



VICTORIA AIRPORT AUTHORITY

Airport Consultative Committee

**Minutes of the Meeting held on
Tuesday, October 17, 2017
7:00 – 8:30 PM
Mary Winspear Centre
Activity Room 2
2243 Beacon Avenue, Sidney, BC**

Upcoming Public Meetings:

- **Spring Airport Consultative Committee Meeting:
7:30 AM – Tuesday, March 6, 2018
Downtown Venue: To Be Confirmed**

 - **Annual Public General Meeting
7:00 PM, Thursday, May 10, 2018
Venue: To Be Confirmed**
-

Representative Members

Organization

Airlines:

WestJet
Air Canada / Jazz
Horizon Air
Pacific Coastal Airlines

Airport Land Tenants Association

Air Terminal Building Tenants' Representative

Association of Canadian Travel Agencies

BC Ministry of Transportation & Infrastructure

Canada Border Services Agency

Canadian Aircraft Owners and Pilots Association

Capital Regional District

City of Victoria

Department of National Defence

District of Central Saanich

District of North Saanich

District of Oak Bay

District of Saanich

Greater Victoria Chamber of Commerce

Nav Canada

North Saanich Residents' Association

Pauquachin First Nation

Saanich Peninsula Chamber of Commerce

Saanich Peninsula Water & Wastewater Commission

Sidney Business Improvement Area Society

Sidney Ratepayers Association

Tourism Victoria

Town of Sidney

Tsartlip First Nation

Tsawout First Nation

Tseycum First Nation

Representative

Regrets

Regrets

Regrets

Regrets

Bill Fisher, BC Aviation Museum

Regrets

Regrets

Regrets

Regrets

Regrets

Regrets

Regrets

Regrets

Councillor Alicia Holman

Councillors Geoff Orr, Heather Gartshore, Jack Thornburgh

Regrets

Regrets

Regrets

Regrets

Regrets

Lorne Underwood (in administrative capacity)

Regrets

Regrets

Regrets

Regrets

Regrets

Councillors Mervyn Lougher-Goodey and Cam McLennan

Regrets

Lorne Underwood (also representing Pauquachin)

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), Randy Bogle, James Bogusz, Scott Cunningham, Melinda Orłowski and Ian West

Public in attendance: 30

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. Special recognition was given to Chuck Lovallo, founder of Angel Flight, a non-profit volunteer pilot organization that provides free air transportation to ambulatory cancer patients requiring travel to cancer treatment centres and hospitals. Mr. Lovallo was thanked for his vision in establishing Angel Flight and for his many contributions to the community over the years.

3. March 7, 2017 Airport Consultative Committee Meeting Minutes

The minutes of the March 7, 2017 Airport Consultative Committee meeting were reviewed by the Committee.

MOTION: Acceptance of the March 7, 2017 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

With the assistance of a PowerPoint presentation, James Crowley, Chair of the Victoria Airport Authority (VAA) Board of Directors, provided an overview of the roles and responsibilities of the VAA Board of Directors.

Board Achievements

The VAA Board of Directors is a governance and policy board responsible for setting out the expectations for both the Board at large and for the CEO, developing the vision for the future, and overseeing the functions of all Committees.

In 2014, the Board and Management team met to develop VAA's five-year Strategic Plan for the years 2015-2019. At the time, the global growth of the aviation industry had not yet emerged. As of September 2017, Victoria International Airport experienced 47 successive record months of passenger traffic. Despite this phenomenal growth, it has presented some challenges to meet and manage demand.

In 2018, the Board and Management team will once again come together to development the

next five-year Strategic Plan years 2020-2024.

As a condition of its ground lease with Transport Canada, every five years every airport in the National Airport System must undergo an independent audit by a third party consultant to ensure the airports are meeting their obligations. For the VAA, this review was carried out in 2017 by Rideau Consultants. The evaluation included a review of VAA's adherence to its business plan objectives, and the requirement to provide a safe and efficient aerodrome facility.

