



VICTORIA AIRPORT AUTHORITY

Airport Consultative Committee

**Minutes of the Meeting held on
Tuesday, March 7, 2017
7:30 – 9:00 AM**

**Victoria Marriott Inner Harbour Hotel
Pacific B Room
728 Humboldt Street, Victoria, BC**

Upcoming Public Meetings:

- **Victoria Airport Authority Annual Public General Meeting:
7:00 PM, Thursday, May 11, 2017
Mary Winspear Centre – Charlie White Theatre
2243 Beacon Avenue, Sidney, BC**
 - **Fall Airport Consultative Committee Meeting:
7:00 PM, Tuesday, October 24, 2017
Mary Winspear Centre – Charlie White Theatre
2243 Beacon Avenue, Sidney, BC**
-

Representative Members

Organization

Representative

Airlines:

WestJet	Regrets
Air Canada / Jazz	Regrets
Horizon Air	Regrets
Pacific Coastal Airlines	Regrets

Airport Land Tenants Association Regrets

Air Terminal Building Tenants' Representative Regrets

Association of Canadian Travel Agencies Regrets

BC Ministry of Transportation & Infrastructure Regrets

Canada Border Services Agency Regrets

Canadian Aircraft Owners and Pilots Association Regrets

Capital Regional District Regrets

City of Victoria

Councillor Margaret Lucas

Department of National Defence

Lieutenant Colonel Shawn Williamson

District of Central Saanich Regrets

District of North Saanich Regrets

District of Oak Bay Regrets

District of Saanich Regrets

Greater Victoria Chamber of Commerce

Catherine Holt

Nav Canada Regrets

North Saanich Residents' Association Regrets

Pauquachin Band Council Regrets

Saanich Peninsula Chamber of Commerce

Joe Jansen

Saanich Peninsula Water & Wastewater Commission Regrets

Sidney Business Improvement Area Society Regrets

Sidney Ratepayers Association Regrets

Tourism Victoria **Paul Nursey**

Town of Sidney Regrets

Tseycum Band Council Regrets

VAA Airport Consultative Committee Members in attendance:

Jim Crowley (Board Chair), Eric Donald (Committee Chair), Lynne Henderson, Marilyn Loveless, Mel Rinald, Gordon Safarik and Colin Smith

Other VAA Board members in attendance:

Wendy Everson, Frank Leonard, Cathie Ounsted and Sharlene Smith

Regrets:

Rod Dewar

VAA Management: Geoff Dickson (CEO), Nicole Beach, Randy Bogle, James Bogusz, Scott Cunningham, Ken Gallant, Mike Garraway, Stephanie Long, Melinda Orłowski and Ian West

Public in attendance: 25

1. Call to Order

The meeting was called to order by Eric Donald, Chair of the Airport Consultative Committee. Melinda Orłowski acted as Recording Secretary.

2. Introduction of Members of the Committee, Dignitaries and Special Guests

The Committee Chair welcomed the members of the Airport Consultative Committee, representative members, the business community and members of the public. City of Victoria Councillor Margaret Lucas was acknowledged as an honoured guest.

3. October 25, 2016 Airport Consultative Committee Meeting Minutes

The minutes of the October 25, 2016 Airport Consultative Committee meeting were provided to the Committee for review.

MOTION: Acceptance of the October 25, 2016 Airport Consultative Committee meeting minutes as presented.

Moved by: Eric Donald

Seconded by: Marilyn Loveless

Motion carried.

4. Report from the Chair of the Board of Directors

Jim Crowley, Chair of the Victoria Airport Authority (VAA) Board of Directors, welcomed everyone to the spring meeting of the Airport Consultative Committee. He welcomed the representatives of the Airport Consultative Committee who come from a broad spectrum of the community. The VAA welcomes comments from the committee and public.

With the assistance of a PowerPoint presentation, Mr. Crowley provided an overview of the roles and responsibilities of the VAA Board of Directors.

