



Airport Advisory Committee

Minutes

Date:	Thursday, July 26, 2023
Time:	9:00 am
Location:	Airport Administration Boardroom Kelowna International Airport 1-5533 Airport Way Kelowna, BC
Members Present	Chair, Mayor Tom Dyas, City of Kelowna Councillor Ron Cannan, City of Kelowna Loyal Wooldridge, Chair, Regional District of Central Okanagan Chief Robert Louie, Westbank First Nation Paula Quinn, Kelowna Chamber of Commerce Gord Milsom, Mayor, City of West Kelowna Blair Ireland, Mayor, District of Lake Country Louise Wallace Richmond, Councillor, City of Salmon Arm Terry Condon, Councillor, District of Peachland Lesley Cormack, Deputy Vice-Chancellor, UBCO Amber Hall, Greater Westside Board of Trade Grant Stevens, KF Aerospace, Aviation Industry Representative Kelly Watt, Chair, Tourism Kelowna Roch Fortin, Summerland Chamber of Commerce
Members Absent	Akbal Mund, Councillor, City of Vernon Julius Bloomfield, Mayor, City of Penticton Krista Mallory, Economic Development Commission Greater Vernon Chamber of Commerce Lesley Cormack, Deputy Vice-Chancellor, UBCO
Members Participating Remotely	None
Staff Present	City Manager, Doug Gilchrist Chief Executive Officer, Sam Samaddar, City of Kelowna, YLW Director, Finance & Corporate Services, Shayne Dyrdal, City of Kelowna, YLW Director, Commercial & Air Service, Geoff Ritchie, City of Kelowna, YLW Director, Operation & Innovation, Phillip Elchitz, City of Kelowna, YLW
Staff Participating Remotely	Legislative Coordinator (Confidential), Clint McKenzie

1. Call to Order, Welcome and Introductions - Chair, Mayor Tom Dyas

The Chair called the meeting to order at 9:03 a.m.

Roundtable introductions were completed by the Committee.

The Terms of reference were reviewed. Parking at the airport was reviewed including the online app.

2. Confirmation of Minutes

Moved By Grant Stevens/Seconded By Loyal Wooldridge

THAT the Minutes of the September 22 ,2022 Airport Advisory Committee meeting be adopted.

Carried

3. Reports

3.1 Airport Overview - Airport Chief Executive Officer - Sam Samaddar

Chief Executive Officer:

- Welcome everyone.
- Displayed a PowerPoint presentation.
- Provided an overview of the operations of the airport.
- Spoke to constraints and the issues the airport continues to try and work through.
- As an industry we are not where we need to be. Spoke to connections being missed, NAV Canada staffing issues, gate times, flight scheduling and flight crew shortages.
- Spoke to the workforce and experience levels being lower than pre-COVID.
- Spoke to airline consolidations including WestJet with Sun Wing and Swoop. Net reduction of 49,000 seats to refocus on western Canada. West Jet shifting from a network carrier for the entire country to focusing on western Canada. Their one hub will be Calgary.
- Low-cost carrier side breaking into the Canadian market is not easy. Carriers are entering the market financially leveraged.
- The new Transport Minister, Pablo Rodriguez, was just announced by the Prime Minister during cabinet shuffle discussions.
- Discussed the lack of requirements for NavCan sharing data.
- Discussed 5G and the impacts on airplanes.
- Reviewed greenhouse gas emissions
- The air ambulance contract for Kelowna was highlighted.

Grant Stevens announced that KF Aerospace was the future aircrew training preferred bidder for federal government programming and has received a 20+ year contract training pilots for the Royal Canadian Airforce.

Chief Executive Officer:

- Reviewed YLWs Strategic Goals - Optimization & Transformation, Driver of Regional Economic Development, Financial Responsibility, Accountable Leadership.
- Responded to questions from the Committee.

Mayor Dyas requested an update on initiatives moving forward with air service.

Chief Executive Officer:

- Provided examples of concession and food services where 40 staff have increased to 106 with extended hours of operations. Many positive returns since last fall. Spoke to the childcare facility and employee shuttle service being key improvements to continue to have YLW as an employer of choice.

