

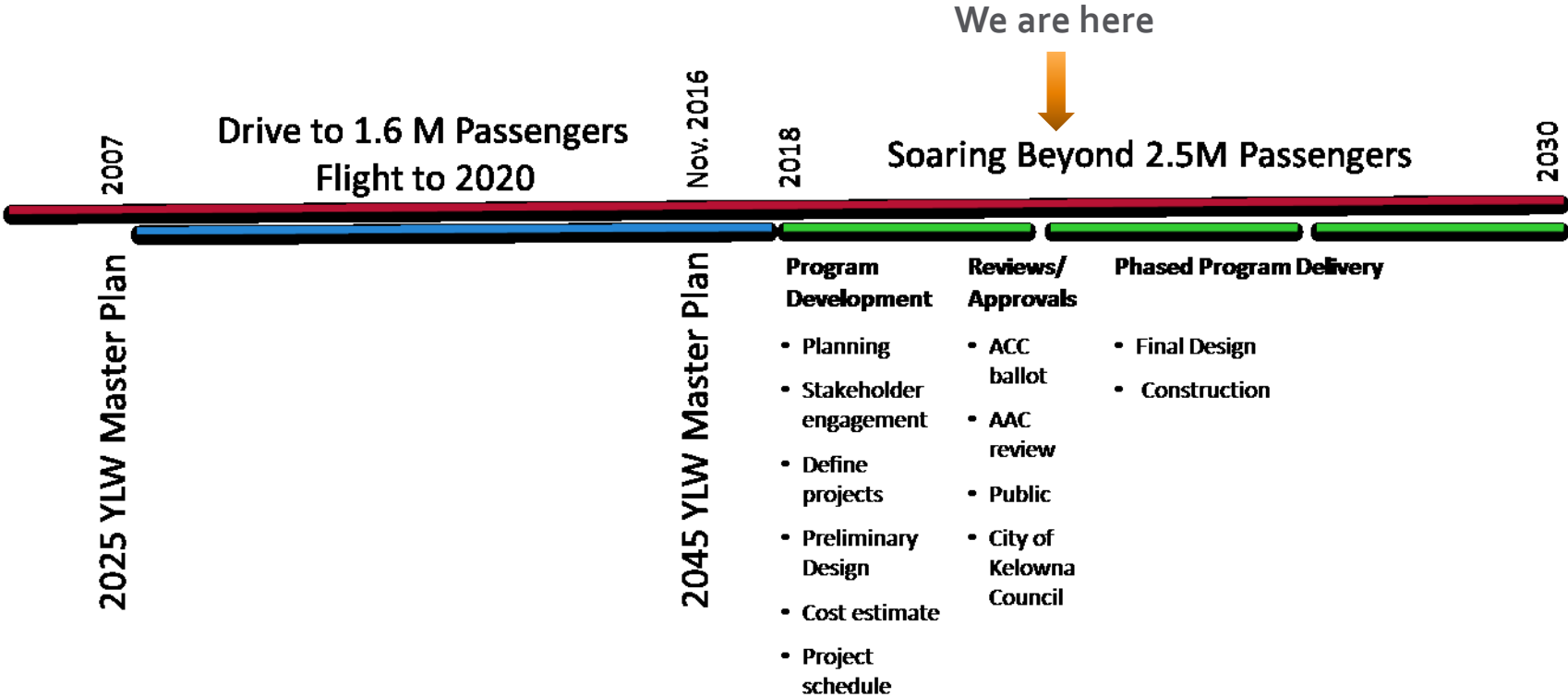


YLW

Kelowna International Airport

Soaring Beyond 2.5 M Passengers AIF Program Update

Soaring Beyond 2.5 Million Passenger AIF Program



Soaring Beyond 2.5 Million Passenger AIF Program

Project	Cost (Millions)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Terminal Expansion - Phase 1	60.8										
Terminal Expansion - North Bridge	6.5										
Apron Expansion	19.6										
Self-serve Baggage Drop	1.9										
Runway End Safety Area	8.6										
Combined Operations Building	12.0										
CUTE/CUSS	3.2										
Terminal Expansion - Phase 2	41.4										
Loading Bridges	2.4										
Airside Lighting and Supporting Infrastructure	0.2										
Airside Pavement Rehabilitation	50.5										
Airside Equipment	12.8										
Total	219.9										