VAA Board of Directors

The VAA Board of Directors is a policy board and are not involved in the day-to-day management of the airport. The Board oversees the policies, bylaws and financial health of the VAA.

There are twelve Board members representing nine nominating bodies. It is a senior team with many years of business experience. Biographies of all current members of the Board as well as the President and CEO are available on the VAA website at www.victoriaairport.com.

The 2016 Board of Directors are:

Jim Crowley	Board Chair	District of North Saanich
Eric Donald	Board Vice-Chair and Chair, Airport Consultative Committee	City of Victoria
Marilyn Loveless	Board Secretary and Chair, Governance Committee	Government of Canada
Gordon Safarik	Chair, Audit & Finance Committee	District of North Saanich
Lynne Henderson	Chair, Planning & Development Committee	Province of BC
Rod Dewar	Director	Greater Victoria Chamber of Commerce
Wendy Everson	Director	Town of Sidney
Frank Leonard	Director	Government of Canada
Mel Rinald	Director	Town of Sidney
Cathie Ounsted	Director	District of Central Saanich
Colin Smith	Director	Capital Regional District
Sharlene Smith	Director	District of Saanich

Mission and Vision

The Board operates quietly in the background, and its objective is to fulfill VAA's mission and vision:

- ◆ Vision: To be the Best Airport Anywhere;
- ◆ Mission: To provide a safe, secure and efficient airport that enhances economic and social benefits for our region.

Strategic Goals

VAA's goals include:

- ◆ To provide a safe and secure airport
- ◆ Be a leader in environmental protection and management
- ◆ Provide exceptional facilities and customer service
- ◆ Operate in a financially responsible manner
- ◆ Attract and maintain air service; and
- ◆ Attract and retain a talented and motivated team of employees

The Board is proud of the VAA's track record of recognition for service quality on the local, national and international level. VAA continues to see great progress in achieving the mission, vision and goals outlined in the five year Strategic Plan. Victoria International Airport ranks in the top 1% in efficiency of costs to the traveling public.

Board Education

The Board actively seeks out opportunities to expand its knowledge. All members have memberships with the Institute of Corporate Directors, the only globally recognized director organization in Canada. The Board continues to utilize this valuable resource center to keep current on governance best practices. A number of Board members also possess ICD designations.

The Board also receives regular updates from industry and works closely with the management team to learn about the complexities related to the development of the airport. These occur through ongoing presentations and tours of ongoing projects.

In 2016, the Board and Management team met for an all-day Enterprise Risk Management workshop which saw the creation of a new enterprise risk register. Emerging risks will continue to be tracked, rated, assessed and mitigated with periodic updates to the Board.

As part of the ongoing development and education, following this meeting the Board will engage in a full-day workshop on governance best practices, effective dialogue and teamwork.

Victoria International Airport

Victoria International Airport serves Greater Victoria and surrounding area. It is an important economic engine for the region by creating jobs, growing business, connecting people, goods and ideas. Later in the year, VAA will be updating its economic impact assessment to measure how YYJ contributes to the economy.

There are approximately 60 land tenants operating on airport property; approximately 2,800 people make their living on the lands of Victoria International Airport. VAA is proud of the job creation, businesses and connections globally by way of two major airport hubs, Seattle and Vancouver, which are in close proximity.

Last year, YYJ experienced phenomenal growth. There was an 8.5% increase in passenger traffic over the previous year, culminating in a new record of over 1.86 million passengers. Beginning in June, new wide body aircraft will provide air service between Victoria and Toronto.

There are a number of challenges in meeting this record growth but given VAA's excellent financial position and no requirement to incur additional debt, VAA is confident it will successfully work through those challenges.

Every five years, VAA retains an external consultant to evaluate VAA's performance under the ground lease with Transport Canada. That review process will get underway in April 2017. The evaluation will include a review of VAA's adherence to its business plan objectives and the requirement to provide a safe and secure aerodrome facility. As part of that review, the Steering Committee will be interviewed.

