Airport Consultative Committee

Minutes of the
Meeting Held at the
Mary Winspear Centre – 2243 Beacon Avenue, Sidney, BC
Tuesday, November 1, 2011, 7:00 pm - 8:00 pm

Upcoming Public Meetings:

- Next Airport Consultative Committee Meeting:
  7:30 AM, Tuesday, March 13, 2012
  Victoria Marriott Inner Harbour Hotel,
  728 Humbolct Street, Victoria, BC

- Victoria Airport Authority Annual Public General Meeting:
  7:00 PM, Thursday, May 10, 2012
  Mary Winspear Centre,
  2243 Beacon Avenue, Sidney, BC

Melinda Orlowski – Committee Secretary

Peter Bray – Committee Chair
# Representative Members

<table>
<thead>
<tr>
<th>Organization</th>
<th>Representative</th>
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<tr>
<td>Association of Canadian Travel Agencies</td>
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<td>BC Ministry of Transportation &amp; Highways</td>
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<td>Canada Border Services Agency</td>
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<td>Canadian Aircraft Owners and Pilots Association</td>
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<td><strong>Capital Regional District</strong></td>
<td>Christopher Causton</td>
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<td>City of Victoria</td>
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<td>Corporation of the District of Saanich</td>
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<td><strong>Department of National Defence</strong></td>
<td>Major Jennifer Kennedy</td>
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<td>District of Central Saanich</td>
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<td><strong>District of North Saanich</strong></td>
<td>Derek Finall</td>
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<td><strong>District of North Saanich Residents' Association</strong></td>
<td>Geoff Orr</td>
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<td>Greater Victoria Chamber of Commerce</td>
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<td>Nav Canada</td>
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<td>Pauquachin Band Council</td>
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<td><strong>Saanich Peninsula Chamber of Commerce</strong></td>
<td>Joe Jansen</td>
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<td>Saanich Peninsula Water Commission,</td>
<td>John Treleaven</td>
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<td>and Waste Management Committee</td>
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<td>Sidney Business Association</td>
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<td>Sidney Ratepayers Association</td>
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<td>Airlines:</td>
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<td>Pacific Coastal Airlines</td>
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<td>Air Terminal Building Tenants' Representative</td>
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<td><strong>Airport Land Tenants’ Association</strong></td>
<td>Mike Sudul (Osier Systems)</td>
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<td>VAA Board Members on the ACC in attendance: Christine Stoneman, Peter Bray,</td>
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<td>Lindalee Brougham, Chad Rintoul and Colin Smith.</td>
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<td>Other VAA Board members in attendance: Glen Crawford, Jim Crowley, Bruce Knott</td>
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<td>and Mel Satok.</td>
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<td>Regrets: Bob Coulter, Mel Rinald, Graeme Roberts and Matthew Watson.</td>
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<td><strong>VAA Staff:</strong> Geoff Dickson, Randy Bogle, James Bogusz, Scott Cunningham,</td>
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<td>Debbie Hansen, Rick Robertson, Terry Stewart, Ian West, Melinda Orlowski,</td>
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<td>Anita Kardos and Lisa Nunn.</td>
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<td><strong>Public in attendance:</strong> 50</td>
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1. Call to Order

Peter Bray, Vice Chair of the Victoria Airport Authority Board, acted as the Chair of the Airport Consultative Committee (ACC) meeting, and Melinda Orlowski acted as Recording Secretary.

2. Introduction of Members Present

Peter Bray, Airport Consultative Committee Chair, welcomed the members and the public to ACC meeting.

3. Approval of March 8, 2011 ACC Minutes

IT WAS MOVED, SECONDED AND CARRIED TO APPROVE THE MARCH 8, 2011 AIRPORT CONSULTATIVE COMMITTEE MINUTES.

4. Report from the VAA Board Chair

The VAA Board Chair, Christine Stoneman, welcomed the attendees to the second ACC meeting of 2011. The Committee meets twice a year; once in the spring and once in the fall. The meetings are an opportunity for the VAA to provide an airport update to the members of the business community and citizens of Greater Victoria.

