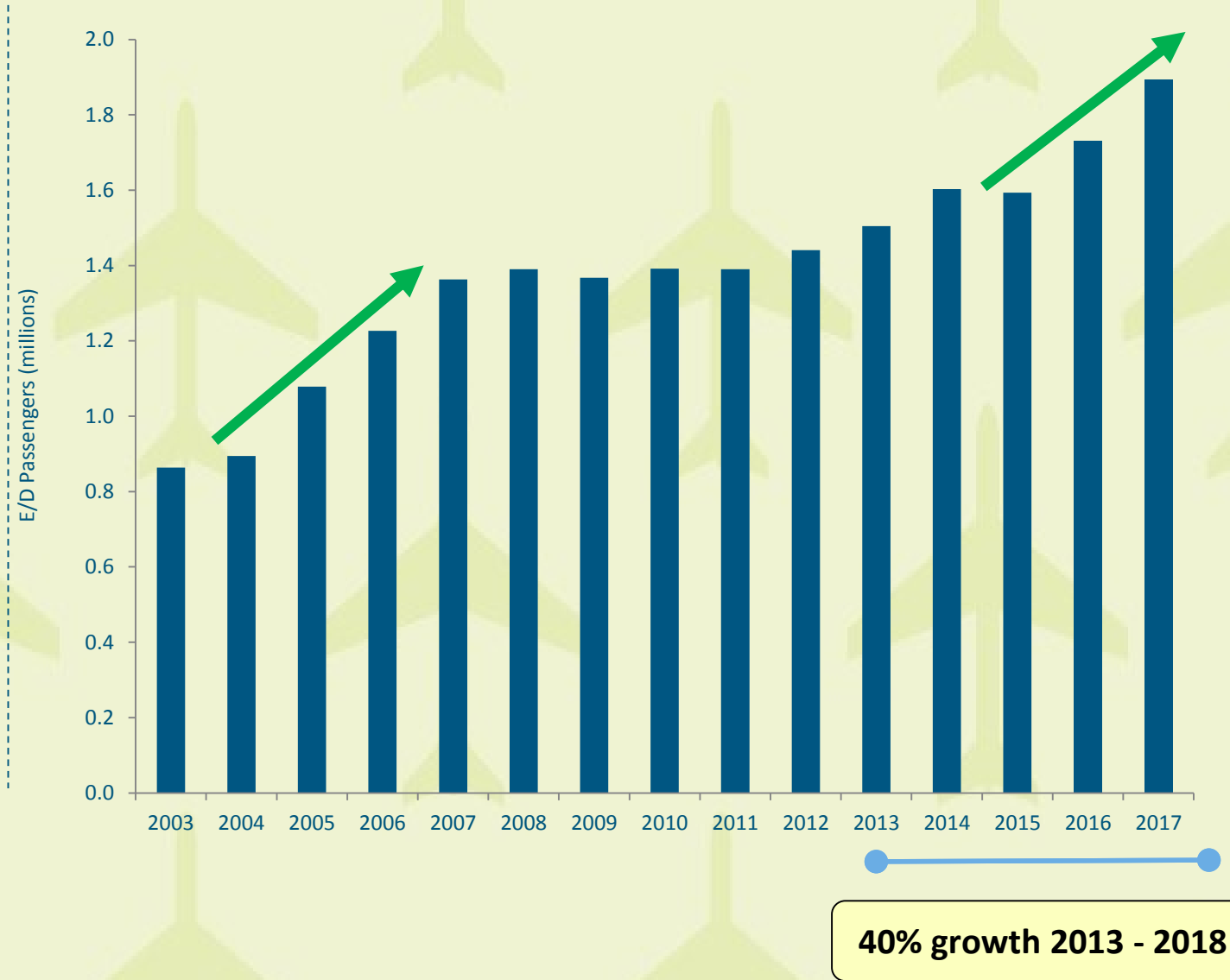
**9.9% growth  
2018 Year to Date**

**2M passengers by year end  
YLW will become the 10<sup>th</sup>  
busiest airport in Canada**



# 2018 Year to Date Overview – Passenger Traffic

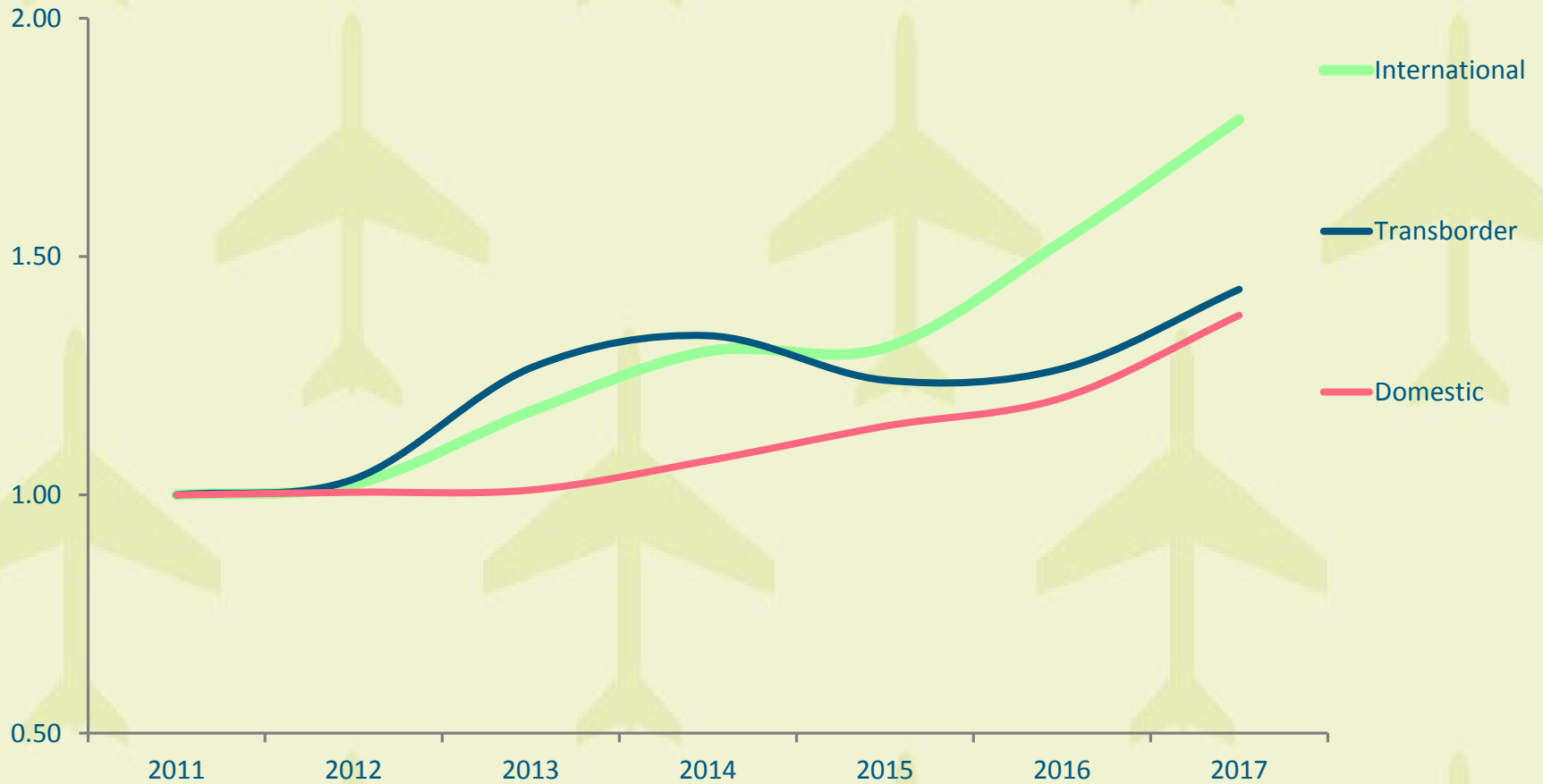
Sustained growth over last 33 months





# 2018 Year to Date Overview – Passenger Traffic

Growth in all sectors



# 2018 Year to Date Overview – Passenger Traffic

## Total Enplane Deplane September 2017– August 2018

	2017 SEP	2017 OCT	2017 NOV	2017 DEC	2018 JAN	2018 FEB	2018 MAR	2018 APR	2018 MAY	2018 JUN	2018 JUL	2018 AUG	12 Month Total
<b>YYJ Victoria</b>	167.8	166.7	145.3	161.0	141.8	136.5	164.8	165.9	174.3	183.5	199.2	214.8	<b>2,021.5</b>
Prior Year	167.0	167.1	140.0	156.8	135.0	128.7	158.1	158.9	163.5	169.1	179.8	201.0	1,924.9
Pct Change	+0.5%	-0.3%	+3.8%	+2.7%	+5.0%	+6.0%	+4.2%	+4.4%	+6.6%	+8.6%	+10.8%	+6.9%	+5.0%
<b>YLW Kelowna</b>	148.3	150.9	143.4	177.1	176.4	173.9	185.8	156.8	155.9	162.0	187.7	201.5	<b>2,019.8</b>
Prior Year	143.2	147.7	136.6	166.5	163.3	161.6	173.5	146.3	143.1	143.0	163.8	179.2	1,867.8
Pct Change	+3.6%	+2.2%	+4.9%	+6.4%	+8.0%	+7.6%	+7.1%	+7.2%	+9.0%	+13.3%	+14.6%	+12.5%	+8.1%
<b>YMM Fort McMurray</b>	57.0	60.1	55.3	53.8	53.3	51.6	56.7	53.0	55.2	51.7	54.6	58.9	<b>661.4</b>
Prior Year	66.9	66.7	63.3	59.4	58.1	54.9	61.6	63.0	64.6	62.4	60.0	62.4	743.2
Pct Change	-14.9%	-9.9%	-12.6%	-9.5%	-8.1%	-6.0%	-7.9%	-15.8%	-14.5%	-17.2%	-9.0%	-5.5%	-11.0%
<b>YXE Saskatoon</b>	110.3	117.9	120.4	129.8	130.6	129.0	129.8	120.8	116.8	124.0	138.1	140.1	<b>1,507.6</b>
Prior Year	114.9	118.1	115.1	123.2	130.2	125.7	123.4	118.4	110.2	117.7	127.2	132.2	1,456.2
Pct Change	-4.0%	-0.2%	+4.6%	+5.4%	+0.3%	+2.6%	+5.2%	+2.0%	+6.0%	+5.4%	+8.6%	+6.0%	+3.5%
<b>YQR Regina</b>	92.0	97.7	97.5	108.7	110.1	107.6	109.7	97.8	100.6	99.8	107.0	111.9	<b>1,240.5</b>
Prior Year	98.5	100.8	96.2	107.0	109.6	108.1	107.8	100.5	93.3	92.8	104.9	106.4	1,225.8
Pct Change	-6.6%	-3.0%	+1.4%	+1.6%	+0.5%	-0.4%	+1.7%	-2.7%	+7.9%	+7.5%	+2.0%	+5.2%	+1.2%
<b>YXU London</b>	46.8	46.1	35.5	41.4	42.1	37.9	44.3	38.2	42.9	47.6	54.1	58.3	<b>535.2</b>
Prior Year	46.4	44.0	34.1	40.8	42.2	40.2	44.1	37.8	38.6	43.7	49.3	55.2	516.2
Pct Change	+0.9%	+4.9%	+4.2%	+1.7%	-0.2%	-5.7%	+0.3%	+0.8%	+11.2%	+9.0%	+9.7%	+5.6%	+3.7%
<b>YHM Hamilton</b>	62.3	50.5	28.3	36.7	36.7	34.4	38.3	33.6	44.2	57.8	83.5	101.0	<b>607.3</b>
Prior Year	38.5	35.9	21.2	30.0	38.0	43.8	45.1	41.2	46.0	55.8	73.9	77.1	546.6
Pct Change	+61.6%	+40.6%	+33.3%	+22.4%	-3.4%	-21.4%	-14.9%	-18.5%	-4.1%	+3.7%	+13.0%	+30.9%	+11.1%
<b>YTZ Toronto City</b>	235.5	257.4	237.4	233.6	176.6	170.9	216.5	213.3	251.5	267.2	265.8	285.2	<b>2,810.9</b>
Prior Year	256.9	259.8	229.4	215.1	164.7	164.2	205.8	217.2	255.3	265.4	257.1	273.7	2,764.7
Pct Change	-8.4%	-0.9%	+3.5%	+8.6%	+7.2%	+4.1%	+5.2%	-1.8%	-1.5%	+0.7%	+3.4%	+4.2%	+1.7%
<b>YQB Quebec City</b>	133.1	143.4	114.3	141.9	154.0	149.5	171.9	149.7	130.7	135.7	157.8	158.8	<b>1,740.9</b>
Prior Year	124.8	127.7	112.6	133.0	153.6	144.7	161.0	148.4	115.4	124.7	145.0	145.4	1,636.4
Pct Change	+6.6%	+12.3%	+1.5%	+6.7%	+0.3%	+3.4%	+6.8%	+0.9%	+13.3%	+8.8%	+8.8%	+9.2%	+6.4%
<b>YQM Moncton</b>	51.1	51.2	49.6	51.6	43.5	41.8	69.9	69.0	56.4	54.5	63.5	71.4	<b>673.6</b>
Prior Year	55.3	55.2	47.2	50.2	44.4	45.6	68.2	68.8	56.6	52.0	60.6	65.9	670.0
Pct Change	-7.5%	-2.2%	+5.1%	+2.8%	-2.0%	-8.3%	+2.5%	+0.3%	-0.3%	+4.8%	+4.7%	+8.3%	+0.5%
<b>YYG Charlottetown</b>	39.2	30.6	19.4	20.9	16.6	17.4	20.1	23.8	32.6	39.5	51.4	56.5	<b>367.9</b>
Prior Year	37.0	30.7	19.4	20.5	17.5	16.6	22.0	24.5	29.3	39.7	52.8	58.3	368.2
Pct Change	+5.9%	-0.3%	+0.3%	+2.0%	-5.3%	+5.1%	-8.5%	-3.0%	+11.2%	-0.5%	-2.6%	-3.0%	-0.1%