Safety and Security

Safety and security are a prime area of concern around the world, in particular from the threat of international terrorism. Both passengers and airlines expect that every aspect of an airport's operation will be safe and secure.

There are strict federal regulations to maintaining those standards. The VAA has practices in place to recognize and act on existing and emerging risks to ensure the safety of the public and employees, protect critical assets and recover quickly should there be any incidents.

In September 2016, VAA held a live emergency exercise that simulated an airline crash. The Chair was in attendance as an observer and commended the professionalism of all those involved in the simulation.

Financial Viability

The Board has a duty to ensure the financial viability and sustainability of the airport, with comprehensive processes and policies in place to support the Management team. As VAA continues to invest in the assets of YYJ, there is great pride in being a high quality, low cost airport.

As of January 3, 2017, VAA has fully retired its long-term debt and is now debt-free. It is an enormous achievement to be in such a strong financial position.

Environment

The VAA has a strong history as a leader in environmental management and has won many awards for its efforts. In 2016, a substantial amount of money and time were spent for the rehabilitation of TenTen Creek. In 2017 VAA will be turning its efforts to Reay Creek, focusing on water quality and the conservation of the natural environment.

Closing Remarks

Any organization is dependent on its management and staff not just for the services it provides, but also for its community profile. The Board of Directors appreciates the 44 remarkable people who work at the VAA.

The Board Chair thanked all those who attended today for their interest and support.

5. Report from the Chief Financial Officer

Randy Bogle, Chief Financial Officer, presented the unaudited financial results to December 31, 2016. The Annual Public General Meeting will be held on May 11, 2017, at 7:00 PM at the Mary Winspear Centre. The audited financial statements will be presented at that time.

2016 has been a year of growth for Victoria International Airport. VAA has experienced 39 months of record passenger traffic in each month going back to November 2013. This increased traffic has had a positive effect on VAA's revenue for 2016.

Revenue

Total revenue for 2016 is \$34.5 million, which is an increase of \$5.3 million or 18% over 2015.

Revenue is broken down into three categories: aeronautical, non-aeronautical and the Airport Improvement Fee (AIF). Of this total, non-aeronautical revenue accounts for approximately 40%, AIF revenue accounts for approximately 40% and aeronautical revenue accounts for approximately 20%.

Non-Aeronautical Revenue consists of items such as parking revenue, concession fees, restaurants, retail, advertising, taxis, shuttle bus operations and land rentals.

For 2016, Non-Aeronautical revenue increased by 9.5% to \$13.7 million. Victoria International Airport has one of the highest percentages of Non-Aeronautical revenue in the country.

Aeronautical Revenue consists of the fees charged for aircraft to land at YYJ and to use the terminal building for passenger enplanement and deplanement. For 2016, Aeronautical revenue increased by 12% to \$7.1 million.

Landing fees are based on the weight of the aircraft. The larger the gauge of aircraft, the higher the fees. These apply to all jets and turboprop aircraft. Airlines using the terminal are charged a terminal fee of \$2.24 domestic per landed seat; transborder or international terminal fees are \$3.81 per landed seat.

At 20% of total revenue, YYJ's aeronautical revenue is low compared to its peer airports. VAA has strived to keep its aeronautical revenue fees low to encourage new services.

The domestic turnaround cost for a 737 aircraft at Victoria International Airport is approximately \$742. This is the cost to the airlines for landing an aircraft and to use the terminal building. YYJ is among the lowest cost airport in Canada, which is part of VAA's high quality, low cost approach.

AIF Revenue – At \$15, YYJ's AIF is among the lowest of airports within the National Airports System. Funds raised from the AIF can only be used for AIF-eligible capital projects and any debt servicing related to these projects. Funds cannot be used to pay for any operating expenses. For 2016, AIF revenue is \$13.6 million.