Good governance has been a prime focus of the Board. One of the conclusions by the auditor about VAA's governance model reads:

“The VAA Board’s approach to the implementation of a governance model has been without peer in airports in the National Airports System and meets or exceeds the governance practices in any other airport in Canada.”

The Board is proud of this conclusion and endeavours to be the best governance body of any airport in the country.

Safety and security is one of the biggest priorities at YYJ. In 2016, VAA discussed establishing an Enterprise Risk Management Policy and risk matrix to formalize and document existing practices. In 2017, the ERM policy and risk matrix were officially released. Two Board colleagues recently attended an enterprise risk seminar hosted by the Institute of Corporate Directors and were reassured to know VAA follows best practices when it comes to risk management.

Another area to be proud of is VAA's financial performance. As of January 2, 2017, Victoria International Airport is debt-free – only one of two airports in Canada that can claim this achievement.

Air Transport Research Society

The Air Transport Research Society, a global think-tank that studies airports around the world for their competitiveness and efficiency, recognized Victoria International Airport as one of the most efficient airports in the world. VAA strives to be a high quality, low cost and efficient airport through the development of non-aviation revenue and low aviation fees.

Environmental Stewardship

VAA is committed to environmental protection and management. Being in a strong financial position allows YYJ to undertake projects to enhance the environment. In consultation with its stakeholders, municipalities and members of the community, VAA is working to protect fragile ecosystems that include the ongoing remediation of Reay Creek and TenTen Creek, the removal of ivy in the airport woods, expanding the noise monitoring program and a number of other initiatives.

VAA has dedicated nearly \$1.1 million of its discretionary revenue to improve the health of TenTen Creek and Reay Creek. A 5,000 m³ pond area was constructed that will reduce the downstream impacts of storm water runoff from the airport. Contaminated soil along the banks has been cleaned up. While VAA is under no obligation to undertake these projects, it is the right thing to do.

Community Relations

VAA is committed to giving back to the community in a number of ways. To date, VAA has provided over \$50,000 in direct donations to the community. VAA also hosts school tours, provides community presentations, discounted land rentals and in-kind donations.

VAA provides a wide range of support to the art community, hospitals, First Nations, local farmers, Sidney Anglers, the military, sports and recreation and its municipal partners. VAA provides a significant amount of land at little or no cost. Approximately 111,171 m² of land valued at over \$500,000 per year is designated for the enjoyment of the community.

Departing Board Members

Board members are eligible to serve a maximum of eight years, and all good things come to an end.

Mel Rinald, who represents the Town of Sidney, will retire from the Board in December 2017. His presence has brought a great deal of stability to the Board with his excellent business acumen. Mr. Rinald served as Board Chair in 2015 and his contributions have been many.

James Crowley, who represents the District of North Saanich, also retires from the Board in December 2017, completing an eight-year term. It has been a privilege to represent North Saanich and to have been part of such a successful organization.

Both the Town of Sidney and District of North Saanich are in the process of recruiting for their replacement Nominees on the Board, which is expected to be complete in early December.

VAA anticipates there will be a number of other transitions in 2018, with the Capital Regional District Nominee's eight year term expiring, as well as the renewals for the Federal and Provincial Appointees.

It will be incumbent on the remaining members to maintain the excellence VAA has enjoyed both at the Board level and by the corporation at large. The Board will work closely with the incoming members to share their knowledge and experience to ensure continuity for the airport.

Closing Remarks

In closing, Mr. Crowley expressed that it has been an honour to serve on the Board. The VAA is in excellent financial shape, and his colleagues are committed to ensuring Victoria International Airport has a bright future.

5. Report from the Chief Financial Officer

Randy Bogle, Chief Financial Officer, presented a financial report noting some highlights from 2017 and the forecasted financial results to December 31, 2017.