**8% growth rolling 12 months**

# 2018 Year to Date Overview – Passenger Traffic

## Commercial Air Carrier Movements September 2017 – August 2018

	2017 SEP	2017 OCT	2017 NOV	2017 DEC	2018 JAN	2018 FEB	2018 MAR	2018 APR	2018 MAY	2018 JUN	2018 JUL	2018 AUG	12 Month Total
<b>YYJ Victoria</b>	2.8	2.9	2.6	2.5	2.7	2.4	2.8	2.7	3.0	3.0	3.3	3.3	34.1
Pct Change	-14.9%	-10.7%	-12.2%	-15.0%	-8.9%	-6.3%	-4.2%	-2.3%	-1.0%	+2.1%	+8.6%	+9.6%	-4.7%
<b>YLW Kelowna</b>	2.7	2.7	2.6	2.9	3.1	2.7	3.1	2.8	2.9	2.8	3.2	3.3	34.7
Pct Change	+22.3%	+20.5%	+9.9%	+8.8%	+15.2%	+13.6%	+7.3%	+5.7%	+9.5%	+7.8%	+12.0%	+15.2%	+12.1%
<b>YMM Fort McMurray</b>	1.0	1.0	1.1	1.1	1.1	1.0	1.1	1.0	1.1	1.1	1.1	1.1	12.6
Pct Change	-7.0%	-3.9%	-5.3%	+68.9%	-6.1%	-7.8%	-12.2%	-8.6%	-4.9%	-3.8%	+1.9%	-0.2%	-1.7%
<b>YXE Saskatoon</b>	2.0	2.0	2.1	2.2	2.3	2.1	2.3	2.0	2.0	2.1	2.4	2.4	25.8
Pct Change	-3.2%	-0.3%	+0.9%	+2.0%	+5.1%	+2.8%	+3.1%	+2.0%	+1.9%	-0.7%	+11.5%	+9.8%	+3.0%
<b>YQR Regina</b>	1.7	1.7	1.7	1.7	1.8	1.7	1.8	1.6	1.8	1.8	1.9	1.9	20.9
Pct Change	-2.2%	+2.5%	+3.3%	-1.5%	-3.8%	-3.3%	-1.6%	-1.7%	+5.3%	+3.8%	+4.5%	+3.2%	+0.7%
<b>YXU London</b>	0.9	0.9	0.8	0.8	0.8	0.7	0.9	0.7	0.9	0.8	1.0	1.0	10.2
Pct Change	-0.2%	+2.1%	-4.9%	-2.2%	-8.1%	-11.8%	-1.1%	-2.9%	+7.2%	0.0%	+7.5%	+7.2%	-0.4%
<b>YHM Hamilton</b>	0.5	0.4	0.3	0.4	0.4	0.4	0.4	0.3	0.4	0.4	0.5	0.6	5.0
Pct Change	+29.6%	+36.9%	+46.8%	+50.4%	+29.0%	0.0%	-5.8%	-5.4%	-15.4%	-15.4%	+0.4%	+7.6%	+8.6%
<b>YTZ Toronto City</b>	5.0	5.3	4.9	4.7	4.4	3.9	4.9	4.6	5.2	5.1	5.0	5.2	58.2
Pct Change	-3.9%	+2.0%	-2.7%	+0.8%	-3.4%	-4.5%	+0.1%	-5.9%	-5.6%	-1.1%	+0.4%	-0.0%	-2.0%
<b>YQB Quebec City</b>	3.1	3.1	2.6	2.8	2.9	2.8	3.2	2.3	2.9	3.0	2.9	2.8	34.4
Pct Change	+6.8%	+6.5%	+8.1%	+10.7%	+6.3%	+9.6%	+13.3%	-14.1%	+7.8%	+1.7%	-13.6%	-14.5%	+1.8%
<b>YQM Moncton</b>	1.1	1.1	1.0	1.1	1.0	0.9	1.2	0.9	1.1	1.1	1.2	1.1	12.7
Pct Change	+5.4%	+7.1%	+3.8%	-2.8%	-6.8%	+2.6%	0.0%	-18.3%	-3.1%	0.0%	-4.5%	-15.5%	-3.0%
<b>YYG Charlottetown</b>	0.6	0.6	0.4	0.5	0.4	0.4	0.5	0.5	0.6	0.6	0.7	0.6	6.4
Pct Change	-2.3%	-3.4%	-11.3%	-7.9%	-20.3%	-7.9%	-18.4%	-14.2%	+8.1%	+4.5%	-2.7%	-4.7%	-6.6%



**12% growth rolling 12 months**

**Fastest Growth in Canada Tier 2 Airports**

# 2018 Year to Date Overview – Passenger Traffic

## Total Seats Landed September 2017– August 2018

	2017 SEP	2017 OCT	2017 NOV	2017 DEC	2018 JAN	2018 FEB	2018 MAR	2018 APR	2018 MAY	2018 JUN	2018 JUL	2018 AUG	12 Month Total
<b>YYJ Victoria</b>	107.3	108.4	100.7	98.4	105.5	91.9	109.1	105.0	119.3	125.4	137.8	139.6	1,348.3
Pct Change	-5.9%	-6.1%	-6.9%	-8.7%	-2.5%	-0.3%	+0.9%	+0.8%	+8.4%	+13.9%	+15.3%	+16.4%	+2.3%
<b>YLW Kelowna</b>	110.4	110.0	101.2	116.1	125.8	111.2	125.3	111.3	115.3	116.8	134.4	134.4	1,412.1
Pct Change	+4.6%	+7.3%	-2.7%	+0.8%	+7.9%	+5.8%	+2.2%	+0.4%	+6.5%	+7.2%	+13.3%	+15.0%	+5.8%
<b>YMM Fort McMurray</b>	41.5	42.8	43.1	42.9	43.3	37.9	42.7	40.0	42.2	41.2	41.6	40.9	500.1
Pct Change	-4.5%	-3.5%	-6.7%	+79.8%	-12.0%	-14.1%	-17.0%	-16.0%	-14.1%	-11.9%	-1.6%	-3.4%	-5.8%
<b>YXE Saskatoon</b>	76.5	78.8	83.1	88.6	92.2	84.5	92.2	79.5	79.6	80.5	88.8	89.9	1,014.2
Pct Change	-3.2%	-0.2%	+0.7%	-0.1%	-2.3%	-3.3%	-0.5%	-2.9%	+4.5%	+1.0%	+4.9%	+4.8%	+0.2%
<b>YQR Regina</b>	65.7	66.7	71.2	77.6	82.5	77.0	86.0	72.2	73.2	72.7	72.8	72.7	890.1
Pct Change	-3.4%	+0.8%	+3.4%	-2.4%	-3.2%	-0.4%	+5.8%	+3.3%	+8.5%	+5.8%	+2.7%	+0.4%	+1.7%
<b>YXU London</b>	32.7	31.2	24.7	27.8	31.5	27.6	33.6	26.0	30.2	28.8	36.6	37.2	368.0
Pct Change	+0.9%	+3.5%	-3.1%	-1.0%	-8.1%	-14.6%	-6.7%	-3.2%	+15.4%	+6.8%	+4.5%	+5.2%	-0.3%
<b>YHM Hamilton</b>	38.6	31.7	21.0	27.5	29.6	23.9	26.2	23.7	34.2	39.5	52.0	59.5	407.2
Pct Change	+31.4%	+16.2%	+20.6%	+17.5%	+10.5%	-9.3%	-15.5%	-13.5%	-4.1%	-0.2%	+15.5%	+29.9%	+8.6%
<b>YTZ Toronto City</b>	184.8	196.1	183.0	173.1	163.1	145.8	176.0	170.3	192.7	187.7	186.3	190.8	2,149.8
Pct Change	-3.9%	+2.0%	-2.7%	+0.8%	-3.7%	-4.5%	-5.0%	-6.3%	-4.8%	-1.1%	+0.4%	-0.0%	-2.4%
<b>YQB Quebec City</b>	97.2	96.0	81.8	104.1	117.6	109.1	125.5	90.2	92.5	90.8	102.8	100.3	1,207.9
Pct Change	+9.6%	+8.5%	+0.8%	+7.7%	+6.6%	+7.6%	+11.0%	-14.7%	+12.7%	+4.1%	+1.3%	-1.4%	+4.3%
<b>YQM Moncton</b>	32.9	33.6	33.0	33.9	31.6	32.1	32.3	31.1	27.2	28.1	28.4	31.1	375.1
Pct Change	-11.8%	-8.6%	+1.7%	-3.9%	-9.1%	-0.7%	-25.4%	-27.8%	-24.3%	-13.2%	-22.1%	-15.3%	-14.1%
<b>YYG Charlottetown</b>	24.4	20.4	10.6	11.8	10.4	10.7	11.8	14.1	22.2	24.7	29.6	30.0	220.8
Pct Change	+10.9%	+0.1%	-3.7%	-4.6%	-17.2%	-2.7%	-9.8%	-8.9%	+11.5%	+3.1%	-4.6%	-6.3%	-1.8%

**5.8% growth rolling 12 months**

# 2018 Year to Date Overview - Financial

## Operating - Current Year Actual versus Prior Year Actual

	6 Months ended June 30, 2018	6 Months ended June 30, 2017	Variance	%
<b>REVENUE</b>				
Airport Airside Operation	2,572,000	2,426,000	146,000	6%
Airport Groundside Operation	4,814,000	2,938,000	1,876,000	64%
Airport Terminal Operation	2,511,000	3,573,000	(1,062,000)	-30%
Airport Admin	29,000	27,000	2,000	7%
<b>Total Revenue</b>	<b>9,926,000</b>	<b>8,964,000</b>	<b>962,000</b>	<b>11%</b>
<b>SALARY, WAGE &amp; EXPENDITURE</b>				
Airport Airside Operation	1,613,000	1,370,000	243,000	18%
Airport Groundside Operation	1,021,000	1,015,000	6,000	1%
Airport Terminal Operation	1,995,000	2,041,000	(46,000)	-2%
Airport Admin	1,829,000	1,458,000	371,000	25%
<b>Total Salary, Wage &amp; Expenditure</b>	<b>6,458,000</b>	<b>5,884,000</b>	<b>574,000</b>	<b>10%</b>
<b>TOTAL OPERATIONS</b>	<b>3,468,000</b>	<b>3,080,000</b>	<b>388,000</b>	<b>13%</b>
<b>AIRPORT IMPROVEMENT FEE</b>				
Revenue	6,817,000	6,334,000	483,000	8%
Expenditures	(10,000)	(276,000)	266,000	-96%
Interest Expense	(664,000)	(552,000)	(112,000)	20%
<b>TOTAL AIRPORT IMPROVEMENT FEE</b>	<b>6,143,000</b>	<b>5,506,000</b>	<b>637,000</b>	<b>12%</b>