Expenses

Operating Expenses consist of items such as safety and security, snow removal, cleaning, utilities, maintenance, salaries and benefits. Operating expenses increased by \$1.3 million to \$13.4 million.

Amortization - Under generally accepted accounting principles, the costs for capital assets is recognized over the useful life of the asset rather than as the cash paid for an asset in a particular year. For 2016, amortization increased by 9% to \$7.1 million. This is as a result of the completion of capital projects and the commencement of amortization on these projects.

Rent and Property Taxes – The VAA pays rent to the Federal government, and property taxes to the District of North Saanich and Town of Sidney. For 2016, rent and property taxes increased by 22% to \$2.5 million.

The increase is primarily related to increased rent paid to the Federal government. Rent is calculated as a percentage of revenue. As revenues increase the amount of rent paid increases as well.

Interest on Long Term Debt – The VAA utilized long-term debt to fund the terminal expansion. The loan was repaid over 10 years. For 2016, the interest paid on this debt was \$52,000. Long Term Debt at year end reduced by \$450,000, down \$1.8 million from 2016. This debt was fully repaid in January 2017.

Total Expenses for 2016 are **\$23 million**, an increase of \$2.3 million over 2015.

Excess Revenue over Expenses

Excess of Revenue over expenses for 2016 is \$11.5 million, an increase of \$3.1 million over 2015. This entire amount will be reinvested back into the airport and allows the VAA to meet the demand of YYJ's growing passenger numbers.

As mentioned previously, the audited financial statements will be presented at the Annual Public General Meeting which will be held on Thursday, May 11, 2017.

6. Report from the VAA President and CEO

With the assistance of a PowerPoint presentation, President and CEO Geoff Dickson built on the comments from the Board Chair in the context of the Strategic Plan, framing how VAA approaches its business.

Strategic Goals

VAA has six strategic goals:

- ◆ Be a leader in environmental protection
- ◆ Operate in a financially responsible manner
- ◆ Provide a safe and secure airport
- ◆ Retain and attract talented and motivated employees
- ◆ Provide exceptional airport facilities
- ◆ Attract and maintain air service

Environmental Management Plan (EMP)

In 2016 VAA released its new Environmental Management Plan, which takes a holistic approach to environmental management at the Victoria International Airport. VAA has lowered its carbon output by 50 tonnes, which is a positive step forward. Many of the initiatives undertaken by the VAA are optional because it is the right thing to do. The airport is governed by a number of federal, provincial and municipal acts that have not only been met, but exceeded.

Reay Creek and TenTen Creek

There are two fish-bearing streams that travel through airport lands: Reay Creek and TenTen Creek. TenTen Creek has a federally registered historic dump site nearby, and it is situated near farmland which has resulted in some issues with sediment flow. VAA worked hard and invested nearly \$500,000 to reduce sediment, reinforce the banks, divert the flow of the creek, introduce new riparian plantings and improve the overall health of the creek. The most recent project was done in partnership with Shorekeepers, Tseycum First Nation, Peninsula Streams Society, Watershed Ecological, SLR Consulting, Rodd Excavating, Kerr Wood Leidel and Transport Canada.

Reay Creek Detention Pond

The Reay Creek project, which was completed in 2013, received international recognition for the construction of a 200 meter bypass channel to remediate the stream.

As the airport grows and creates more hard surfaces, there was a question whether growth was contributing to downstream erosion. A study with modelling was undertaken which determined there was no correlation to the airport and flows after short-event heavy rainfalls, however sustained rain over a period of 24 hours or more may be attributed to the airport.

Out of an abundance of caution, VAA will be building a new stormwater detention pond at Reay Creek, with the capacity to hold up to 1 million litres of water. This pond will discharge slowly to reduce potential harm downstream.

New Glycol Remediation Facility

During significant snow events, the airport can use up to 20,000 litres of glycol per day. When VAA built the new de-icing pad, a sophisticated glycol remediation facility formed part of the project. The glycol now flows into two 25,000 litre storage tanks to capture the runoff. The glycol can be disposed of in a number of ways ranging from natural remediation to discharge.