The record setting passenger growth that Victoria International Airport saw in 2016 carried into 2017. VAA experienced 47 months of record passenger traffic in each month going back to November 2013. This increased traffic has translated into strong revenue growth. Net income is forecast to be 10.6% ahead of budget. VAA has a strong balance sheet with excellent working capital. On January 2, 2017, VAA was debt-free. By year end, over \$175 million will have been invested in capital assets since transfer in 1997. The airport is in excellent shape now, and in the future.

Revenue

Total revenue for 2017 is forecast to be \$36.7 million, which is an increase of \$2.2 million or 6.4% over 2016.

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 2017, Non-Aeronautical revenue is expected to increase by 11% to \$15.2 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 2017, Aeronautical revenue is expected to increase to \$7.4 million. At 20% of total revenue, YYJ's aeronautical revenue is low compared to its peer airports. VAA has endeavoured to keep its aeronautical revenue fees low to assist in encouraging new air services.

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.

AIF Revenue – Effective July 1, 2015, the AIF was increased to \$15 to assist in funding YYJ's long-term capital projects. 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 2017, AIF revenue is forecast to be \$14.1 million.

Expenses

Operating Expenses consist of items such as safety and security, snow removal, cleaning, utilities, maintenance, salaries and benefits. Operating expenses are forecast to increase by \$1.2 million to \$14.6 million. The increase is primarily related to increased maintenance costs, flight-way clearing and administrative costs paid to collect the AIF.

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 2017, amortization is forecast to increase by \$1.6 million to \$8.7 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 2017, rent and property taxes are forecast to increase by \$100,000 to \$2.6 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. The loan was fully repaid in January 2017. The interest expense for 2017 is forecast to be \$5,000.

Total Expenses for 2017 are currently forecast to be **\$25.9 million**, an increase of \$2.8 million over 2016.

Excess Revenue over Expenses

Excess of Revenue over expenses for 2017 is forecast to be \$10.8 million, a decrease of \$0.7 million over 2016. This entire amount will be reinvested back into the airport and allows the VAA to meet the demand of the airport's growing passenger numbers.

The Annual Public General Meeting will be held on Thursday, May 10, 2018 where the audited financial statements will be presented at that time.

6. Report from the VAA President and CEO

With the assistance of a PowerPoint presentation, President and CEO Geoff Dickson provided an update on the achievements of 2017 and plans for the future.

While it is important to focus on the financial statements, safety, the environment, the community and the people of the airport, it is important to have a balanced approach.

Globe and Mail Travel

Globe and Mail named Spinnakers On The Fly at Victoria International Airport as “one of the best airport bars you want to get stuck in”. Spinnakers, a local iconic brand in Victoria, was brought in to YYJ because of its reputation for great craft beers. To be singled out from all of the airports worldwide, this is a type of international recognition is positive reminder of YYJ doing things differently.

WestJet

WestJet is planning a number of exciting changes to grow their business, introducing its new ultra-low cost carrier, 'Swoop' that is expected to offer fares 40% cheaper than regular air fares. Swoop plans to start operating with ten 737-800 aircraft with a 189 seat configuration. WestJet originally started with a fleet of four 737 aircraft but is expected to grow to over 200 aircraft over the next ten years. Encore was introduced three years ago to serve short-haul markets that were not being served by the mainline carrier. VAA continues to present different options to grow their service from Victoria.

Canada Jetlines

When ultra-low cost air carriers enter the market, competition between airlines is stimulated which benefits the consumer. The Federal government raised the foreign ownership restrictions to 49%, which has enabled Canada Jetlines to take their company public. They plan to start operating in the summer of 2018 with two 737 aircraft, adding aircraft as the company grows. YYJ has been identified as possibly forming part of their start-up plans.

Flair Air

New Leaf Travel was acquired by Flair Air and is concentrating on five markets across the country. While New Leaf started operations out of YYJ, it pulled out after five months. VAA continues its dialogue with the company to present opportunities.