# 2018 Year to Date Overview - Financial

## Operating - Current Year Actual versus Current Year Budget

	6 Months ended June 30, 2018 (Actual)	Year ended December 31, 2018 (Budget)	%
<b>REVENUE</b>			
Airport Airside Operation	2,572,000	4,673,000	55%
Airport Groundside Operation	4,814,000	10,018,000	48%
Airport Terminal Operation	2,511,000	4,928,000	51%
Airport Admin	29,000	101,000	29%
<b>Total Revenue</b>	<b>9,926,000</b>	<b>19,720,000</b>	<b>50%</b>
<b>SALARY, WAGE &amp; EXPENDITURE</b>			
Airport Airside Operation	1,613,000	3,482,000	46%
Airport Groundside Operation	1,021,000	2,443,000	42%
Airport Terminal Operation	1,995,000	4,995,000	40%
Airport Admin	1,829,000	4,109,000	45%
<b>Total Salary, Wage &amp; Expenditure</b>	<b>6,458,000</b>	<b>15,029,000</b>	<b>43%</b>
<b>TOTAL OPERATIONS</b>	<b>3,468,000</b>	<b>4,691,000</b>	<b>74%</b>
<b>AIRPORT IMPROVEMENT FEE</b>			
Revenue	6,817,000	13,220,000	52%
Expenditures	(10,000)	(326,000)	3%
Interest Expense	(664,000)	(956,000)	69%
<b>TOTAL AIRPORT IMPROVEMENT FEE</b>	<b>6,143,000</b>	<b>11,938,000</b>	<b>51%</b>

# 2018 Year to Date Overview - Financial

## Capital – AIF as at the end of August 2018

	Drive to 1.6M Passengers	Flight to 2020	Total
Council approved budget	58,180,000	33,820,000	92,000,000
Less: Costs spent to date	(56,135,000)	(24,997,000)	(81,132,000)
Less: Committed	(394,000)	(5,033,000)	(5,427,000)
Less: Forecast to complete	(356,000)	(2,994,000)	(3,350,000)
<b>Budget Surplus</b>	<b>1,295,000</b>	<b>796,000</b>	<b>2,091,000</b>

	Soaring Beyond 2.5M Passengers
Council approved budget	3,989,000
Less: Costs spent to date	(1,502,000)
Less: Committed	(2,444,000)
Less: Forecast to complete	(269,000)
<b>Budget Overrun</b>	<b>(226,000)</b>

The forecasts above are based on educated assumptions and are a best estimate that are subject to change.

# 2018 Year to Date Overview - Financial

## Capital – Non-AIF as at the end of August 2018

	Non-AIF
Council approved budget	7,313,000
Less: Costs spent to date	(1,440,000)
Less: Committed	(3,198,000)
Less: Forecast to complete	(1,833,000)
<b>Budget Surplus</b>	<b>842,000</b>

The total estimated cost for YLW's major non-AIF projects include:

- Purchase of a multi-purpose snow-clearing unit (\$931K)
- Widening of Airport Way (\$894K)
- Roof replacement program (\$578K)
- Purchase of additional lands (\$562K)
- Development of the East Lands (\$469K)

The forecasts above are based on educated assumptions and are a best estimate that are subject to change.



# 2018 Year to Date Overview - Financial

## Debt – Repayment Schedule

	2018	2019-2025	2026	2027	Total
Principal	901,000	2,213,333	1,258,000	698,000	16,137,000
Interest	292,000	682,000	333,000	112,000	4,829,000
<b>Total</b>	<b>1,193,000</b>	<b>2,895,333</b>	<b>1,591,000</b>	<b>810,000</b>	<b>20,966,000</b>

- Repaid in 2018
  - Principal: \$2,329,000
  - Interest: \$292,000
- Municipal Financing Authority Loans
  - \$7.5M – October 2015
  - \$3.5M – April 2016
  - \$3.0M – October 2016
  - \$8.0M – April 2017

# Background

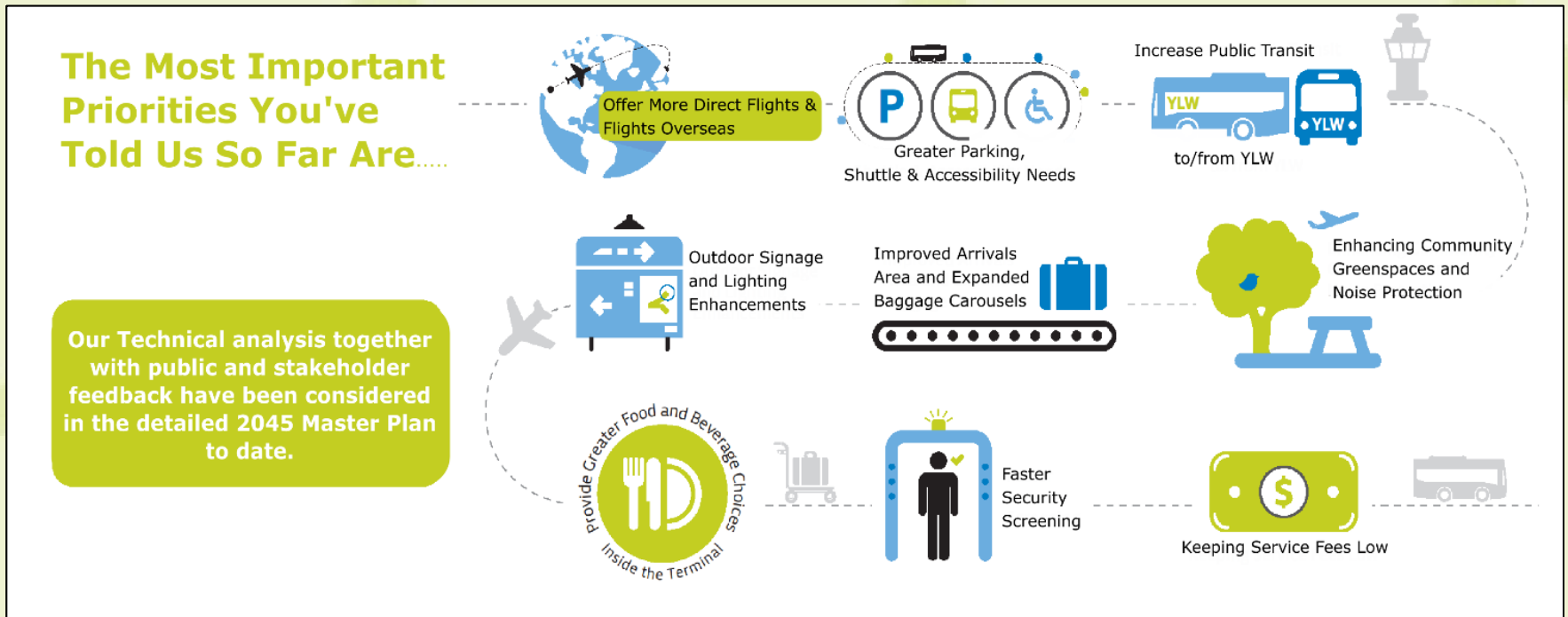
- Capital Programs Development



# Background

- 2045 Master Plan Overview

*"What we heard"*



# Background

- 2045 Master Plan Overview
- *Key Findings*
  - Runway capacity and length
  - YLW generates significant economic impacts
  - Apron capacity
  - Passenger traffic forecast
  - Aircraft movements
  - New aerodrome regulations will influence program
  - Air terminal building requirements
  - Roadways and parking
  - Current Official Community Plan (OCP) zoning should be preserved
  - More commercial land (on airport) is needed
  - Additional land (off airport) will need to be acquired

# Drive to 1.6 M Passengers, Flight to 2020 Programs

- Completed
  - Common Use Self Serve Equipment (CUSS)
  - Common Use Terminal Equipment (CUTE)
  - Expanded Restricted Area
  - Ground Services Equipment/Parking Relocation
  - Glycol & Potassium Acetate Storage Facility
  - Departures Lounge Retail & Food Concessions
  - Taxiway Foxtrot/Apron III
  - GSE Building/Parking
  - International Arrivals Hall
  - New Baggage Hall
  - Apron 1 Rehabilitation
  
- In Progress
  - CUTE/CUSS – Common use self host program
  - Departures Lounge Finishes
  - Combined Operations Building
  - ILS/Approach Lighting
  - New Airfield Lighting System



nd Baggage Hall



Glycol Facility

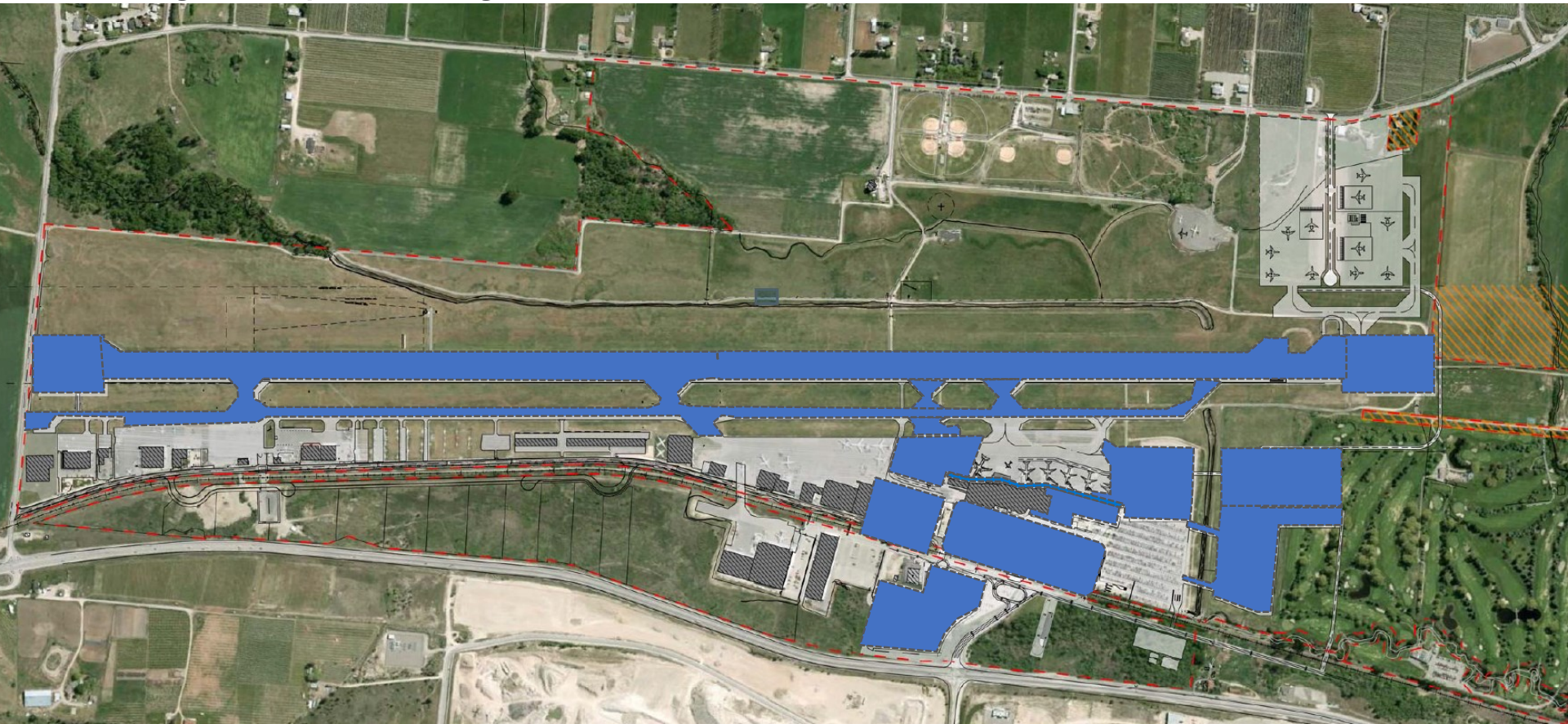


International Arrivals Hall

# Soaring Beyond 2.5 Million Passenger Program

	Week Ending	28-Sep	05-Oct	12-Oct	19-Oct	26-Oct	02-Nov	09-Nov	16-Nov	23-Nov	30-Nov	07-Dec	14-Dec	21-Dec	28-Dec
AAC Review			█												
ACC Ballot				█	█	█	█	█	█	█	█				
City Manager Review								█							
Kelowna City Council Workshop												█			
Budget Approval															█