Electric Vehicle Charging Stations

VAA installed six electric vehicle charging stations in the short term and long term lots. The biggest challenge was to connect the power source to the parking lot, however now that it has been achieved the units are scalable and more units can easily be added as demand grows.

Bike Assembly Shelter

VAA is building a new dedicated bike assembly shelter where travellers can store and repair their bicycles.

Operate in a Financially Responsible Manner

VAA's has achieved its operating and capital budgets, and its financial performance has improved for the past five consecutive years. With respect to non-aeronautical revenue, many airports come in around 45%. VAA's non-aeronautical revenue is 67% of total revenue, which places it in the top quartile internationally on a percentage basis. Victoria International Airport's airline operating costs are in the lowest quartile in Canada, and its debt was fully retired in January 2017.

Financial Income Statement

VAA's revenue for 2016 was \$34.5 million, with expenses (excluding amortization) of \$15.9 million. Amortization was \$7.1 million, for a net income of \$11.5 million. As a non-share capital corporation, these monies are reinvested in the airport facilities.

Air Transport Research Society

The Air Transport Research Society, a global academic think-tank, analysed over 200 airports globally ranging between 1 million to 100 million passengers. Victoria International Airport was ranked best in class as the most efficient and productive airports in the country, tied with Vancouver International Airport. YYJ ranked in the top 1% of all airports in North America.

Sidney Crossing

The subject land, which is located in the Town of Sidney, has been zoned commercial in the Town's Official Community Plan since 1998. VAA was approached by Omicron to develop the property. A conscious decision was made to go through the municipal approval process, rather than act autonomously.

On September 12, 2016, Sidney Council voted 5-2 in favour of the required amendments for the project. Council took a measured approach with respect to the zoning and OCP changes. The vote was somewhat contentious, with some vocal opposition to the project.

The developer, Omicron, will be submitting a development permit to the VAA in April which will then be submitted for review by the Town of Sidney. In the event a development permit is issued, VAA anticipates the project will break ground within six months and be completed within two years.

Provide a Safe and Secure Airport

Safety and security are priorities at YYJ. This is achieved in a number of ways.

New Baggage System

CATSA implemented a new baggage system with improved explosive detection technology. To keep the business moving during construction, VAA constructed a large temporary tent and built a parallel baggage system while the project was completed.

Non-Passenger Vehicle Screening

New federal regulations were introduced mandating every vehicle that enters the critical area must be screened. A drive-through screening facility was constructed and went live in June 2016.

Live Emergency Exercise

On September 29, 2016, VAA held a live emergency exercise simulating an airline crash in order to test its incident command centre, public relations, service recovery and other emergency response aspects.

Over 160 people were involved in the exercise including the VAA, RCMP, local fire departments, BC Ambulance Service, BC Coroner's service, WestJet, VIHA and numerous volunteers. The exercise involved over 10 months of planning and was successfully carried out.

Water Main Break

On April 13, 2016, the airport's main water main ruptured, causing the air terminal building to flood. Airport staff came together and handled the crisis calmly and professionally, with minimal disruption to passengers. This professionalism was a testament to the ongoing emergency preparedness training that staff participate in.

Attract and Retain Air Service

Tourism in Victoria is growing. The exchange rate is favourable to the United States; Tourism Victoria is doing a very effective job of marketing Victoria to the world; there are two mega-hub airports nearby – Vancouver and Seattle, which are growing at a phenomenal rate. YYJ benefits from being in proximity to these two airports.

Seattle-Tacoma International Airport is now larger than Toronto Pearson International Airport. With YYJ's new Delta service to Sea-Tac, there is connectivity all over North America and internationally. Vancouver International Airport added numerous new international destinations, and with 30 flights a day to YVR, Victoria will see positive growth.

