



Airport Advisory Committee Minutes

Date:	Wednesday, November 15, 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 Blair Ireland, Mayor, District of Lake Country Keith Thom, Councillor, District of Peachland Grant Stevens, KF Aerospace, Aviation Industry Representative Kelly Watt, Chair, Tourism Kelowna Corie Griffiths, Regional District of Central Okanagan Kevin Kroft, Director, Regional District of Central Okanagan Martin Von Holst, Greater Vernon Chamber of Commerce Akbal Mund, Councillor, City of Vernon Councillor David Gonella (Alternate), City of Salmon Arm
Members Absent	Loyal Wooldridge, Chair, Regional District of Central Okanagan Chief Robert Louie, Westbank First Nation Louise Wallace Richmond, Councillor, City of Salmon Arm Lesley Cormack, Deputy Vice-Chancellor, UBCO Amber Hall, Greater Westside Board of Trade Julius Bloomfield, Mayor, City of Penticton Krista Mallory, Economic Development Commission Lesley Cormack, Deputy Vice-Chancellor, UBCO Paula Quinn, Kelowna Chamber of Commerce Roch Fortin, Summerland Chamber of Commerce
Members Participating Remotely	Rick de Jong, Councillor, City of West Kelowna
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, Operations & 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 9:08 a.m.

2. Confirmation of Minutes

Moved By Blair Ireland/Seconded By Councillor Cannan

THAT the Minutes of the July 26, 2023 Airport Advisory Committee meeting be adopted.

Carried

3. Reports

3.1 Opening Remarks - Sam Samaddar, Airport Chief Executive Officer

The Mayor provided background and congratulations to Sam Samaddar for winning the Kelowna Chamber of Commerce Business Leader of the Year.

Chief Executive Officer:

- Thanked the Committee and welcomed everyone.
- Provided context to the growth and investment in the airport by the community.
- Provided some background to recovery of airports nationally and globally.
- Spoke to the development of Artificial Intelligence solutions and personal touch for travelers as they navigate through airports.
- Spoke to the contraction of many small and regional airports into a reduced air service as airlines are increasingly focused on risk averse approaches.
- Spoke to the leverage airlines find themselves currently in as well as significant labour shortages.
- Kelowna continues to hold its position and is close to achieving its 2019 passenger levels.
- Embarking on the largest ever investment in the airport.
- Responded to questions from the Committee.

3.2 Operational Review - Phillip Elchitz, Director, Operations & Innovation

- Provided an operating overview including 2023 monthly passenger counts forecasting just over 2 million passengers this year.
- Showed historical counts over the last 10 years.
- Spoke to aircraft movements with 65,632 to date, highest ever recorded to end of June 2023 prior to this summer's fires.
- Spoke to the new aircraft approach coming online at the end of January 2024.
- Spoke to the information sessions completed in the community for the new aircraft approach.
- Reminded the committee of the OCP federal airport height regulations being embedded into the Official Community Plan.
- Spoke to working with RDCO on the lands east of the airport boundary.
- Recapped innovation projects that are underway and include ground transportation management software to dispatch, manage and invoice commercial vehicle operators (CVOs) and automation of gate/counter scheduling.
- Spoke to the 2023 wildfires including the 85 hour airspace closure and the future goal to have a more collaborative process resulting in partial airspace closure versus a blanket airspace closure. Kelowna will be leading a national review with the federal government to have more collaborative approach with all Canadian airports.
- Spoke to the air passenger protection federal regulations including the increase of time eligible for a claim from 1 year to 3 years and limiting 'knock-on' effects to no more than 2 flights.
- Spoke to the unintended consequences the regulations will have on the airlines.
- Responded to questions from the Committee.
- Provided an update in relationship with Uber.

3.3 Commercial, Capital Projects & Air Service Overview - Geoff Ritchie, Director, Commercial & Air Service

- Displayed a PowerPoint presentation outlining the hotel and parkade development.
- Spoke to the future development of the east lands at the airport and the coordination of all levels of government to get access in and out of the area.
- Provided an update on the air terminal building expansion with the erection of the crane scheduled for January 2024.
- Spoke to the childcare facility as it is now open and full. A second funding application to expand into two additional classrooms is completed.
- Spoke to the planning cycles for airlines including long range planning, network planning, schedule planning and revenue management.
- Spoke to the differences between summer and winter scheduling.
- YLW recovery has kept up with the Canadian average and is the second fastest in recovery.
- Ninety percent of seats are recovered in comparison to 2019.
- Spoke to the collaboration of YLW with community stakeholders to align strategies and leverage efforts.
- Responded to questions from the Committee.

3.4 Financial Overview - Shayne Dyrdal, Director, Finance & Corporate Services

- Displayed a PowerPoint presentation outlining the year to date financials for the airport.
- Provided a comparison of actual versus budget with the 9-month surplus being 73 percent of what was budgeted for the year.
- 9-month revenues are 72 percent of annual budgeted amounts.
- Reviewed significant investments in 2024 including the terminal building expansion, combined operations building, airside pavement rehabilitation and equipment purchase.
- Reviewed fees and charges including the proposed three percent increase for landing and terminal fees, and the proposed reduction in the annual taxi and transportation network services licensing fee from \$50 to \$0.
- Reviewed changes to wording for clarity regarding land rental rates.
- Reviewed estimated aeronautical revenues and airport improvement fee per landed air carrier seat compared to other Tier 1 and Tier 2 airports.

Moved By Blair Ireland/Seconded By Councillor Akbal Mund

THAT the Committee receive the report dated November 15, 2023 and recommend to Council landing and terminal fees increase by 3% effective January 1, 2024, landing and terminal fees increase in future years by no more than the 12 month average increase in the BC all items consumer price index for the 12 months ended June 30 of the prior year, remove the \$50 annual taxi and transportation network services licensing fee, and update the land rental rate language in the Airport Fees Bylaw No. 7982.

Carried

4. Questions & Wrap Up

Staff:

- Responded to questions from the Committee.
- Provided an update on pre-board screening regulations.

5. Termination of Meeting

The Chair declared the meeting terminated at 10:44 a.m.

6. **Tour - KF Centre for Excellence, Okanagan Aerospace & Aviation Museum - Paula Quinn,
Executive Director KF Aerospace Centre for Excellence**

The Committee departed to tour the KF Centre for Excellence and take a group photo.

7. **Group Photo**

Chair