Legend



Soaring Beyond 2.5M Passenger AIF Program

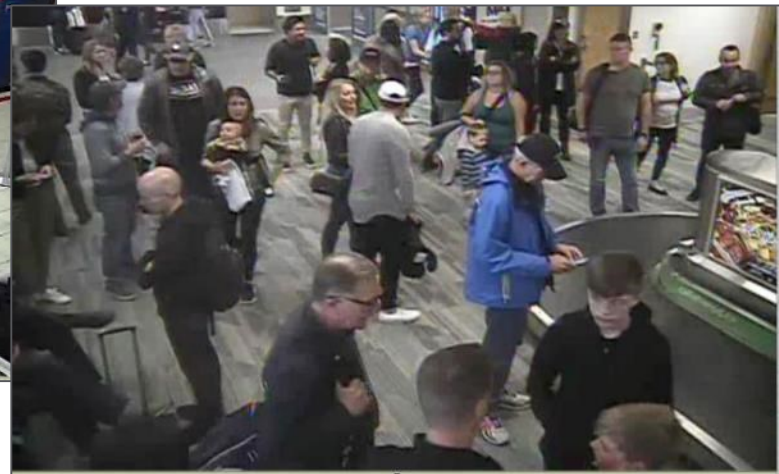
- ▶ Current Infrastructure
 - ▶ Reaching operational capacity
 - ▶ Significant rehabilitation required



Departures



Pre-board screening



Arrivals

Soaring Beyond 2.5 Million Passenger AIF Program

CURRENT PHASES IN DESIGN:

PHASE 1 Expand Departures Holdroom and Pre-board Screening to the south of the existing terminal.

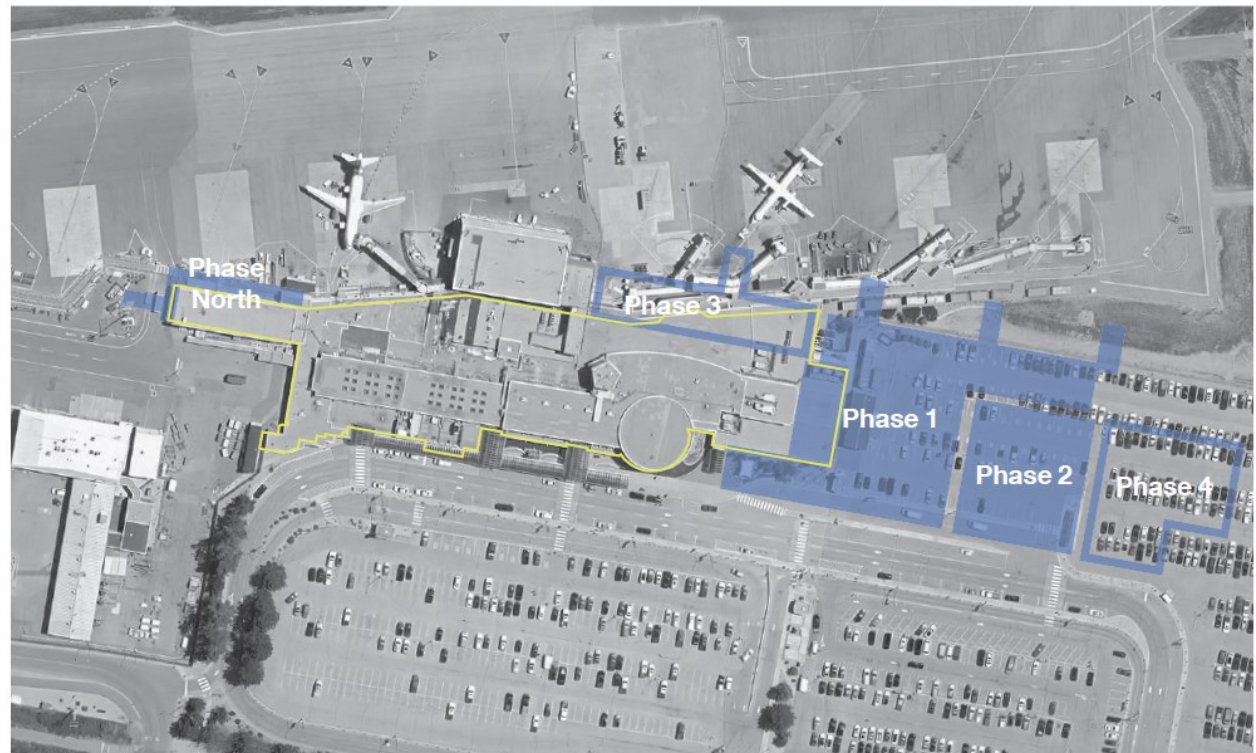
PHASE NORTH Reconfigure the Airside Corridor at the north end.