# Major Capital Projects



Runway End Safety Areas  
Airfield Pavement Rehabilitation

Apron Expansion/GSE  
Hazardous Material Secondary Capture  
COB / NPSV Reconfiguration

Terminal Expansion  
Improved Airside Connectivity  
Self Serve Baggage Drop/ CUSS / CUTE  
Terminal Access and Landside Improvements  
Parking Expansions

# Soaring beyond 2.5M Passengers - Projects

PROJECT	DRIVER	DESCRIPTION
<b>Terminal Expansion (all phases)</b>	Operational Capacity, LOS, Economic	<ul style="list-style-type: none"> <li>Expand departure lounge to the south to provide better airside connectivity and increase capacity</li> <li>Expand pre-board screening for CATSA</li> <li>Expansion of existing holdroom to the east for increased capacity</li> <li>Relocation of domestic arrivals to the south of the terminal</li> </ul> <p><b>Beyond Program 2029+</b></p> <ul style="list-style-type: none"> <li>Relocation of International arrivals and CBSA to the south end</li> <li>Potential for second level to support additional F+B/Lounge</li> </ul>
<b>North Bridge @ Gate 2 with fixed link</b>	Operational Capacity, LOS, Economic	
<b>Airside Pavement Rehabilitation</b>	Sustaining, Safety	Rehabilitate airside pavements to maintain safe aircraft operations. In addition to life cycle asphalt replacement, taxiways will undergo structural rehabilitation to support the weight of current aircraft types
<b>Runway End Safety Area</b>	Regulatory	Regulatory requirement to provide RESA that reduces the severity of damage to an aircraft overrunning or undershooting the runway and facilitate the movement of rescue and fire fighting vehicles. By shifting the runway landing distance south RESA at both ends of the runway
<b>Loading Bridges - Replacement</b>	Sustaining, LOS	
<b>Self-serve Baggage Drop (SSBD)</b>	Operational Capacity, LOS	Add SSBD at check-in to make process more efficient and reduce passenger queues Improved customer experience through efficiencies and reduced queues. Added capacity at check-in without expanding the building footprint.
<b>Apron 1 South Expansion</b>	Operational Capacity, LOS	Add Ops stands/gate positions to keep pace with growth Added apron capacity to accommodate growth in commercial traffic, particularly overnighing aircraft and relocated GSE area
<b>CUSS/CUTE Replacement</b>	Sustaining	Life cycle replacement of aging CUTE/CUSS equipment
<b>Combined Operations Building (COB)</b>	Operational Capacity, LOS, Safety	Phased expansion of COB to accommodate operations control centre and vehicle maintenance & storage
<b>Loading Bridges - New</b>	Operational Capacity, LOS	Increase number of gates with boarding bridges
<b>Apron 1 Rehab, Phase II</b>	Sustaining projects, Safety	Rehabilitate airside pavements to maintain safe aircraft operations. In addition to life cycle asphalt replacement, taxiways will undergo structural rehabilitation to support the weight of current aircraft types
<b>Hazardous Materials Secondary Capture</b>	Regulatory, Environmental Risk Mitigation	Provide collection and handling facility for glycol mitigation
<b>Airside Equipment</b>	Sustaining, LOS	Phased replacement of airside vehicles and equipment



# Soaring Beyond 2.5 Million Passenger Program Proposed Implementation Plan

Project	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Terminal Expansion - Holdroom, PBS											
Airside Pavement Rehabilitation											
Runway End Safety Area											
Airside Equipment											
North Bridge at Gate 2											
Self-Serve Baggage Drop											
Loading Bridges											
Apron 1 South Expansion											
Combined Operations Building											
CUTE/CUSS											
Apron 1 Rehabilitation - Phase 2											
Terminal Expansion - Domestic Arrivals											
Hazardous Material Secondary Capture											

Legend

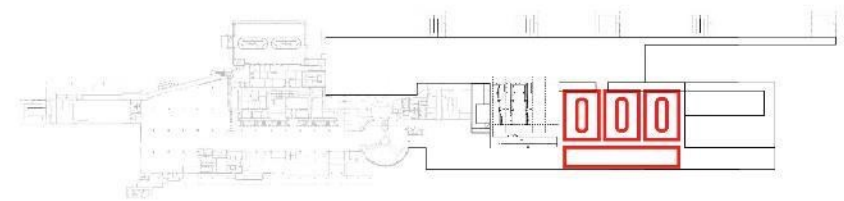
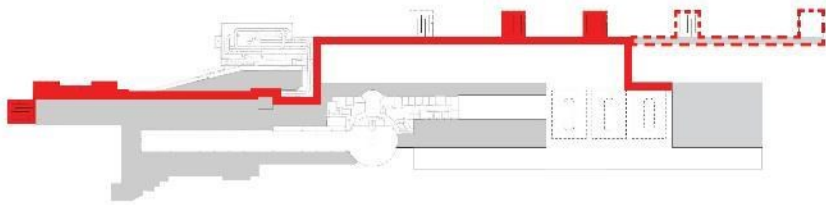
- Design
- Construction

# Soaring Beyond 2.5 Million Passenger Program Air Terminal Building Expansion

- Master Plan Recommendations
- Sense of Place
- Floor Plans of Phase 1 + 2 within the Program timeframe
- ATB North end
- Beyond Program – Phases 3+4
- Conceptual images

# 07 YLW MASTER PLAN REPORT RECOMMENDATIONS

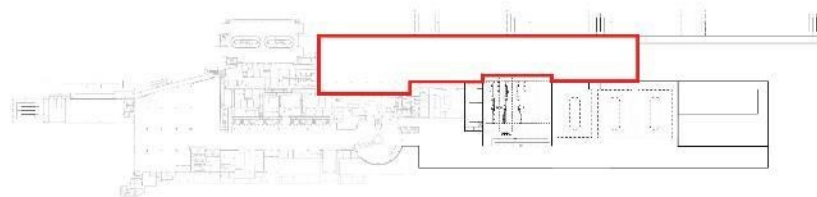
## Top Priorities



Airside corridor reconfiguration allows for more international gates to be added in future.



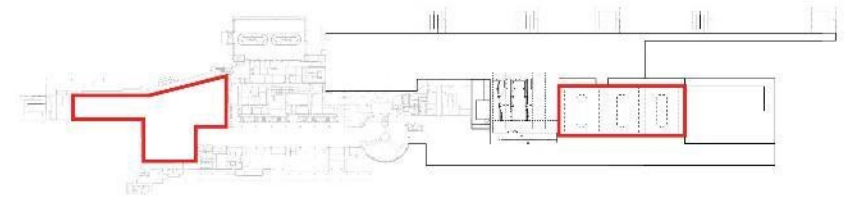
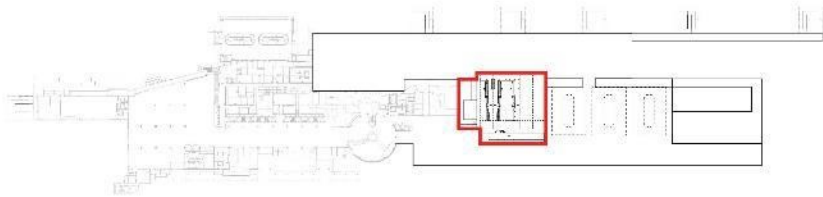
New arrivals area adjacent to new baggage carousels.



Expanded departures lounge offers more space for food and beverage choices.

# 07 YLW MASTER PLAN REPORT RECOMMENDATIONS

## Top Priorities

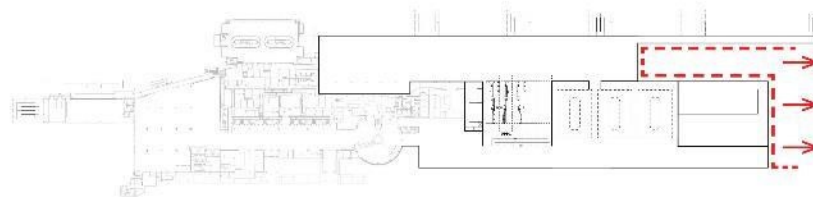


Space allocated for expanded PBS area.



Swing baggage carousels offer flexibility, and space at noth end can be used for other purposes.

Keeping Service Fees Low



Future expansion beyond the master plan can continue south.