Annual Passenger Traffic

It is challenging to plan for growth at a sustained level. YYJ has averaged over 3.5% over the past ten years. Consideration will be given on how to move forward and keep up with growth.

2016 Passenger Growth by Month

YYJ has experienced record passenger traffic in every month in 2016.

Pacific Coastal Airlines

Pacific Coastal Airlines continues to grow, with right-sized aircraft to serve niche markets such as Prince George.

Delta Air Lines

With the introduction of Delta Air Lines, passengers now have more connectivity to Seattle.

New Leaf Travel

NewLeaf Travel commenced operations in the summer of 2016. The company has temporarily pulled back operations out of YYJ over the winter to concentrate on Hamilton, Halifax and Winnipeg. It is anticipated Victoria service will recommence later in the year.

Canada Jetlines

One of the biggest barriers for low-cost carriers to enter the market is the 25% foreign investment restriction. The Federal government recently approved a temporary waiver, raising the level to 49% which will allow low-cost carriers to seek foreign investors. VAA continues to engage in discussions with a number of ultra-low cost carriers to commence operations at YYJ.

Air Canada Rouge

Air Canada Rouge will begin operating the Victoria to Toronto route this summer. They will introduce daily wide body 767-300 aircraft that hold 282 passengers. In addition, Rouge will offer a second daily flight using 200 seat A321 aircraft.

Growth Scenarios

VAA looked at a number of scenarios to identify what the demand curve might be, with a view to investing in its facilities to keep up with growth. It is anticipated that YYJ will serve 2 million passengers by 2019 or sooner.

Adapt

The challenge is for VAA's master plan to be flexible. A number of projects may need to be adjusted in order to adapt to the marketplace.

Multi-Phase Terminal Expansion

The CEO shared conceptual plans for a multi-phase expansion of the airport which includes an expansion of the lower passenger departure lounge. In order to enable and facilitate growth, investments need to be made in the physical infrastructure of the airport. The expansion will see dedicated boarding gates to aircraft, expanded food and retail offerings, and a number of other features for passenger comfort. The project is expected to get underway in Q3 of 2017, with an anticipated timeline of 18 to 22 months to complete construction. Subsequent phases will see the apron further expanded, and the addition of two more jet bridges. The largest investment will be to expand the building to the west to double the baggage belt capacity, increase the size of the arrivals hall and position the airport for a U.S. pre-clearance facility. VAA will continue to map out the stages of investment to meet the growing demand. All of these projects are achievable but it is challenging to do simultaneously.

Average Capital Additions

Historically VAA has made investments of \$12.4 million annually in its facilities. Going forward, that number will increase to an average of \$17.4 million annually.

Expansion of Lower Hold Room

The expansion of the lower passenger departure lounge will be presented to the Board for approval in June, and if approved, construction will commence in September. This addition will see approximately 60 meters added to the existing hold room. There will be dedicated boarding bridges and improved food and retail offerings.

Expanded Parking

One of the challenges of growth is to have sufficient parking facilities. Two years ago VAA added 300 parking spaces, with another 323 spaces added this past year. Even with this large incremental lift in parking spaces, there were only 40 spare spaces over the holiday travel season.

Long Term Parking Plan

VAA will give consideration to a full footprint buildout over the next 20 years. Construction of flat parking costs approximately \$7,000 per stall. The costs to construct a parkade would be approximately \$80,000 per stall. The introduction of a parkade would move YYJ from a low-cost airport to a high-cost airport, which is not desirable.

Rehabilitate Airfield Pavements

During the summer of 2017, VAA will undertake work to upgrade its runways including the overlay of runway 14-32.

Provide Exceptional Facilities and Customer Service

VAA participates in Airports Council International's Airport Service Quality customer satisfaction survey. The 2016 results are in, and Victoria placed third overall for the Best Regional Airport in North America serving under 2 million passengers. Victoria placed in the top three for regional airports in the past five years and was named by CNN Travel as one of the 10 Most Loved Airports in the world.