PHASE 2 Relocate Domestic Arrivals to the south end of the terminal. Renovate the existing Arrivals area to accommodate a larger International Arrivals area and CBSA Facility.

FUTURE PHASES:

PHASE 3 Renovate and expand the existing Departures Holdroom to the north.

PHASE 4 Relocate the International Arrivals area and CBSA Facility to the south of the terminal.



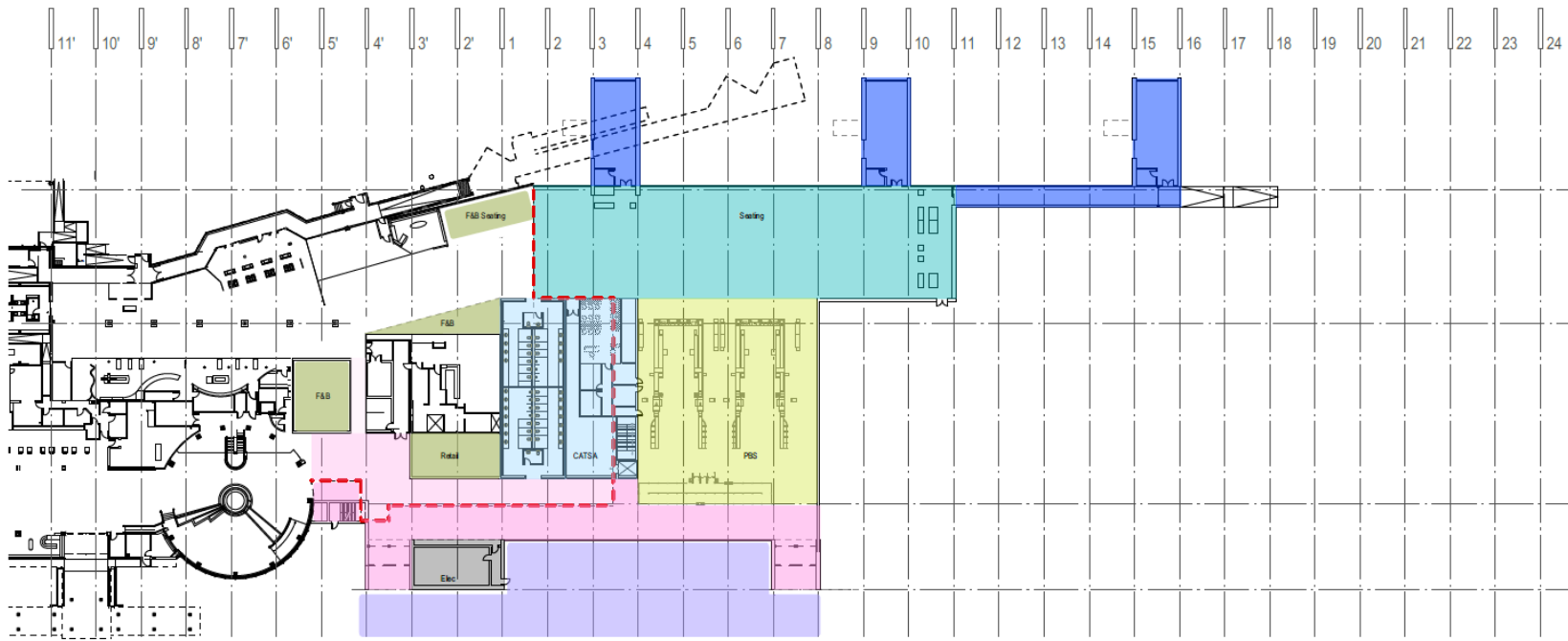
Soaring Beyond 2.5M Passenger AIF Program

- ▶ Terminal Expansion – Phase 1 (\$60,753,000)
 - ▶ 2020 – commencement of construction
 - ▶ 2023 – completion of construction
 - ▶ Issues being addressed
 - ▶ Departures lounge – increase operational capacity
 - ▶ Pre-board screening – reduction in wait times
 - ▶ Wayfinding – first step in elimination of airside corridor
 - ▶ Walking distances – first step in reduction
 - ▶ Food and beverage – greater selection