3.2 Operations Update - Director, Operations & Innovation - Phillip Elchitz

Staff:

- Spoke to 2023 Monthly passenger counts with a 30% increase from June 2022 to June 2023.
- Forecast for 2023 passenger counts is 2,032,000.
- Total aircraft movements were reviewed. More movements than YLW has had in the past.
- Airport orthros were reviewed to better understand operations.
- Groundside parking and rental car operations were reviewed.
- Terminal and airside operations were reviewed.
- Airside maintenance and snow operations were reviewed.
- Aircraft firefighting and first medical response reviewed.
- Aircraft operations were reviewed. Kelowna has the most challenging approach in Canada for commercial airline operators due to mountainous terrain.
- Spoke to Aircraft operations - innovations - working with NavCan on improving RNP approach from the south to allow for a wider range of aircraft to fly the approach during low visibility operations.
- YLW controlled airspace and its optimization was reviewed.
- Reviewed the OCP (Official Community Plan) and interaction with YLW to ensure that protected areas required for airport expansions are secured. Now embedded in the community plan for surrounding height restrictions and collaboration with the City's planning department. Similar template needs to happen with the regional district.
- Strategy for YLW for the future was reviewed. Collection of data to make data driven decisions is important. Areas covered included wildlife identification and remediation with drone technology. Check in allocation based on passenger data, an example of data required to make better decisions.
- RFID Baggage System is being looked at as a pilot program at the airport with Alaska Airlines.
- Parking innovations were reviewed including the reservation system and machine learning passenger behaviors.
- ReserTrac ground transportation technology was reviewed as a ground transportation management tool.
- CBSA - advanced digital declaration and a digitization of passport is being proposed as a pilot by using your personal devices which will help in ease of passenger processing.
- Customer Service - chatbot virtual concierge soul machine being investigated.
- ACI-NA Health Accreditation - is maintained at YLW during COVID.
- Environmental Initiative - Level 2 airport carbon accreditation achieved.
- Electrification and the use of hydrogen is being examined to replace combustion engines in heavy vehicles.
- Responded to questions from the Committee.

3.4 Break

The meeting recessed at 10:28 a.m.

The meeting reconvened at 10:38 a.m.

3.3 Commercial & Air Service Update - Director, Commercial & Air Service - Geoff Ritchie

Staff:

- Reviewed food and beverage operations.
- There has been a change in services at the airport plaza gas station. This now includes Canco and Bubble waffle in addition to the existing Freshii operations.
- The Eastlands and the future development of the area was reviewed.
- Capital projects were reviewed including the air terminal building expansion, impact on parking with the expansion, combined operations building, the reconfiguration of parking, childcare facility, and hotel facility and parkade build out.
- Hotel sublease is now executed with Sutton Place Hotel along with an adjoining 1000+ stall parkade which is still in negotiations.

- Employee parking lot paving and ATB Roof replacement capital programs were reviewed.
- GHG reduction - the roadmap to carbon neutral by 2030 was outlined.
- Apron III and Taxiway C pavement rehabilitation were outlined. Airfield Lighting & Supporting Infrastructure assessment completed to design for a conversion of approach lighting was reviewed.
- Changes to network planning were reviewed including a shift from growth mode to risk management and the overall philosophy being used by airlines on route discussions.
- Air Service Development and the ongoing strategic discussions targeting more destinations and frequencies including Winnipeg with WestJet and Flair. Saskatoon and Regina on WestJet and Nanaimo with Pacific Coastal.
- Responded to questions from Council.

3.5 Financial Update - Director, Finance & Corporate Services - Shayne Dyrdal

Staff:

- Provided a financial overview.
- Airport continues to be self-funded through fees and charges including aeronautical and non-aeronautical with payment into the City general fund. The strategy is to keep aeronautical fees as low as possible to attract carriers.
- Strategic financial goals were reviewed including maintaining a low-cost business model.
- Fees and charges were reviewed showing YLW had lower fees than tier 1 and tier 2 airports when compared to the aeronautical cost per landed air carrier seat.
- AIF comparison with other airports was reviewed.
- YLW is below median and weighted averages for Tier 1 and Tier 2 airports for the AIF.
- The financial history, forecast and budget from 2019 to 2023 were reviewed.
- Debt with Municipal Finance Authority was reviewed with just over 8.5M left to be repaid. Approved now to take out an additional \$48M in debt for the terminal building expansion.
- Reviewed the 10-year capital plan and what projects the financing would be attributed to.

Mayor Dyas requested staff to touch upon what would come forward to the Committee in the fall meeting. Staff were thanked for their sharing of information.

Moved by Louise Wallace Richmond /Seconded by Loyal Wooldridge

THAT the Committee receive the report for information dated July 26, 2023.

Carried

4. Questions & Wrap Up

Discussion ensued regarding airport signage and public safety challenges around the airport including vehicle break-ins.

Mayor Dyas spoke to human trafficking and the prevention program in place at YLW.

The airport catchment area was reviewed.

5. Termination of Meeting

Mayor Dyas thanked everyone for attending and declared the meeting terminated at 11:56 p.m.

Chair