VAA Board of Directors

There are 13 Board members representing nine nominating bodies on the VAA Board of Directors. Each member has a high level of knowledge and expertise encompassing a broad range of skills to complement the Board:

Peter Bray          City of Victoria
Lindalee Brougham  Greater Victoria Chamber of Commerce
Robert Coulter     Federal Government of Canada
Glen Crawford      Corporation of the District of Saanich
Jim Crowley        District of North Saanich
Bruce Knott        Federal Government of Canada
Mel Rinald         Town of Sidney
R. Chad Rintoul    District of North Saanich
Graeme Roberts     District of Central Saanich
Mel Satok          Town of Sidney
Colin Smith        Capital Regional District
Christine Stoneman Province of British Columbia
Matthew Watson     Federal Government of Canada
The following are the VAA Officers of the Corporation and Committee Chair positions for 2011:

Board Chair
Board Vice Chair, and Chair - Airport Consultative Committee  
Board Secretary, and Chair - Governance Committee  
Chair - Audit and Finance Committee  
Chair - Planning and Development Committee

Christine Stoneman  
Peter Bray  
Lindalee Brougham  
Glen Crawford  
Chad Rintoul

Biographies of all current members of the VAA Board, and the President and CEO are on the VAA website at www.victoriaairport.com.

McTavish Road / Highway 17 (Pat Bay Highway) Interchange

The McTavish Interchange on Highway 17 is now complete and was officially opened to traffic on April 9, 2011. The new interchange will provide travelers with improved flow to and from the Victoria International Airport, Swartz Bay ferry terminal, North Saanich and Sidney. Roundabouts improve safety by slowing motorists down, thereby reducing serious collisions that can occur at conventional intersections.

Based on public feedback, the BC Ministry of Transportation will be installing additional wayfinding signage to improve visual aspects when navigating the interchange.

Runway Extension Project

The VAA Board continues to promote the Runway Extension project as part of its Five Year Master Plan. VAA has been in discussions with the Federal and Provincial governments with respect to a three-way funding partnership to extend the main runway at Victoria International Airport. While YYJ is the 6th busiest airport in Canada, it has one of the shortest runways. The project would see the existing runway lengthened by approximately 1,500 feet which would attract non-stop air service to London or Frankfurt, bringing business and tourism dollars to Victoria. The project is shovel ready; the estimated cost of the project is $32 million, which would be shared three ways by the VAA, the Province and the Federal government.

Five Year Airport Master Plan

VAA is in the process of updating its Five Year Airport Master Plan. In September, the Board and Management team participated in an all day retreat to review all aspects of the existing Master Plan. VAA is continually looking at ways to provide better services to the traveling public, improving the flow of traffic through the security screening point, and working to resolve congestion issues in the terminal building.
Board Chair Christine Stoneman serves as Chair of the Council of Chairs for the Airports Council International North America and Canadian Airports Council. As such, she continues to engage in discussions with her colleagues across North America to share airport best practices. The Board and Managers will continue their discussions regarding the Five Year Airport Master Plan in early 2012.

Final Terms for Board Members

Board member Matthew Watson's term on the VAA Board of Directors will complete on December 31, 2011. Matthew joined the Board on January 1, 2004 and has served on a number of Board Committees. As a lawyer, Matthew participated in a number of spirited debates, providing excellent insight into Board matters. VAA wishes to thank Matthew for his long service and wishes him well as he continues his legal career.

Board Chair Christine Stoneman will complete her term as Chair on December 31, 2011, however she will remain as a Director until June 30, 2012. She expressed her pleasure about being able to serve the residents of Greater Victoria.

5. Report from the Chair of the Audit and Finance Committee

Glen Crawford, Chair of the Audit and Finance Committee, provided an update regarding the financial position of the corporation. He was pleased to report that 2011 will be another positive financial year.

VAA's balance sheet remains strong, with healthy working capital and a continuing reduction in the level of long-term debt. Annual debt repayments of $1.8 million will reduce VAA's debt to $9.45 million. It is anticipated that the debt will be retired by January 2017.

AIF Revenues and Operations Revenue

VAA receives revenue from the following sources: Airport Improvement Fee (AIF); Operations (aviation and terminal building related fees); Concessions; and Rent from leased airport land.

Airport Improvement Fee (AIF) revenues are used exclusively to fund capita projects and the debt associated with these projects. Since the AIF was implemented in 1999, the VAA has collected over $66 million in AIF revenue and has expended approximately $76 million on AIF-funded projects, financing costs and handling fees paid to the airlines that collect the AIF. The difference between the revenue collected and AIF costs incurred is essentially the long-term debt of $9.45 million less cash on hand.

It is anticipated that in 2011, $7.4 million will be raised through AIF, which is down 1% from 2010. VAA will continue to make capital improvements to the airport adding to the overall economics of the area.
Parking revenue was down slightly in 2011, primarily due to the introduction of the Harmonized Sales Tax (HST) by the Provincial government. VAA chose to absorb the added tax rather than passing on those costs to the traveling public by raising the parking rates.