Soaring Beyond 2.5 Million Passengers

► Terminal Expansion – Phase 1 (\$60,753,000)

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

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- ▶ Terminal Expansion – Phase 1 (\$60,753,000)



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- ▶ Terminal Expansion – Phase 1 (\$60,753,000)



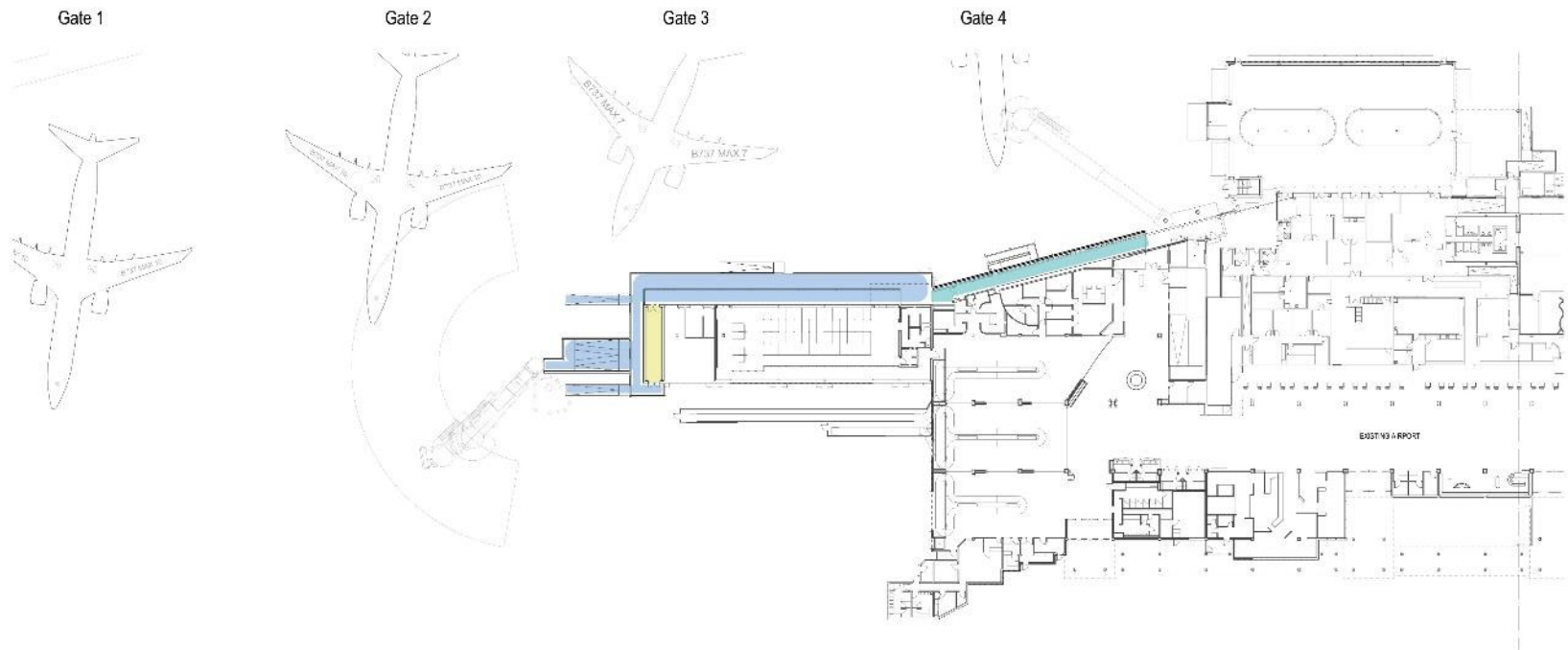
Soaring Beyond 2.5 Million Passengers

- ▶ Terminal Expansion – North Bridge (\$6,521,000)
 - ▶ 2020 – commencement of construction
 - ▶ 2021 – completion of construction
 - ▶ Issues being addressed
 - ▶ Simultaneous domestic and international arrivals - mitigation of operational constraints

Soaring Beyond 2.5 Million Passengers

► Terminal Expansion – North Bridge (\$6,521,000)