# Terminal Building Areas of Congestion

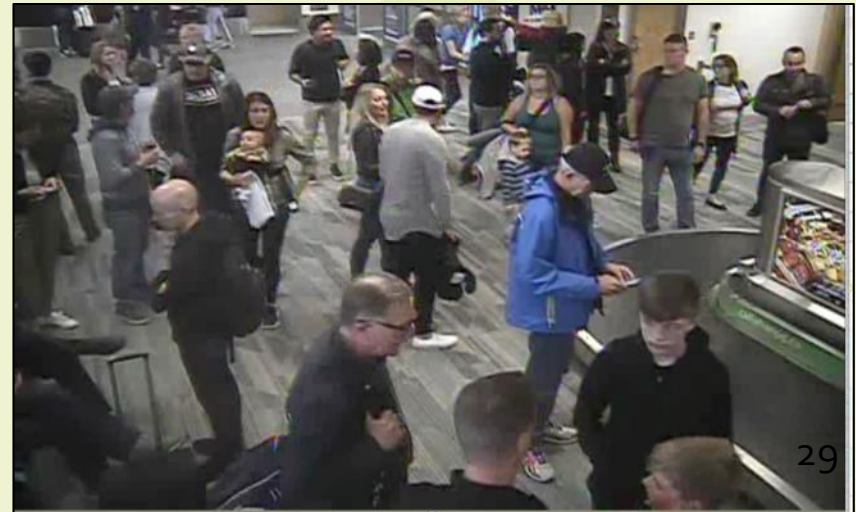
## Departures Hold Room



Pre Board Screening



Arrivals



# 01 KELOWNA AND REGION

## Sense of Place

# DRAFT

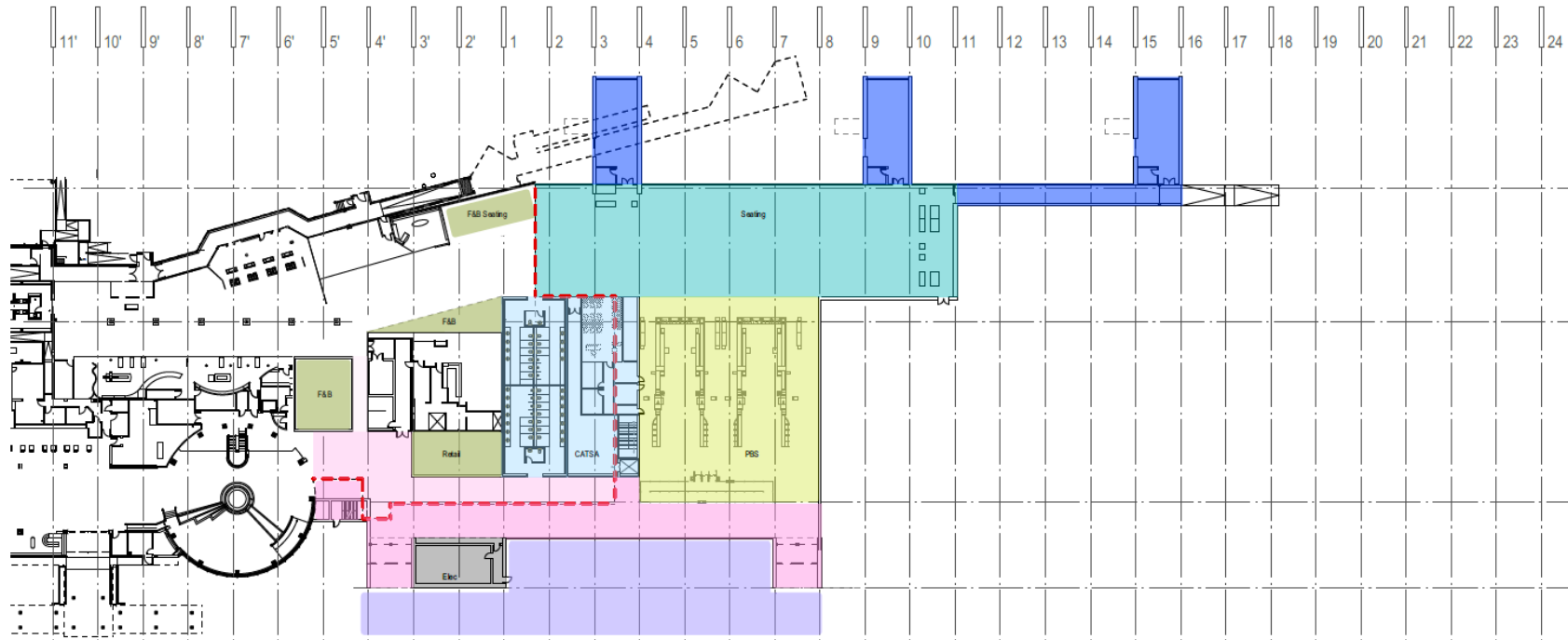


# Soaring Beyond 2.5 Million Passenger Program

## Air Terminal Building Expansion

### 01 ATB - PHASE 1

#### Main Floor Plan - South End



Holdroom Addition - 1,250 sm



PBS Addition - 965 sm



Fixed Links - 540 sm



Landside Concourse Addition - 590sm



Landside Concourse Renovation - 310 sm



Canopy Addition



F&B - 335 sm



Support & Storage - 650 sm



Mech/Elec I.T. - 120 sm

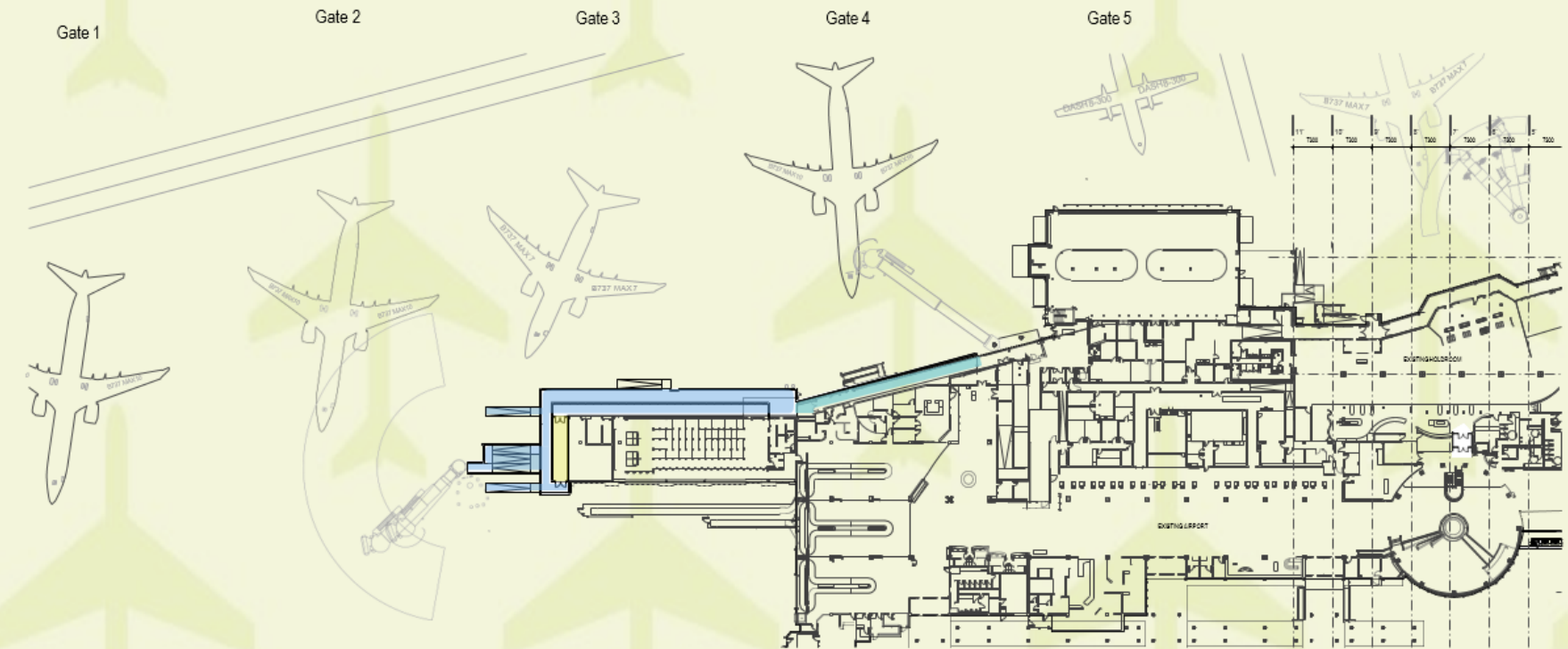


# Soaring Beyond 2.5 Million Passenger Program

## Air Terminal Building Expansion

01

ATB - PHASE NORTH  
Main Floor Plan - North End



Airside Corridor Renovation - 118 sm

PIL Renovation - 38 sm

Circulation Corridors - 380 sm

Total New Construction Area: 380 sm

Total Renovation Area: 156 sm

Line of Existing Building

KELOWNA INTERNATIONAL AIRPORT

Air Terminal Building

YLWATB CONSULTANTS MEETING - JULY 5, 2018

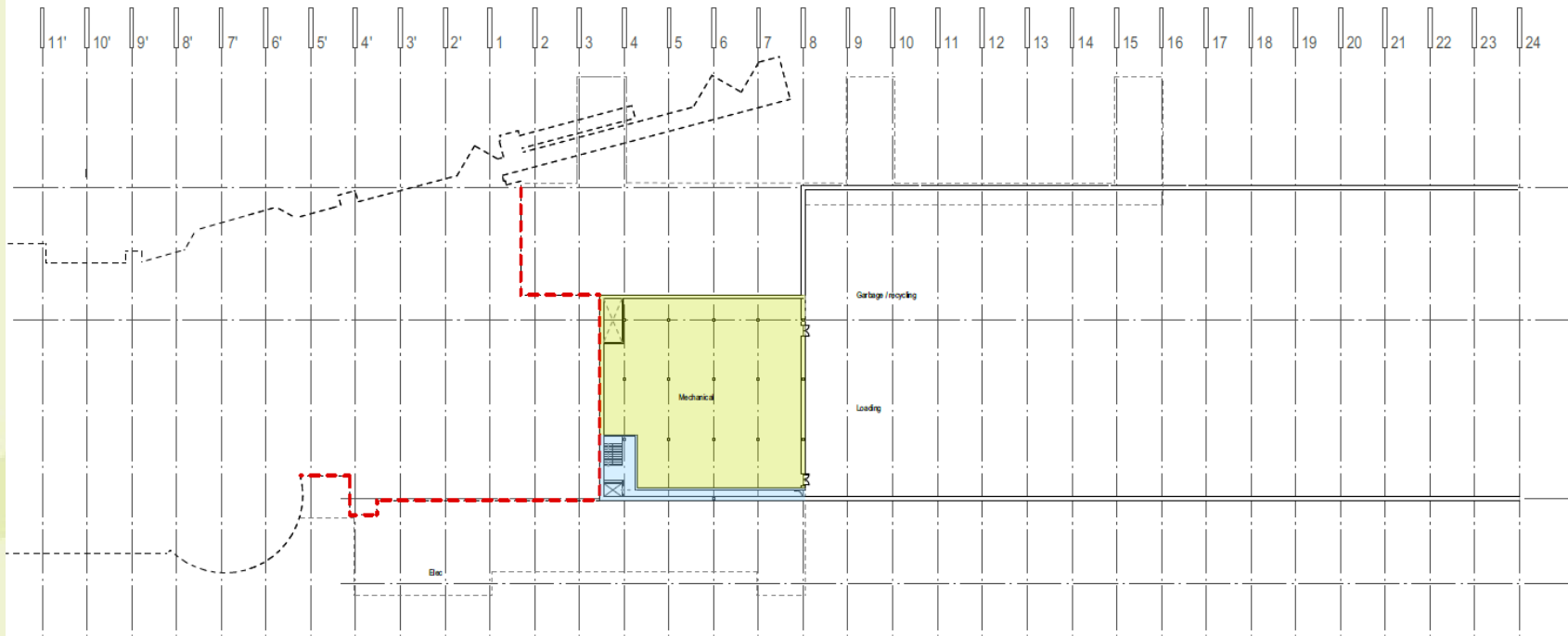




# Soaring Beyond 2.5 Million Passenger Program

## Air Terminal Building Expansion

### 01 ATB - PHASE 1 Lower Floor Plan - South End

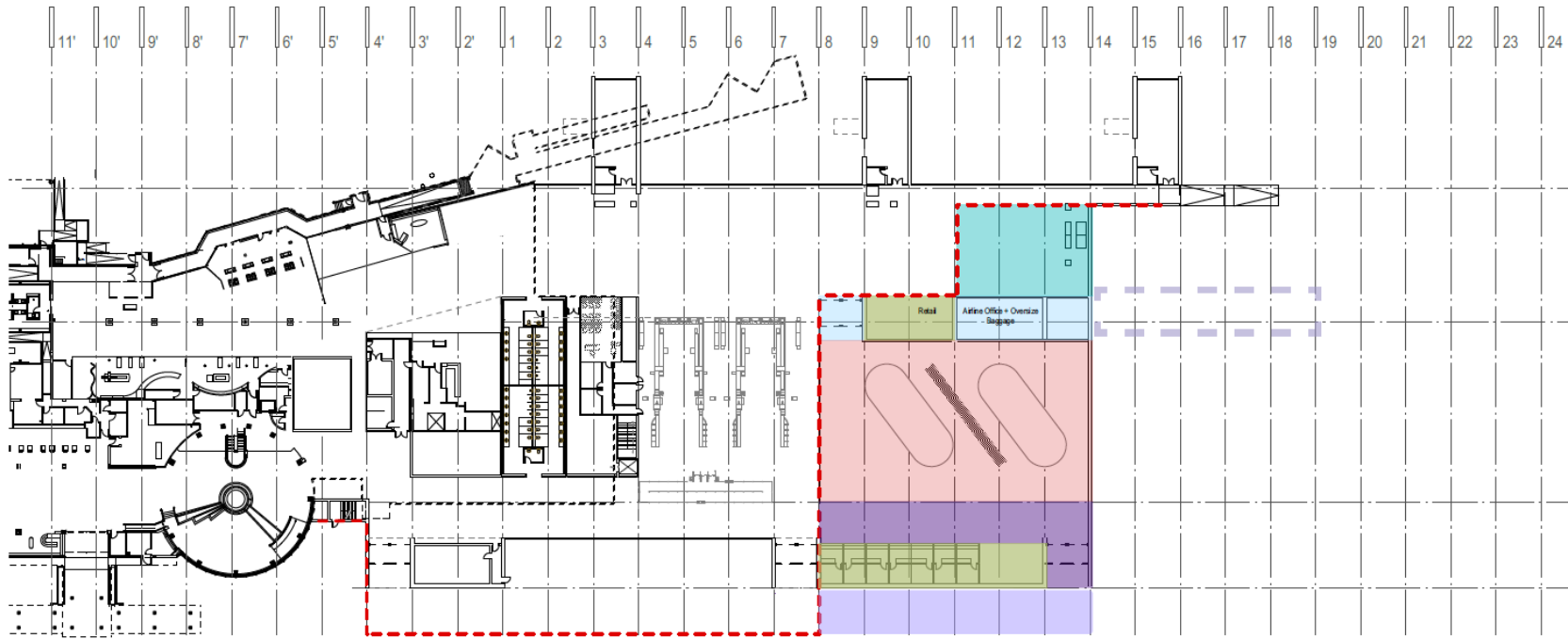


Support & Circulation - 125 sm

Mechanical - 1000 sm

# Soaring Beyond 2.5 Million Passenger Program Air Terminal Building Expansion

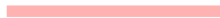
## 01 ATB - PHASE 2 Main Floor Plan - South End