YVR Hub

While non-stop service is preferred, the next best thing is a single connection. Air Canada has been building a hub at Vancouver International Airport (YVR), with connections to several important Asian markets. New service was also introduced for Paris, Zurich, New Delhi and Melbourne. YYJ benefits from this growth with one-stop YVR service.

Aviation Growth

There has been a big shift at WestJet with mainline, Encore and Swoop, expanding domestic service and announcing plans to enter the international aviation market. WestJet has a four-prong strategy to enter the markets in India, China, Latin America and Europe, starting with the order of ten 787 aircraft. This type of growth is positive and points to more market growth.

Profitability of Airlines

Not long ago, the aviation industry consistently lost money. Today the air carriers have experienced record profits and growth. This is great news for consumers, communities and airports. There has been a 30% in solid growth over the last five years.

Airport Growth

The BC economy is solid, and airports such as Kelowna, Vancouver and Victoria are leading the way in growth. The impact of the oil patch is more evident with the Alberta and Saskatchewan airports. The challenge is to predict where the market will go and get ahead of the demand curve.

Passenger Growth

YYJ has experienced record passenger growth for four consecutive years, and a 5% increase in passenger traffic is forecast for 2017.

Victoria is looking at establishing the city as a cruise ship home port, which will help the local economy and grow tourism to the region. Conde Naste Travel has named Victoria as the second best small city in the world outside the United States. This will encourage more visitors to the region. The technology sector continues to grow.

Air Canada Rouge

Air Canada Rouge introduced new wide-body 767-300 service to Toronto, with more service planned for the future. In response, VAA adjusted its bridges, aircraft parking capacity, apron space and ground equipment requirements.

Passenger Demand

The last Master Plan that was completed in 2012 saw YYJ crossing two million passengers in 2021. Given the recent growth, VAA anticipates it will serve two million passengers in 2018, three years ahead of predictions. While this is a good problem to have, there are still challenges on how to meet these numbers.

World Fleet

Viewing the market outlook from Boeing, there are currently 22,500 aircraft flying worldwide. This number is expected to nearly double to 45,000 aircraft by 2035. Single aisle A320s and 737s are the aircraft of the future; with lighter fuselages and better engines, they will be able to fly farther with less expenses. YVR is well positioned for long-haul markets which in turn benefits YYJ.

Multi-Phase Terminal Expansion

Master planning is a vital part of an airport's success. While the sequence of projects may change, it provides a roadmap as to where the airport needs to evolve. VAA gives a lot of attention to the required capital investments, demand, capacity to deliver the projects, and the impact on customers during construction.

Phase 1 - Apron Expansion - completed in 2016 at an investment of \$10 million which saw the addition of three new overnight aircraft parking stands.

Phase 2 – Taxiway Expansion - completed in 2016 that expanded the overall taxiway and re-oriented aircraft parking.

Phase 3 – Lower Hold Room Expansion – in November, management will be presenting the lower hold room expansion project to the Board. If approved, construction will commence in the spring of 2018 and continue for the next two years. This project will see the size of the lower hold room doubled to accommodate passengers utilizing the ground-loaded Q400 turbo-prop aircraft operating at YYJ. The challenge in the design is to build for peak traffic periods.

Another challenge will be to keep the airport operating with minimal disruption to passengers while construction is underway.

Phase 4 – Expansion of the apron and additional bridge capacity. The building will also see more baggage capacity.

Phase 5 – Expansion of the international arrivals area.