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

YLW ATB CONSULTANTS MEETING - JULY 5, 2018

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- ▶ Airside Equipment – Purchase (\$1,825,000)
 - ▶ 2020 – Purchase
 - ▶ Issues being addressed
 - ▶ Acquisition of snow-clearing equipment to replace equipment at the end of its useful life
 - ▶ Loader
 - ▶ Sweeper
 - ▶ Heavy Duty Truck
 - ▶ Attachments



Soaring Beyond 2.5 Million Passengers

- ▶ Apron 1 Expansion – Design (\$520,000)
 - ▶ 2020 – commencement and completion of design
 - ▶ Issues being addressed
 - ▶ Operational constraints on Apron 1
 - ▶ Would allow for the expansion of Gate 10 and addition of Gate 11 in 2021

Soaring Beyond 2.5 Million Passengers

- ▶ Airside Lighting and Supporting Infrastructure – Design (\$240,000)
 - ▶ 2020 – commencement and completion of design
 - ▶ Issues being addressed
 - ▶ Understanding the benefits and implications of upgrading from the current **medium-intensity** runway and approach lighting systems to **high-intensity** runway and approach lighting systems.

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- ▶ Self-serve Baggage Drop – Consultation (\$50,000)
 - ▶ 2020 – commencement and completion of consultation



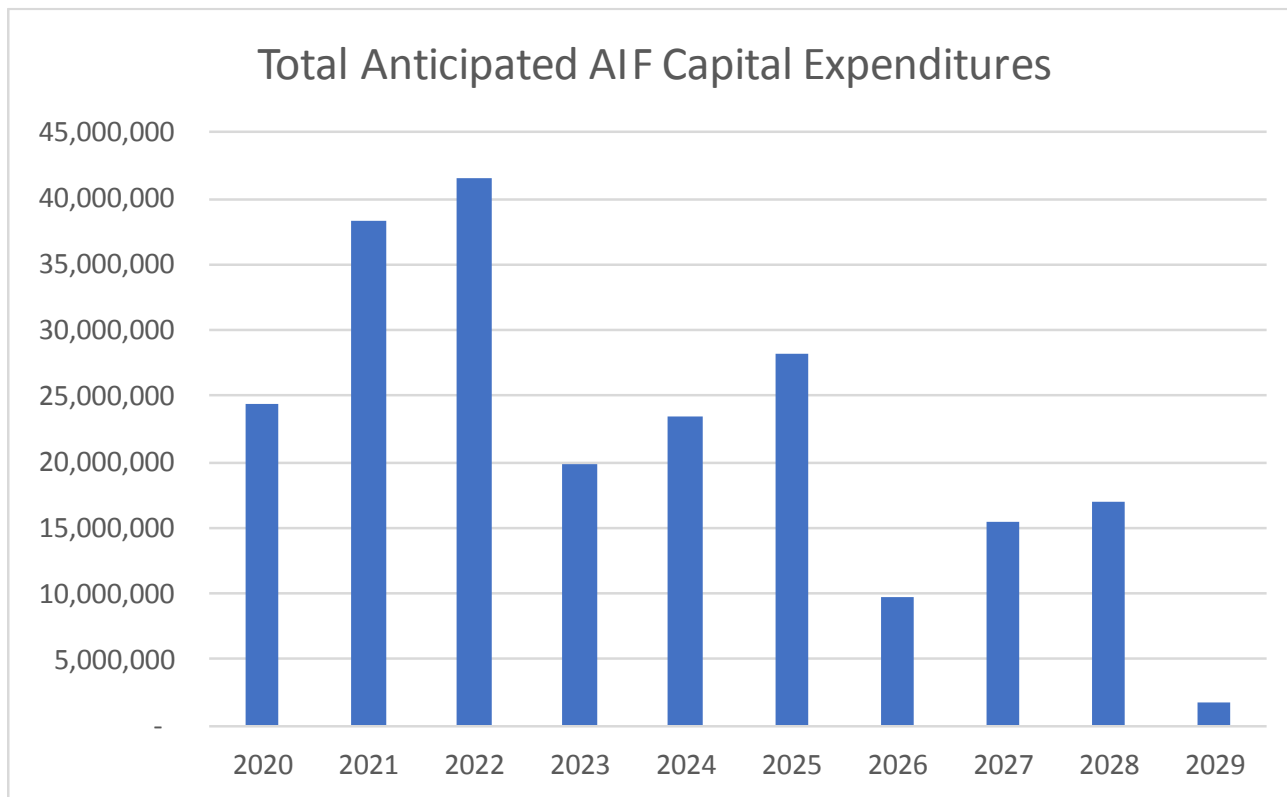
Soaring Beyond 2.5 Million Passengers

▶ Financial Goals

- ▶ AIF equal to or below \$25.00/enplaned passenger
- ▶ Maximum debt level of \$40,000,000
- ▶ Debt level less than \$20,000,000 at the end of 2029
- ▶ Positive reserve balance at the end of 2029