Holdroom Addition - 320 sm



Domestic Baggage - 1150 sm



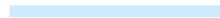
Canopy Addition



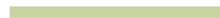
Arrivals Meet & Greet - 360 sm



Support & Storage - 215 sm



Concession - 365 sm

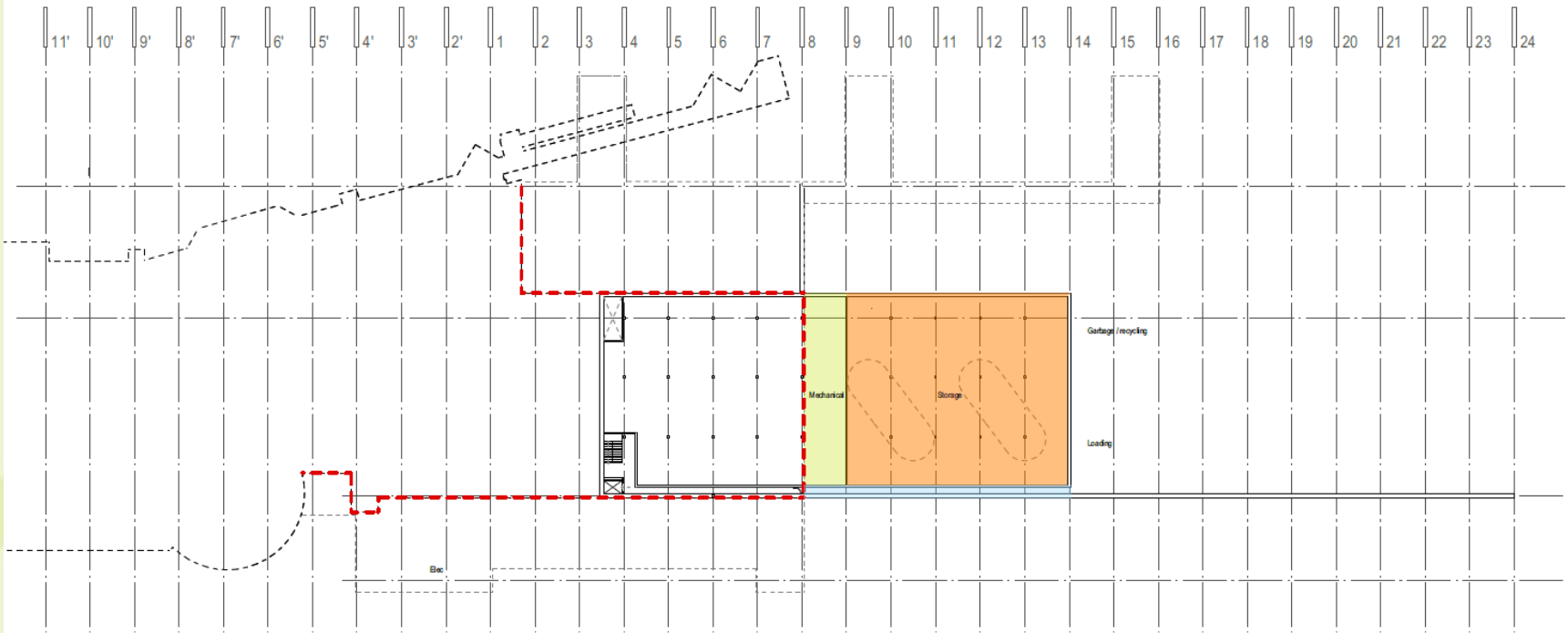


Additional Airside Canopy for In-bound Baggage Induction Belts - 260 sm



# Soaring Beyond 2.5 Million Passenger Program Air Terminal Building Expansion

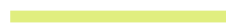
## 01 ATB - PHASE 2 Lower Floor Plan - South End



Support & Circulation - 90 sm



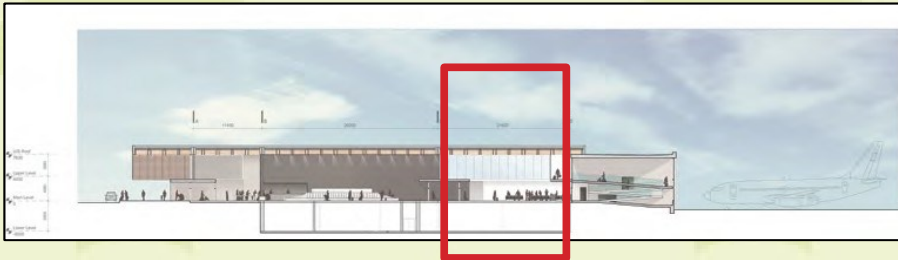
Mechanical - 225 sm



Storage - 1150 sm



# 07 ATB - ARCHITECTURAL Path of Departing Passenger - Holdroom



# 07 ATB - ARCHITECTURAL Path of Departing Passenger - Curbside



# Soaring Beyond 2.5M Passengers – Financial Implications

- YLW's Financial Goals
  - Maintain an AIF equal to or less than \$25.00 per enplaned passenger
  - Do not exceed \$40M in debt during the course of the Program
  - Do not exceed \$20M in debt at the end of 2029
  - Have a positive AIF reserve balance by the end of 2029
- Where We Started
  - Number of projects: 12
  - Total Program cost: \$329M (no escalation)
  - AIF: \$45.00/enplaned passenger for 2019-2025, and \$20.00/enplaned passenger for 2026+
  - Maximum debt level: \$25M
  - Debt level at the end of 2029: \$25M
  - AIF reserve balance at the end of 2029: \$Nil

# Soaring Beyond 2.5M Passengers – Financial Implications

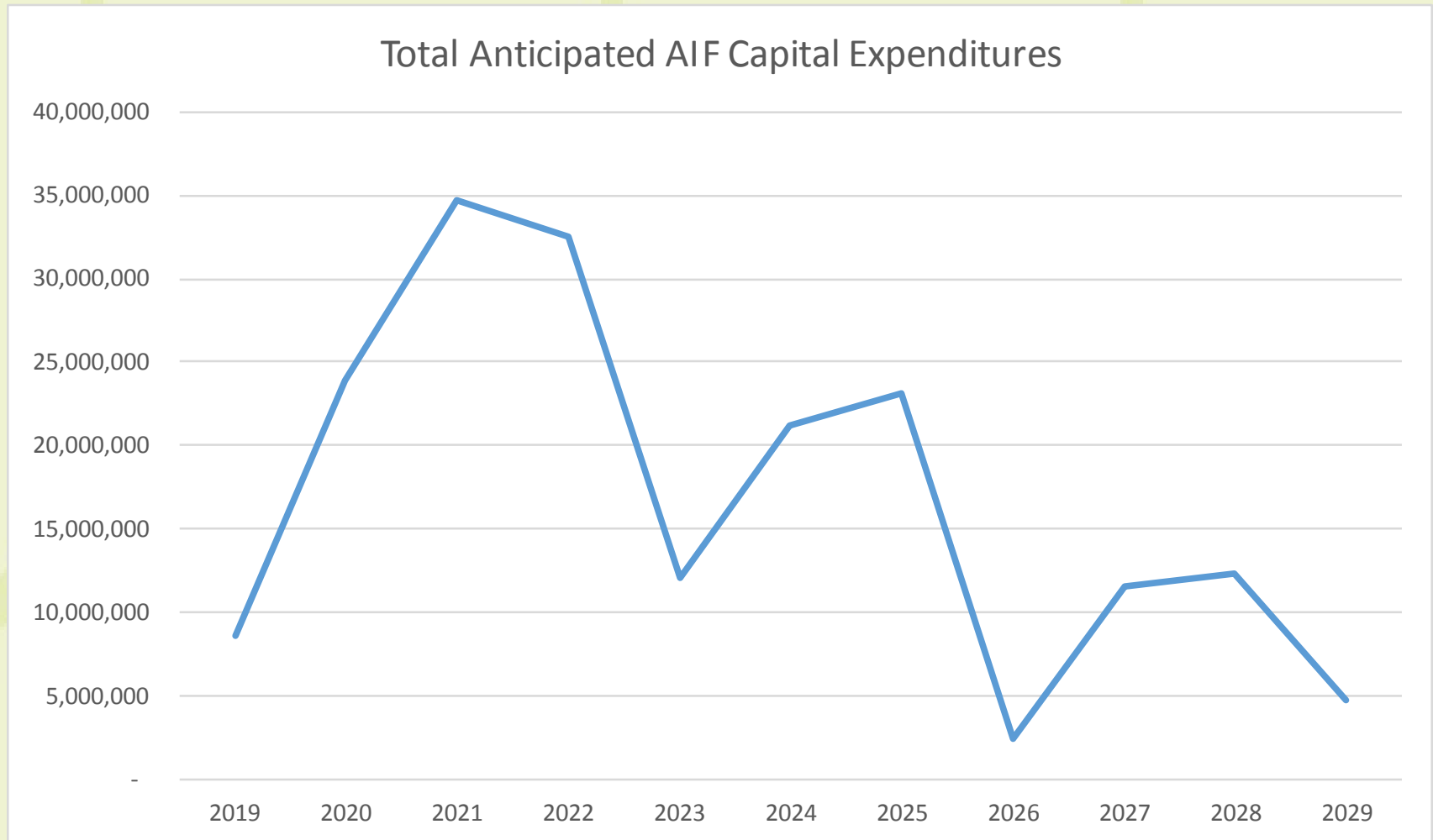
- Where We Are Now
  - Number of projects: 10
  - Total Program cost: \$187M (\$142M reduction)
  - AIF: \$25.00/enplaned passenger effective March 1, 2019
  - Maximum debt level: \$36M
  - Debt level at the end of 2029: \$16M
  - AIF reserve balance at the end of 2029: \$41M

# Soaring Beyond 2.5M Passengers – Financial Implications

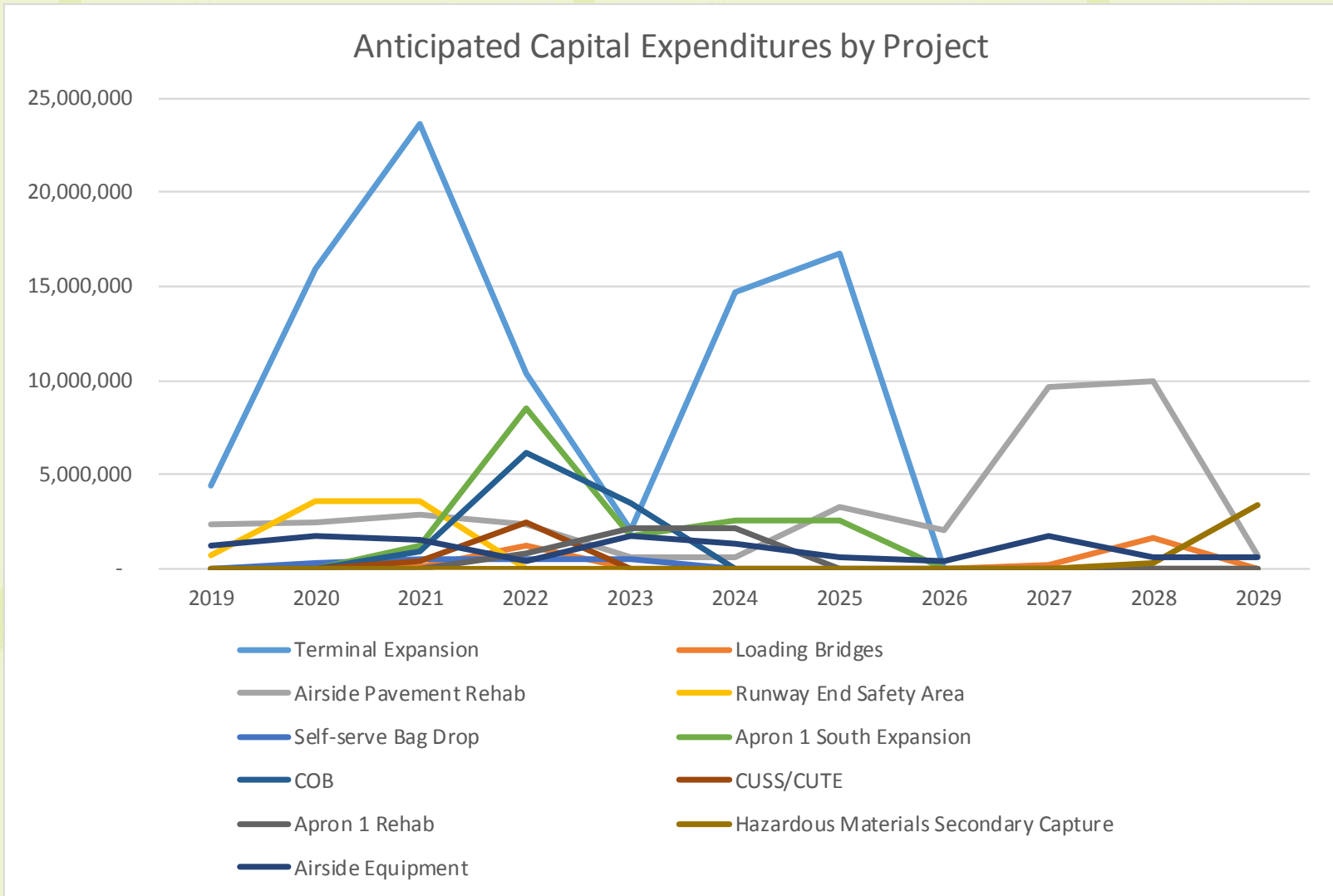
- Key Dates and Costs (no escalation)
  - Terminal Expansion (\$88M)
    - North bridge complete in 2021
    - Departures lounge complete prior to summer of 2022
    - Arrivals lounge complete prior to winter of 2025
  - Airside Pavement Rehabilitation (\$42M)
    - Annually
  - Apron Expansion (\$17M)
    - Gate 11 complete in 2022
    - Gates 12 and 13 complete in 2025
  - Airside Equipment (\$12M)
    - Annually
  - Combined Operations Building (\$11M) complete in 2023
  - Runway End Safety Area (\$8M) complete in 2021
  - Hazardous Materials Secondary Capture (\$4M) complete in 2029
  - Loading Bridges (\$3M) complete in 2022 and 2028
  - CUSS/CUTE replacement (\$3M)
  - Self-serve Baggage Drop (\$2M) complete in 2023
- Not included
  - Terminal expansion – relocation of international arrivals, eastern expansion of the departures lounge and second floor (\$74M)
  - East taxiway (\$26M)
  - Enabling works for Apron 1 expansion (i.e. parking) (\$12M)



