



Airport Advisory Committee Minutes

Date:	Thursday, April 29, 2021
Time:	9:00 am
Location:	Airport Administration Boardroom Kelowna International Airport 1-5533 Airport Way Kelowna, BC
Members Present	Chair, Mayor Colin Basran, City of Kelowna Chair Gail Given, Regional District of Central Okanagan
Members Participating Remotely	Councillor Brad Sieben, City of Kelowna Mayor James Baker, District of Lake Country Mayor Cindy Fortin, District of Peachland Mayor Alan Harrison, City of Salmon Arm Councillor Doug Findlater, City of West Kelowna Andre Blanleil, Kelowna City at Large Joseph Clohessy, Tourism Kelowna David Hull, Summerland Chamber of Commerce Craig Garries*, Greater Westside Board of Trade Jeff Robinson, Kelowna Chamber of Commerce Grant Stevens, KF Aerospace, Aviation Industry Representative Darrin Taylor, Greater Vernon Chamber of Commerce Lesley Cormack, UBCO Corie Griffiths, Economic Development Commission
Members Absent	Mayor John Vassilaki, City of Penticton Councillor Akbal Mund, City of Vernon Councillor Fernanda Alexander, Westbank First Nation
Staff Present	Airport Director, Sam Samaddar, City of Kelowna
Staff Participating Remotely	City Manager, Doug Gilchrist Senior Airport Operations Manager, Phillip Elchitz Airport Finance & Corporate Services Manager, Shayne Dyrdal Legislative Coordinator (Confidential), Clint McKenzie

(* denotes partial attendance)

1. Call to Order

The Mayor/Chair called the meeting to order at 9:03 a.m. and asked for roundtable introductions

2. Confirmation of Minutes

Moved By Councillor Sieben/Seconded By Darin Taylor

THAT the Minutes of the October 29, 2020 Airport Advisory Committee meeting be adopted.

Carried

3. Reports

Operational Update - Phillip Elchitz - Senior Manager of Operations, YLW

- Went over 2021 passenger statistics
- noted a 60% reduction from 2020
- Showed comparison of pre-COVID indicating 64% reduction in 2020 and a further reduction of 39% in 2021 forecasted.
- YLW showing the 6th busiest in Canada and at number 3 in Tier 2 airports.
- Reviewed ongoing staffing reductions with staffing levels based on "meaningful work".
- Reviewed ongoing operational reductions with valet and several parking lots remaining closed.
- Security screening continuing to operate at reduced hours and capacity.
- Ambassador, Junior Ambassador and Ambassador programs remain suspended.
- Reviewed terminal building operations including food and beverage services, health protocols and the temporary reduction of prime contractor services.
- Reviewed mandatory temperature screening
- Reviewed the rapid testing programs including the availability for workcamp charters and soon to be the travelling public and eventually roll it out to a voluntary campus-wide offer to employees.
- Reviewed ACI/NA Health Accreditation - Airport Council International/North America - YLW is very close to receiving the accreditation and it will allow the airport to be in a better place during the continued recovery from COVID.
- Reviewed opportunities for "touchless" travel coming forward
- Reviewed the airport's involvement with the Official Community Plan engagement and the embedding of the Obstacle Limitation Surface and noise buffer areas into the plan for guidelines on future developments in these areas.

Responded to questions from the Committee.

Confirmed that YLW has and continues to have extensive consultations with UBCO on impact to university lands.

Mayor Basran confirmed that UBCO has been heavily engaged in the process.

The Airport Director reviewed incoming passport requirements for international travel.

Development Update - Airport Development Manager - Geoff Ritchie

- Provided a project development update
- ATB expansion
- airside pavement rehabilitation

- reviewed projects deferred due to COVID-19
- Reviewed the financial goals remaining the same
- AIF to be equal to or below \$25.00/enplaned passenger
- Maximum debt level to be \$40 million.
- Debt level less than \$20 million at the end of the program.
- Provided an update on commercial development at the airport.
- The airport as a destination hub is taking shape.

Responded to questions from the Committee.

- Aircraft maintenance hub responded to and a regional economic - cargo distribution and jobs associated with that.
- Provided an update to air service development.
- Canada lags in traffic recovery with most other geographies.
- Provided various scenarios that YLW traffic will recover under.
- Currently have 14 non-stop domestic destinations with multiple airlines representing four more provided than pre-COVID.
- Reviewed 2019 summer air services versus 2021 and the increase in domestic destinations including Ottawa and Montreal.
- Reviewed connectivity with other airports within 4 hours or less.
- Reviewed domestic, transborder and international seat capacity through Kelowna Airport.

Responded to questions from the Committee.

Discussion ensued regarding uptake in future air travel as vaccinations increase.

Reviewed car rental facilities being positioned for recovery.

The meeting recessed at 10:45 a.m.

The meeting reconvened at 10:55 a.m.

Financial Update - Senior Airport Finance & Corporate Services Manager

- Displayed a PowerPoint presentation providing a financial update for the Committee.
- YLW had an annual deficit of \$1.4 million in 2020 compared to an annual surplus of \$15.1 million in 2019.
- Reviewed the 3 passenger scenarios for 2021 for financial forecasting with the lagging scenario being used for decision making purposes. Overall a forecast of 39% decrease in passengers compared to 2020.
- Reserves for the steady, lagging and protracted passenger forecasts were reviewed.
- Reviewed forecasted capital expenditures for the remainder of 2021.
- Reviewed the debt repayment schedule.
- Reviewed the aeronautical revenues per landed air carrier seat percentages.

- Reviewed the Airport Improvement Fees and maintaining the rates while many other airports have significantly increased their fees while Kelowna Airport remains at the lower cost of these fees.

-Responded to questions from the committee.

- Spoke to Victoria and their cost structure being monitored as a comparable airport as they are at \$15.00 versus Kelowna \$25

Moved By Amber Hall/Seconded By Mayor Vassilaki

THAT the Airport Advisory Committee receive, for information, the report from Kelowna International Airport, presented on April 29, 2021.

Carried

4. Questions & Wrap Up

Mayor Basran spoke to the extensive work of airport staff and the efforts to be ready once air travel resumes. Kelowna will continue to be hotspot for travel with the community looking forward to when that day finally comes.

5. Termination of Meeting

The Airport Director advised the committee that staff are available to all communities to provide an update upon request and provided kudos to the Vernon Chamber of Commerce for their support.

The Mayor/Chair declared the meeting terminated at 11:16 a.m.

Chair