Customer Information

While no one particularly enjoys billboard advertising, VAA's newly installed billboard along Willingdon Road provides travellers with valuable airport information and community messaging. By providing security screening wait times, it gives some control aspects of travel back to passengers.

Tectoria Innovation Station

On February 21, 2017, the new Tectoria Innovation Station was unveiled at YYJ. Designed in a 'Steampunk' theme, this exhibit demonstrates what technology looked like 100 years ago, introducing today's technology. As a way to give back to VIATeC who are a great community partner, VAA offered space in the air terminal building for the display. Artist Russel Papp worked in conjunction with Victoria's high tech sector to bring this creative exhibit to the traveling public.

Hospital Hill Commemorative Monument

A new commemorative monument is under construction at Hospital Hill, along Mills Road in North Saanich. Artist Illarian Gallant created a sculpture to commemorate the men and women who served at the Patricia Bay Air Station during WW II. Twenty-five 3.5m tall feathers have been mounted and engraved with the names of those who lost their lives in the war effort. A large scale public event will be held later in the year in conjunction with the Department of National Defence. VAA preserved 1,000 bricks from the original Administration building and incorporated them in the design.

Airport Divestiture

The Federal government has raised the idea of asset recycling in order to reinvest in other infrastructure. Airports were divested from government in the 1990's, to be run by private not-for-profit corporations with a community model in mind. For the most part, this model has worked very well. In the history of selling off airports around the world, there have been mixed results.

It is difficult to say what the Federal government will decide, however Victoria is not likely to be part of their considerations. This initiative appears to be driven by the Minister of Finance rather than Transport Canada, and most airports are pushing back. VAA will be paying close attention as further information is released by the government.

7. Call for New Business

There was no new business.

8. Questions / Comments from Committee Members and the Public

The Committee Chair opened up the floor to questions and comments.

- **Paul Nursey, CEO of Tourism Victoria, thanked the VAA for the great presentation and for working together in collaboration with them. The introduction of the new Air Canada Rouge 767 wide body aircraft is a significant achievement. Many high end experiential travellers can now be offered the service they expect. Victoria will benefit from this new air service, and Tourism Victoria will work with the VAA to ensure success.**

The Committee Chair thanked Mr. Nursey for his support and comments.

- **Catherine Holt, CEO of the Greater Victoria Chamber of Commerce, commended the VAA for the impressive presentation. She questioned the possible privatization of airports and offered to solicit community support for maintaining the current model.**

With respect to parking and transportation, while Victoria has nowhere near the population of Vancouver, the ability to take a skytrain from YVR is a good option for travellers. She inquired about VAA's arrangement regarding parking, public and private transportation.

Wilson's Transportation operates hourly from YYJ using 21-passenger buses. BC Transit has increased their service from 14 trips per day to 30, however these operate from the McTavish Interchange. VAA has sought to divert the #72 bus to the airport, however BC Transit advises that the economics simply aren't there based on ridership. There is not enough demand to justify the costs.

With respect to parking, there may be a number of future considerations such as Uber and self-driving cars. Many millennials do not own cars and participate in ride-sharing programs. These initiatives are not in VAA's near window and will be the focus of discussions in the coming years. If the GVCC can assist in encouraging BC Transit to increase frequency to the airport, VAA would welcome the assistance.

- **Ian Robertson, CEO of the Greater Victoria Harbour Authority, thanked the VAA for working in collaboration with them. The possibility of Victoria being a cruise ship home port may be a reality; it's not a question of if, it's a question of when. A 20-person contingent will be participating in the Sea Trade Conference later in March, with home porting on the agenda. GVHA anticipates there will be positive discussions with the cruise lines. Mr. Robertson thanked the VAA for the part the airport may play and for giving consideration to this initiative.**

The CEO noted that it would be very significant for the region should Victoria be designated as a home port.