# Soaring Beyond 2.5M Passengers – Financial Implications



# Soaring Beyond 2.5M Passengers – Financial Implications

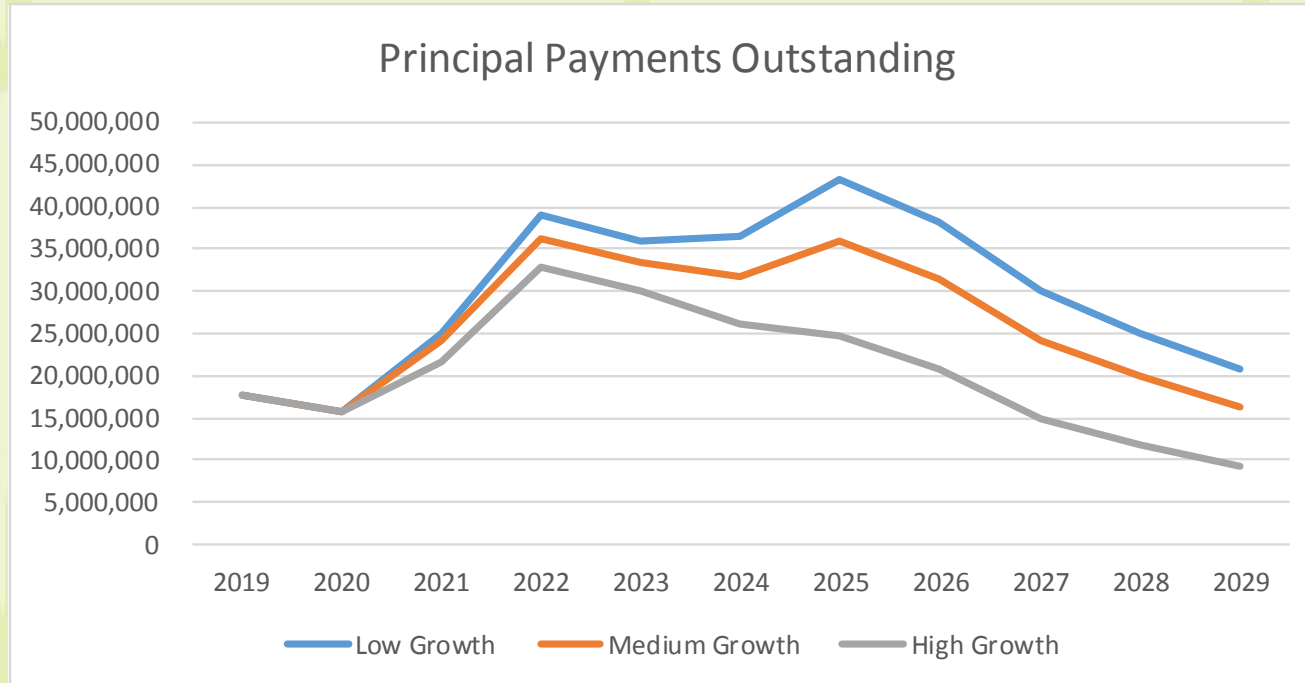


# Soaring Beyond 2.5M Passengers – Financial Implications

- Assumptions
  - 2018 anticipated passengers: 2,100,000
  - Low passenger growth (2045 Master Plan)
    - 1,800,000 passengers by 2020
    - 2,000,000 passengers by 2025
    - 2,400,000 passengers by 2035
  - Medium passenger growth (2045 Master Plan)
    - 2,000,000 passengers by 2020
    - 2,250,000 passengers by 2025
    - 2,850,000 passengers by 2035
  - High passenger growth (2045 Master Plan)
    - 2,000,000 passengers by 2020
    - 2,500,000 passengers by 2025
    - 3,300,000 passengers by 2035
  - All debt has a ten-year term
  - Escalation: 3.41%

# Soaring Beyond 2.5M Passengers – Financial Implications

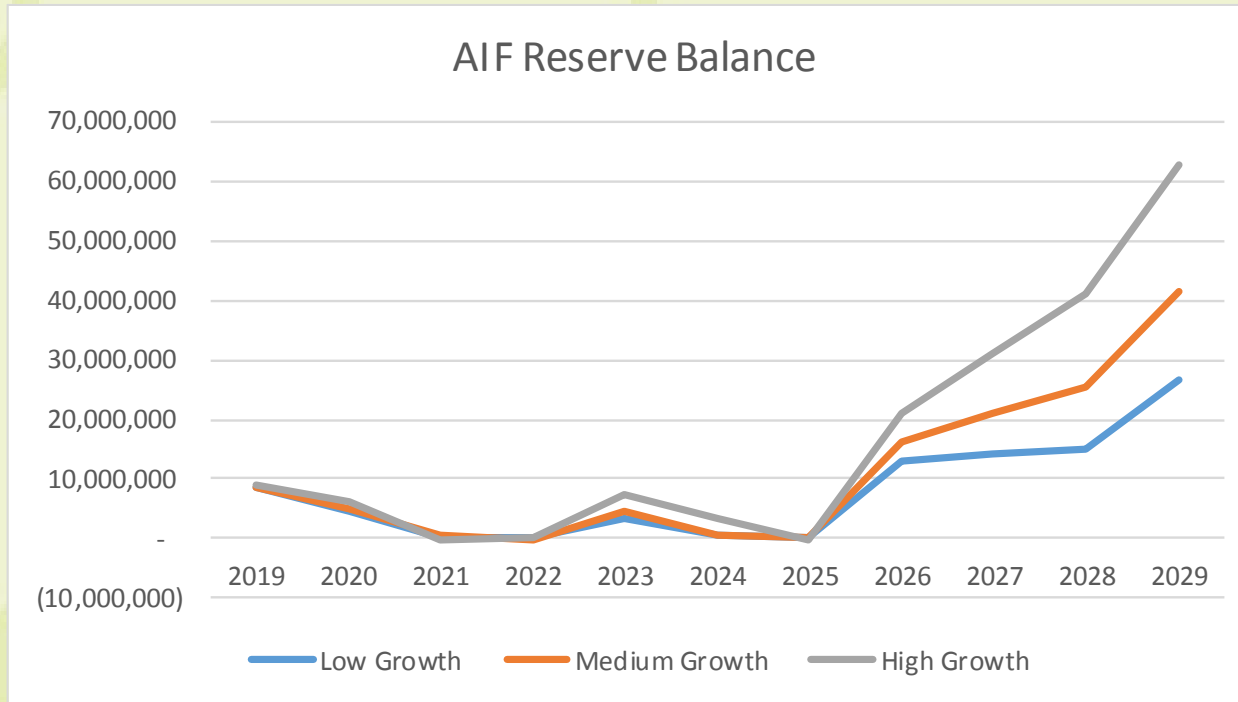
\$25.00 AIF per Departing Passenger



- Low passenger growth
  - Maximum debt of \$39M, debt outstanding of \$21M
- Medium passenger growth
  - Maximum debt of \$36M, debt outstanding of \$16M
- High passenger growth
  - Maximum debt of \$30M, debt outstanding of \$9M

# Soaring Beyond 2.5M Passengers – Financial Implications

\$25.00 AIF per Departing Passenger



- Low passenger growth
  - Ending reserve balance of \$27M
- Medium passenger growth
  - Ending reserve balance of \$41M
- High passenger growth
  - Ending reserve balance of \$63M

# Soaring Beyond 2.5M Passengers – Financial Implications

## Canadian Airport Improvement Fees

By Descending AIF

(Including Airports with less than 1M Passengers)

AIF per Departing Passenger	Airports
\$ 40.00	Fort McMurray
\$ 35.00	Quebec City, St. John's
\$ 30.00	Montreal, Calgary, Edmonton
\$ 28.00	Halifax
\$ 25.00	Toronto, Winnipeg, Moncton, Hamilton, Prince George
\$ 23.00	Ottawa
\$ 20.00	Vancouver, Saskatoon, Regina, Charlottetown, Yellowknife, Fredricton
\$ 15.00	Toronto City, Victoria, Kelowna, London
\$ -	Abbotsford, Whitehorse

By Descending Number of Passengers

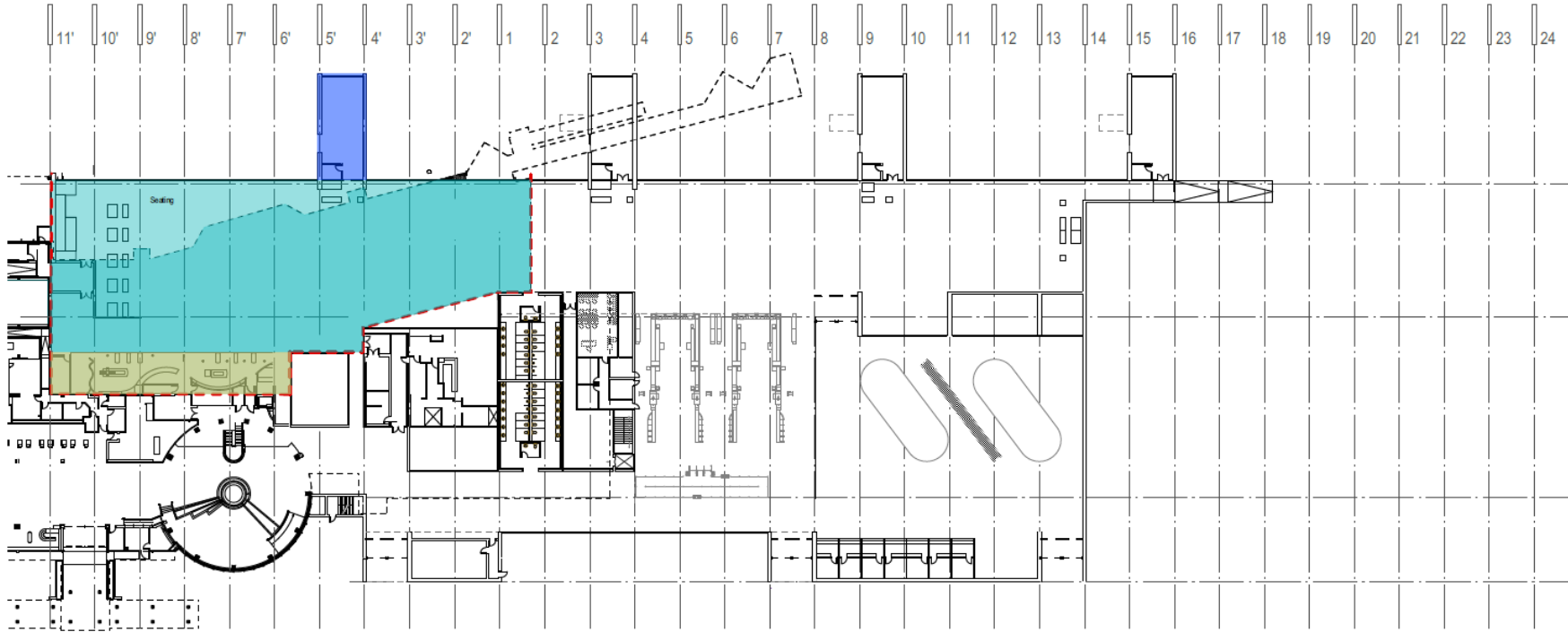
(Excluding Airports with less than 1M Passengers)

AIF per Departing Passenger	Airport
\$ 25.00	Toronto
\$ 20.00	Vancouver
\$ 30.00	Montreal
\$ 30.00	Calgary
\$ 30.00	Edmonton
\$ 23.00	Ottawa
\$ 25.00	Winnipeg
\$ 28.00	Halifax
\$ 15.00	Toronto City
\$ 15.00	Victoria
\$ 15.00	Kelowna
\$ 35.00	Quebec City
\$ 20.00	Saskatoon
\$ 35.00	St. John's
\$ 20.00	Regina

Both of these charts exclude special AIF's for connecting passengers or within the Province.