In 2011, VAA will spend $10.8 in capital improvements. AIF revenue was spent on capital projects including:

- Relocation of Willingdon Road
- Replacement of the high intensity approach lighting system
- Rehabilitation of airfield pavements
- Replacement of the airport fire truck
- Purchase of additional runway equipment
- Contribution to the McTavish interchange

Operational revenue was spent on capital projects including:

- Parking lot paving
- Improvements to the Mills Road / McDonald Park Road intersection

The VAA is proud to report that the $10.00 AIF remains among the lowest of all airports in Canada.

6. **Report from the VAA President and CEO**

VAA President and CEO, Geoff Dickson, stated that it was a privilege to lead the Victoria International Airport. He introduced the VAA Managers and staff members in attendance and expressed his pleasure at working with such a dedicated team.

With the assistance of a PowerPoint presentation, Geoff Dickson briefed the Committee and public regarding a number of matters:

**Passenger Traffic**

Looking back to 2008, passenger traffic in 2011 has remained at essentially the same levels. January and July 2011 saw record passenger traffic while March through May saw a slight decline. There was no discernible trend, which is one of the challenges for an airport in order to plan and stage the capital program in anticipation of demand.

**Air Service**

The CEO provided an overview of the route network served today and highlighted areas VAA wants to expand to. There was growth in seasonal international travel with non-stop flights to Las Vegas, Honolulu, Puerto Vallarta and Cancun.
In order to grow overall markets, VAA will be looking to build non-stop air service to several new destinations. The single largest U.S. market not served out of Victoria is Los Angeles. VAA will continue to work with the air carriers in order to pursue this market.

VAA is pleased to announce non-stop service to Phoenix starts on November 4, 2011. This new route is expected to perform well, with the inaugural flight sitting at a load factor of 90%.

New VAA Website

The VAA team unveiled its public website with a refreshed look and feel. The new website is easier to navigate with improved information available to the travelling public. The new site will improve the overall customer experience at YYJ.

Customer Service

Victoria International Airport participates in the Airport Service Quality (ASQ) survey each year. The survey is comprised of 179 airports in 55 countries around the world and measures the airport customer experience. In all of North America, YYJ ranked #1 in value for parking, overall check-in and gate experience, and friendliness of airport staff. YYJ placed 2nd out of all Canadian airports, ranking 3rd overall in the world. VAA is extremely proud of the men and women who helped distinguish Victoria International Airport as a leader in customer service.

Charitable Donations

From January 2011 to date, VAA has made $38,000 in charitable donations. The airport has a strong desire to support the community by holding special fundraisers such as the annual ‘Chopper Challenge’ helicopter pull for United Way, and Santa Shave to raise funds for Victoria Hospice.

Culture and Arts

VAA enjoyed working with Tseycum First Nation and Master Carver Charles Elliott to create the new welcome totems which were unveiled in May 2011. The totems are located outside the Arrivals area, and the public are encouraged to view the artist’s creations. VAA values its relationship with our First Nations partners and we look forward to working with them again in the future.

Capital Program

VAA will be making a significant investment in its capital program in order to improve efficiency, safety and the overall customer experience in the terminal building. The focus will be on enhancing access to the airport, parking, check-in, security, cleanliness and the departures lounge. The following are some of the projects that have been undertaken by the VAA:
Access

The McTavish interchange was opened in April 2011. Despite the varying feedback from the public, the new interchange is a considerable improvement over the old intersection.

Public Transportation

VAA has been concerned about a lack of viable public transportation options to the airport for the travelling public. Accordingly, VAA has worked closely with BC Transit to improve access to the airport. With the opening of the new McTavish interchange, VAA was successful in negotiating almost three times the number of daily trips between the McTavish transit exchange and YYJ (from 10 to 28). VAA is very pleased to be able to bring this initiative to our customers.

Realignement of Willingdon Road

Willingdon Road is currently under construction and is expected to be complete within the next few weeks. The current road configuration involves a series of yield and stop signs where vehicles exit the airport. The new configuration will see the oriented to the south, adding a new roundabout for improved traffic flow and safety. The realignment will also create future parking capacity if required.

Extension of Bike and Walking Path

VAA is extending the existing multi-use bike and walking path from Mills Road along Willingdon Road to the roundabout at East Saanich Road. This project has been fully funded by the VAA as a community initiative. The bike and walking path will eventually be extended around the entire perimeter of the airport.

Parking Lot Improvements

VAA has made a significant number of improvements to the long term, short term and overflow parking lots.