- **Lorne Underwood from Tsawout First Nation recognized the Board of Directors. Tsawout First Nation is one of five villages that composes the Saanich Nation. At the last Airport Consultative Committee meeting, Mr. Underwood raised concerns about the Sidney Crossing (formerly Sidney Gateway) project. He provided a presentation to his Chief and Council, who would like to invite the VAA to present to them. Mr. Underwood would appreciate receiving information around the VAA's governance relating to the engagement of First nations. While it is clear that the VAA is not-for-profit, Tsawout Chief and Counsel are seeking some clarity around requirement to engage with First Nations. With respect to the Sidney Crossing development, the concern is not about the land acquisition. VAA discussed ancillary services, not accessory. This matter dates back to 1939.**

The CEO acknowledged that this was an incredibly complex issue. VAA was granted a 60 year land lease from the Federal government in 1997, with a 20 year extension. When the Federal government divested itself from airports, all First Nations land issues had been resolved at that time. Any issues rest with the Federal government, not the VAA. While ongoing dialogue and discussions are welcome, the proper authority regarding issues around land revert to the Government of Canada.

- **Mr. Underwood advised that discussions have been initiated with the Federal government under the existing Douglas Treaty rights, as a matter of record. He wished to acknowledge that the VAA Board and staff have been very accommodating, in particular the Executive Assistant. He had nothing but praise for staff.**

With respect to the issue of non-stop flights and bigger planes, Mr. Underwood questioned the impacts from noise and pollution. There were also concerns about VAA's bird control processes. Wildlife management infringes on the First Nations' Douglas treaty rights to hunt. He requested that Tsawout First Nation be kept in the loop regarding information about such issues. Mr. Underwood recognized that part of the VAA's due diligence is to protect the airport, however there is a need to talk about the First Nations perspective.

Pauquachin First Nation indicated they may wish to be involved and would like to engage with the VAA regarding the airport's plans over the next 20 years. Mr. Underwood wanted to put his concerns on the record. He acknowledged the hard work of airport staff.

The CEO thanked Mr. Underwood for sharing his comments.

- **Don Enright, a resident of North Saanich, addressed issues relating to the Sidney Crossing development. Mr. Enright relayed a situation where an aircraft crashed into a shopping mall in Australia, killing five people. He believed that the Sidney Crossing development was incompatible with safety and cautioned the VAA on moving forward with the project.**

The CEO advised that the Federal government designates the airport zoning and the Canadian Aviation regulations are followed. VAA is in compliance with all safety regulations.

- **Joe Jansen from the Saanich Peninsula Chamber of Commerce inquired about the status of general aviation, and whether there are any aeronautical fees.**

VAA does not charge general aviation landing fees; the flying clubs pay rent for use of space. The numbers for general aviation activity are increasing, returning to the numbers from about a decade ago. VAA would like to see a flight academy established, which would be a great opportunity for the region.

- **A member of the public inquired how many daily flights operated in and out of YYJ.**

There are between 100 and 120 commercial flights each day, with the first commercial aircraft at 5:25 AM and the last flight at 12:15 AM. YYJ does not operate 24 hours a day.

There being no further questions or comments, the Committee Chair thanked everyone for attending. He appreciated the opportunity for stakeholder discussions which helps inform the future direction of the airport.

9. Announcements

There are two upcoming public meetings:

Annual Public General Meeting:

7:00 PM, Thursday, May 11, 2017

Mary Winspear Centre – Charlie White Theatre
2243 Beacon Avenue, Sidney, BC

Fall Airport Consultative Committee Meeting

7:00 PM, Tuesday, October 24, 2017

Mary Winspear Centre – Charlie White Theatre
2243 Beacon Avenue, Sidney BC

(Please note: This date may be changed to October 17 to accommodate industry conferences)

Both meetings will be advertised in the media and on VAA's public website. All members of the public are welcome to attend.

10. Adjournment

The Committee Chair thanked the members and the public for attending the meeting, and for their support of the Victoria International Airport. There being no further business, the meeting was adjourned.