# Beyond Program - 2029+

## 01 ATB - PHASE 3 Main Floor Plan - South End



Holdroom Addition - 450 sm

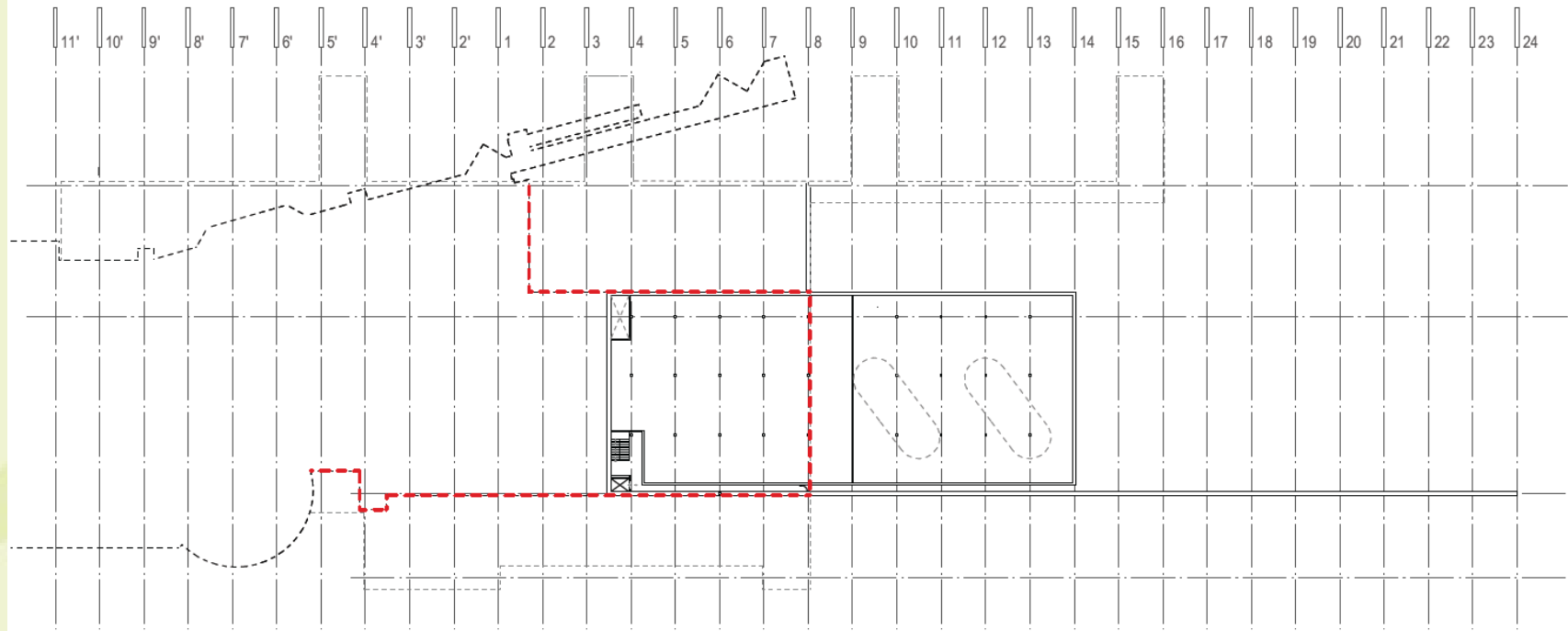
F&B - 260 sm

Holdroom Renovation - 1525 sm

Fixed Links - 140 sm

# Beyond Program - 2029+

## 01 ATB - PHASE 3 Lower Floor Plan - South End

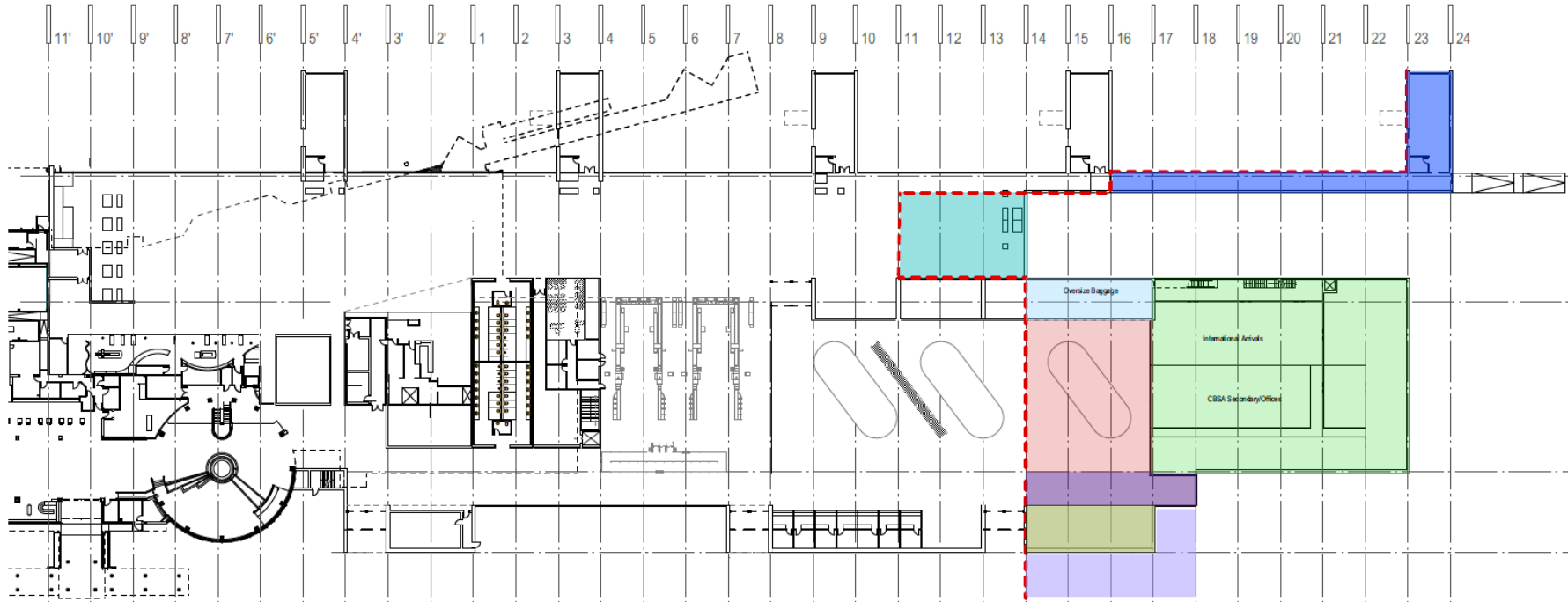


No additional area added on lower level



# Beyond Program - 2029+

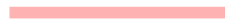
## 01 ATB - PHASE 4 Main Floor Plan - South End



Holdroom Addition - 320 sm



International Baggage - 570 sm



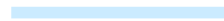
Fixed Links - 350 sm



Arrivals Meet & Greet - 170 sm



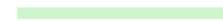
Support & Storage - 160 sm



Canopy Addition



CBSA - 1480 sm

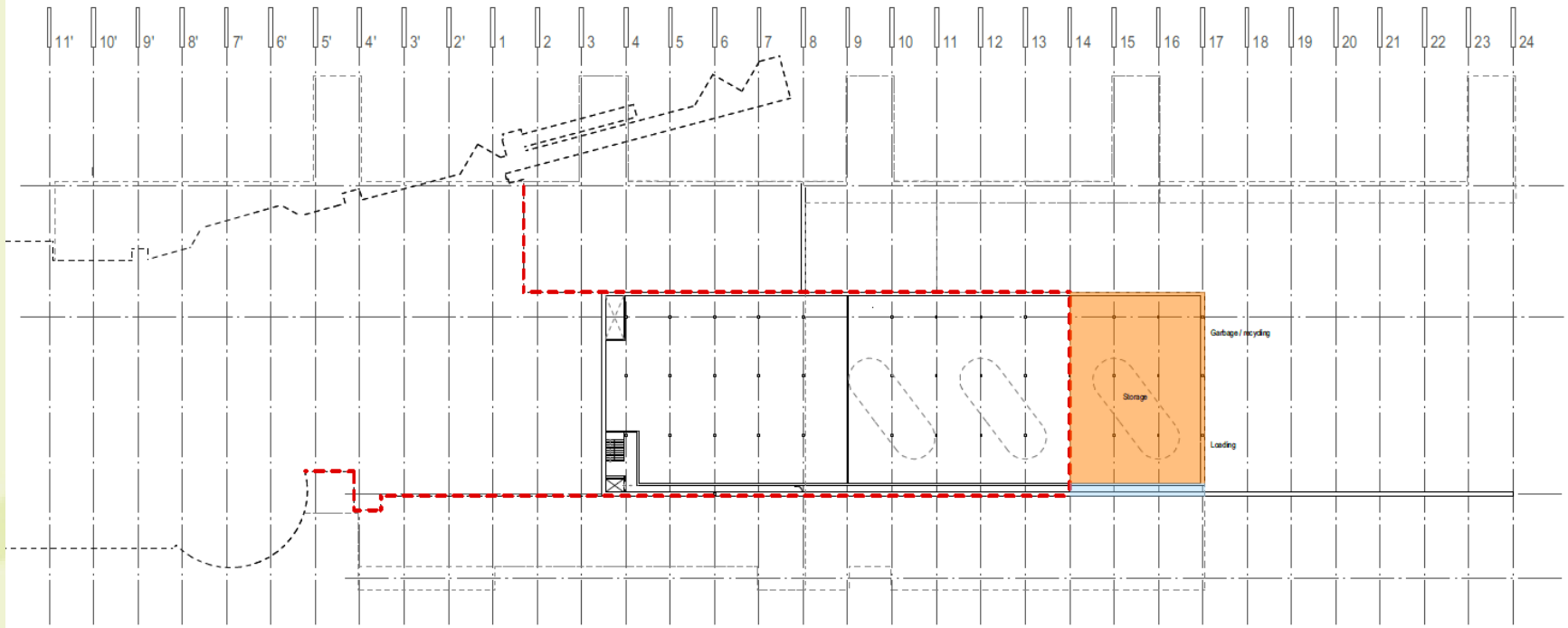


Concession - 180 sm



# Beyond Program - 2029+

## 01 ATB - PHASE 4 Lower Floor Plan - South End



Support & Circulation - 45 sm

Storage - 700 sm

## Soaring Beyond 2.5M Passengers – Resolutions

- THAT the Airport Advisory Committee supports, in principle, the proposed Soaring Beyond 2.5M Passenger AIF Program as presented to the Airport Advisory Committee on October 5, 2018;
- AND THAT the Airport Advisory Committee supports obtaining the approval of the Kelowna City Council for the amendment to the Airport Fees and Charges Bylaw No. 7982 to increase the Airport Improvement Fee to \$25.00 per departing passenger, effective March 1, 2019, as presented to the Airport Advisory Committee on October 5, 2018.



**Questions?**