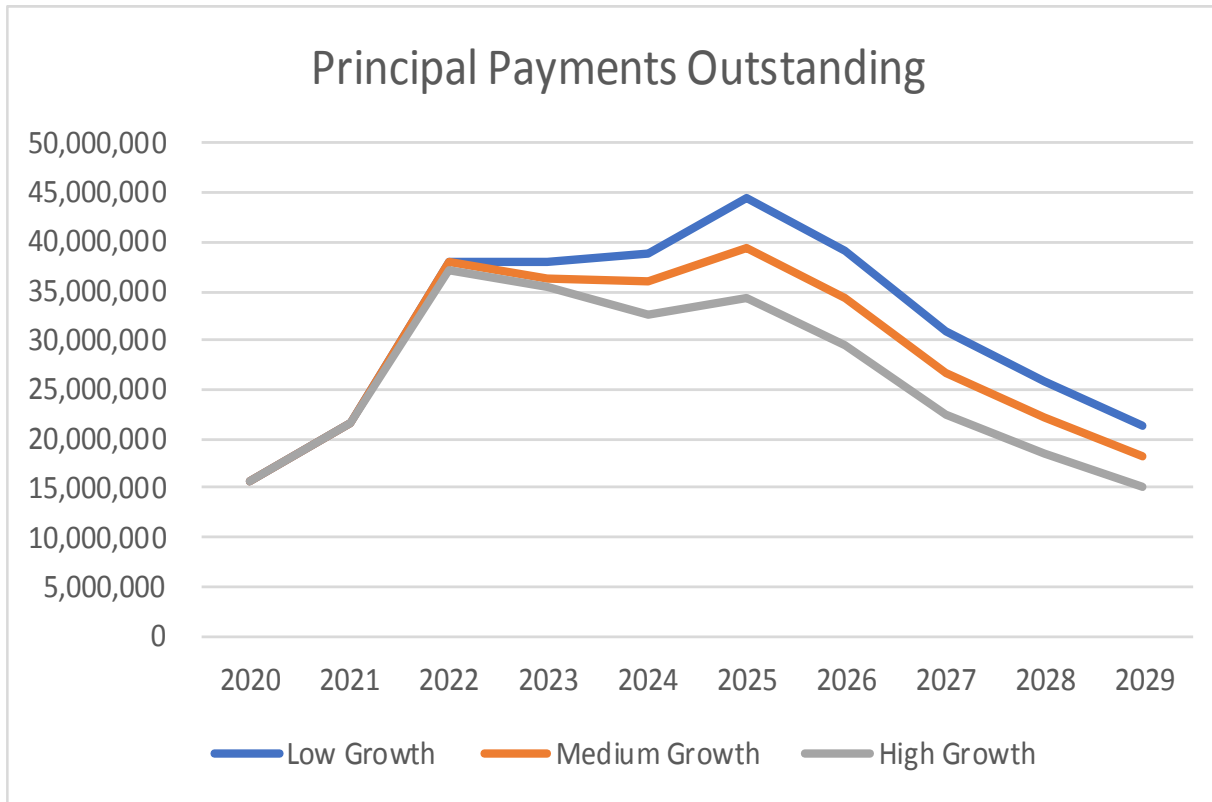
Soaring Beyond 2.5 Million Passengers

► Financial Summary



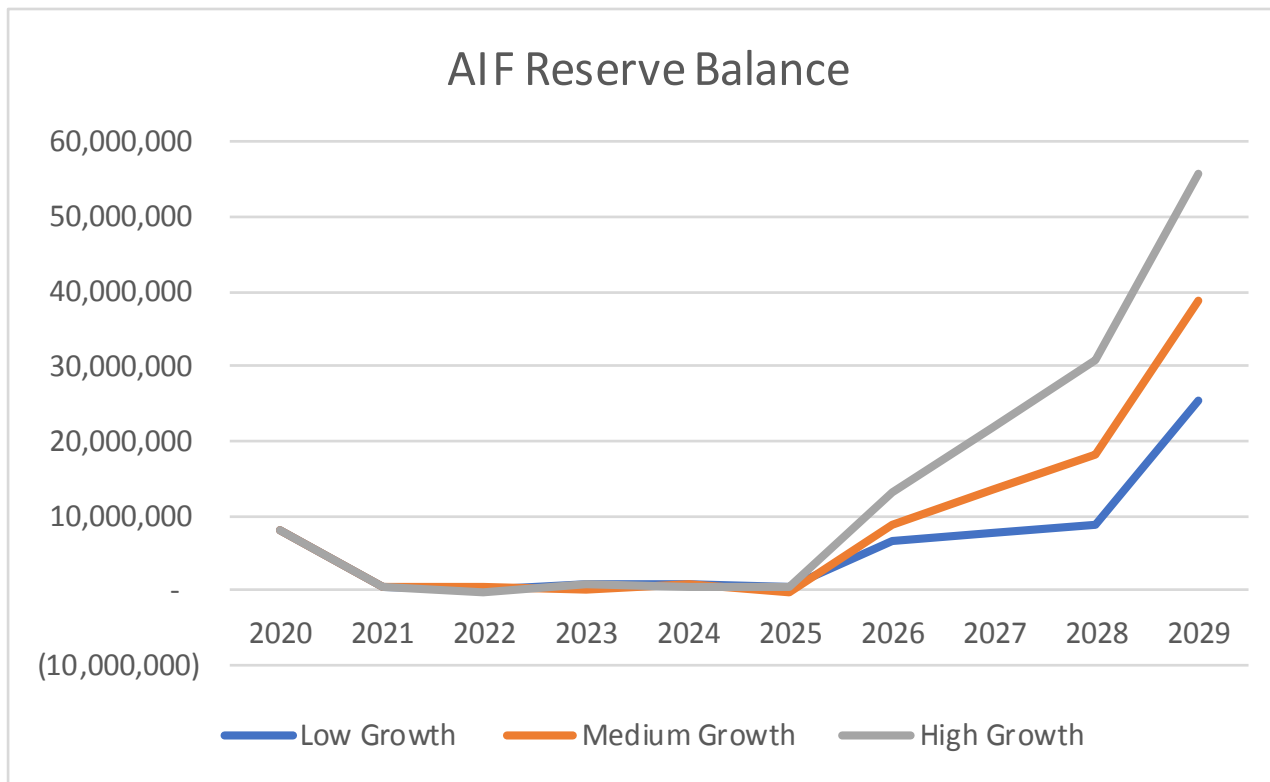
Soaring Beyond 2.5 Million Passengers

► Financial Summary



Soaring Beyond 2.5 Million Passengers

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Soaring Beyond 2.5 Million Passengers

► Financial Summary

► Airports by Descending AIF

AIF per Departing Passenger	Airports
\$ 40.00	Fort McMurray
\$ 35.00	Quebec City, St. John's, Gander
\$ 30.00	Montreal, Calgary, Edmonton
\$ 28.00	Halifax
\$ 25.00	Toronto, Winnipeg, Moncton, Hamilton, Prince George, Grand Prairie
\$ 23.00	Ottawa
\$ 20.00	Vancouver, Saskatoon, Regina, Kelowna, Charlottetown, Yellowknife, Fredricton
\$ 15.00	Toronto City, Victoria
\$ 7.00	London
\$ -	Abbotsford, Whitehorse

► AIF by Airport

AIF per Departing Passenger	Airports
\$ 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
\$ 20.00	Kelowna
\$ 15.00	Victoria
\$ 35.00	Quebec City
\$ 20.00	Saskatoon
\$ 35.00	St. John's
\$ 20.00	Regina

Soaring Beyond 2.5 Million Passengers

▶ Financial Summary

▶ Airline Consultative Committee Ballot

Description	Amount (\$)
Terminal Building Expansion - Construction (2020 - 2023)	67,275,000
Apron 1 South Expansion - Design (2020)	520,000
Airside Lighting and Supporting Infrastructure - Design (2020)	240,000
Self-serve Baggage Drop - Consultation (2020)	50,000
Airside Equipment - Purchase (2020)	1,825,000
Total	69,910,000

- ▶ Airlines representing 95.6% of YLW's 2018 enplaned passengers concurred with moving forward with the projects
- ▶ Airlines representing 4.4% of YLW's 2018 enplaned passengers did not provide a response to the ballot