Flight Information Display System

VAA will be launching an upgraded Flight Information Display System (FIDS) within the next few weeks. At over 10 years old, the current system is obsolete. The new FIDS will include a number of improvements such as visual paging and flight tracking software.

Improvements to International Arrivals Area

Capacity in the international arrivals area is not adequate and has been reconfigured to add a fourth Primary Inspection Line (PIL) in the Canada Border Services Area with a view to speeding up passenger processing. VAA will also be expanding the secondary screening area to reduce congestion.
Expanded Pre-Board Screening

The pre-board screening (PBS) area will be reconfigured to address congestion issues. The current PBS area is insufficient to handle future growth. VAA plans to expand the existing three screening lines to five, thereby increasing throughput by sixty percent. VAA is working with the Canadian Air Transport Security Authority (CATSA) to optimize the best use of staff time to manage volume during peak travel times.

New Fire Fighting Equipment

As featured in a recent Times Colonist newspaper story, VAA added a new Rosenbauer fire truck to its fleet of vehicles. Similar to “Stinger” in the Transformer movie, the $600,000 unit features a high-reach, extendable turret with a fuselage-piercing arm. This vehicle is one of the most sophisticated pieces of fire fighting equipment available and will be a valuable resource in the event of an aircraft emergency.

Airfield Pavements

Well maintained runways and taxiways are essential for successful airport operations. Based on regular condition surveys, VAA will be making a significant capital investment to rehabilitate the airfield pavements. The work is challenging and is generally undertaken at night so as not to interfere with flight operations. Weather conditions are also a major factor to consider when coordinating the project.

Runway 27 High Intensity Approach Lighting

Transport Canada has mandated that VAA replace its existing Runway 27 approach lighting with newer, improved technology. Updated regulations have rendered the old system obsolete, and in order to be compliant the work must be undertaken.

Land Development

The CEO displayed a graph outlining the various land uses at the airport including areas for general aviation, aviation reserve, commercial and light industrial areas. VAA’s land tenants are a diverse mix of businesses around the airport and are a significant economic engine for the local economies.

In August, the Times Colonist newspaper published a four-page story in the Monitor section featuring a number of airport businesses.
Thrifty Foods – Sobeys Inc.

Work on the 150,000 square foot distribution centre in the Mills Road Business Park is underway. The project includes a number of green initiatives including waste recycling, heat capture and energy use monitoring. Construction is expected to be complete by the end of 2012.

Mills Road / McDonald Park Intersection

This project was part of a commitment VAA made to the community with additional commercial traffic as a result of the new airport developments along Mills Road. The intersection has been improved by adding new pedestrian walkways and improved turning lanes designed to accommodate the wide turning radius of the trucks.

Avenger Way Business Development

Construction on the new Avenger Way Business Development will commence in December 2011. This new development will provide five light industrial units similar to the West Sidney Business Park.

BMT Group

With the consolidation of VAA’s fire hall and maintenance operations in the new Airside Operations Centre, the former maintenance complex in the East Camp has been leased out to BMT Group. The new company was started by a number of former Gray Line mechanics. BMT performs large equipment maintenance and painting, and business is booming.

443 Maritime Helicopter Squadron New Hangar

Construction is underway for a new hangar development for 443 Maritime Helicopter Squadron. At 217,000 square feet, the project is one of the largest construction projects on Vancouver Island. The hangar will house nine new Cyclone helicopters and is scheduled to be completed in 2014.

Runway Extension Project

Detailed design for the runway extension project is complete. The project would see the main runway (Rwy 09/27) be extended 600 feet to the west and 900 feet to the east. The current 7,000 foot runway does not allow non-stop flights to Europe without load restrictions. VAA is prepared to move forward once a funding partnership with the Federal and Provincial governments is in place. However VAA is competing with a number of other governmental priorities.
Fatal Motor Vehicle Accident at Victoria International Airport

The CEO reflected that July 29, 2011, was one of the worst days of his life. A car crashed into a picnic table where a group of Yellow Cab drivers were playing cards. Six drivers were seriously injured; Ramesh Sharma, husband and father of three was tragically killed. The taxi drivers are an integral part of the airport community so this horrific accident strongly affected the YYJ family. This tragedy has greatly affected us all, however it can never compare to the sorrow and pain of the Sharma family. VAA is fully supportive of the family and Yellow Cabs and by pulling together we will get through this terrible incident.

Closing Remarks by CEO

In conclusion, the VAA’s goal is for Victoria International Airport to be the best airport anywhere. VAA will continually strive to improve, and we look forward to the future.

7. Call for New Business

None.

8. Questions / Comments from Committee Members and the Public

➢ Question from the public: Is there an air carrier willing to take on the new European service?

Discussions continue regarding deployment of aircraft assets. The service would likely be undertaken by a charter company, however no carriers have fully committed to date. YYJ would be looking at non-stop summer charter service, three to four days a week, with a view to extending through winter.

➢ Comment from the public: The business community sees the runway extension project as the number one priority. If you build the runway and the economy is allowed to work, the airlines will come.

VAA continues its dialogue with the Provincial and Federal governments.

➢ Comment from Councillor Kenny Podmore – Town of Sidney: With the runway extension, some residents are concerned that there will be extra noise and increased volume over the Town of Sidney.

The CEO advised that with a longer runway, aircraft can achieve faster takeoffs and clear the township sooner than with a shorter runway. There are currently 60 commercial flights a day departing from YYJ, 350 flights per week. If non-stop service to Europe was introduced, there would only be three to four charter flights a week. Additionally, the aircraft would likely be 767s with much quieter engines.
Question from the public: There is a concern that Victoria will lose its ambiance as it grows. What is VAA’s plan to maintain the current feel of the airport?

The CEO advised that the key strength of the airport industry is in the master planning ability. By looking out as far as 25 years to predict demand, VAA will be able to build the terminal accordingly. Holistically things are not expected to change significantly over the next 10 to 15 years based on the projected numbers from a European service. VAA recognizes the importance of maintaining the overall feel of the airport.

Comment from the public: Great travel experience at YYJ. While the gentleman supports the extension of the runway and terminal development, a stand-alone U.S. Department of Homeland Security facility linked to pre-clearance is not supported.

Board Chair Christine Stoneman, who is an active traveller throughout the year for business, concurred with the sentiments that YYJ offers a wonderful travel experience. VAA wants to maintain the ambiance, but at the same time improve the flow by resolving congestion issues through the security screening points. In order to have U.S. pre-clearance, YYJ must meet a minimum threshold of passengers, which is still many years out.

Question from the public: VAA just spent a lot of money for approach lighting. If and when the runway is extended, will those lights have to be moved?

The lights will not need to be moved from their current location; this issue has been addressed through the Master Plan.

Comment from the public: As a pilot of a Cessna landing on Runway 09 last week, he noticed that the area was full of seagulls. Seagulls and cormorants are feeding on the airport grounds. This is a very dangerous situation for the aircraft.

The CEO agreed and advised that VAA is working diligently on its Wildlife Management Plan. James Bogus, VAA Director – Airside Operations, Technology and Environment addressed the gentleman’s concerns.

VAA takes an active role in wildlife management. Staff perform daily patrols to deter birds from remaining in the area. VAA Manager – Safety and Emergency Services has been working with the Regional Canada Goose Management Committee on the issue. VAA takes aircraft safety very seriously. Our staff are well trained, well equipped and are continually enhancing the wildlife management program, removing the food sources as they discover them. VAA continues to work to the best of its ability to deter wildlife from remaining on the airport lands. VAA continues to work on reducing the number of bird strikes and currently meets all Transport Canada requirements in that regard.
Comment from the public: To follow upon the comment about the ambiance; Victoria is not a hub airport with transiting passengers. It is a destination airport. The gentleman doesn’t foresee the same concerns as with the hub spoke activity and expects YYJ’s ambiance to remain the same in the longer term.

Comment from Christopher Causton, Capital Regional District:

This will be Mr. Causton’s last ACC meeting representing the CRD. Mr. Causton thanked VAA for the thoughtful presentation. He praised the VAA for all the positive progress made over the past years. He urged VAA to continue working with BC Transit to ensure there is greater public transportation access. Mr. Causton also encouraged the placement of additional signage in the airport directing people to public transit. Finally, he commented on the friendly staff at the airport. He strongly supports the runway extension and expects that it will be a huge economic generator for the area, in particular for the tourism sector. Congratulations to the Victoria Airport Authority – keep up the great work!

The CEO advised that one of his first tasks was to improve public transportation services to the airport. He expects that ridership will increase and develop over time. The CEO thanked Mr. Causton for his service representing the CRD on the Airport Consultative Committee.

The Committee Chair, Peter Bray, thanked the public and representatives on the Committee for attending the meeting, and for their interest in the Victoria International Airport.

9. Announcements

Next Airport Consultative Committee Meeting:

7:30 AM, Tuesday, March 13, 2012
Victoria Marriott Inner Harbour Hotel,
728 Humboldt Street, Victoria, BC

10. Adjournment