Phase 6 – Adding more apron capacity to the east

Phase 7 – Expansion of the Upper Hold Room and adding a new east loading bridge

Phase 8 – Expansion of the apron to add more overnight aircraft parking

Phase 9 – Expansion of the Air Terminal Building to the east

Phase 10 – Expansion of the apron to add additional overnight aircraft parking

Phase 11 – Adding a new taxiway to improve airline efficiency

Parking

Despite talk about a green economy, the need for better transit and moving people away from their cars, VAA has experienced record parking levels over the past number of years. The peak periods occur over the holiday travel seasons of Thanksgiving and Christmas, spiking to nearly 2,200 vehicles in the parking lots. VAA added over 800 spaces in the past three years to deal with capacity; parking continues to be a challenge. The impact of driverless vehicles and ride-sharing programs is unknown at this time. In the meantime, VAA must continue to meet demand.

In 2018, parking will be expanded and in the future given distances, VAA may have to consider shuttle services. Some of the existing lots may be re-oriented, but VAA must add more parking capacity in the next several years to address the continued growth.

VAA's approach to parking design has focused on aesthetics, adding greenspace, there are environmentally friendly features such as rain gardens and covered walkways for the comfort of passengers.

Looking out 15 years, the access road to the airport may need to be re-oriented for more efficiency.

Investments in the Airport

Looking at the activity that has been invested by the VAA over the past four years, there have been many projects that have kept staff extremely busy. The CEO is fortunate to work with a great team of intelligent, productive and motivated airport employees.

The airport has its own municipal infrastructure that is invisible to the public which must be maintained.

The two busiest runways at YYJ were paved at night to keep the airport operational. These are big challenges that VAA successfully achieved.

VAA invested over \$4 million of its discretionary revenue to extend the multi-use bike and walking trail around the entire airport, for the enjoyment of the community.

Investments have been made to operate and maintain an efficient fleet by adding equipment that serves a number of purposes such as grass cutting, clearing debris, sweeping the runways and clearing for snow.

A new passenger boarding bridge was added at a cost of \$1 million. This jet bridge was designed for full flexibility to bridge load aircraft ranging from Q400s to 777s.

Low Cost Focus

Being debt free is a proud accomplishment for the VAA. The key is to make the right investments but not to over-build. VAA was able to execute its significant capital program while operating within its existing revenue. At 67%, non-aviation revenue as a percentage of total revenue is the highest in the country. Airline operating costs at YYJ are in the lowest quartile in Canada.

The average domestic airfare has decreased over the years. YYJ is a low-cost airport, which is appreciated by the airlines. Cost is important to the air carriers, so as an airport VAA looks at cost and efficiency as one of its primary objectives.

Financial Income Statement

Going forward, VAA has approximately \$18 million in free cash flow to deal with the required investments in the coming years. The 10 year capital plan can be delivered with very little borrowing.

Sidney Crossing

Omicron's proposed Beacon Avenue commercial development has been a long process. Omicron will be submitting its plan to the Town of Sidney which will trigger a 40 day review process. If the VAA issues a development permit, construction may commence mid-2018.

Hospital Hill Commemorative Monument

On June 1, 2017, VAA held a public ceremony to commemorate a memorial sculpture located at Hospital Hill, entitled 'Lost Airmen of the Empire'. Created by local artist Illarian Gallant, the sculpture features 25 Cooper's hawk feathers engraved with the names of the individuals who lost their lives serving our country. This was an incredibly moving and impactful event, with nearly 400 people in attendance. It included a military flypast and regimental pipers. VAA was proud to give something back to the military and community through the creation of this memorial. We often forget the role the military played at YYJ and it is important to remember the sacrifices made.

Canada 150

VAA celebrated Canada 150 by adding a bright red and white floral display to greet passengers, as well as flags along Willingdon Road and in the airport parking lots.

Bicycle Assembly Shelter

A second bicycle assembly shelter was constructed, which provides storage and repair tools for those travelling to the airport by bike.

Ivy Removal – Airport Woods

Over 500 trees in the airport woods were cleared from the ivy choking out the forest. The local residents have expressed their gratitude for this environmental initiative.

Reay Creek Detention Pond

A new 5,000 m³ detention pond was constructed near the BC Aviation Museum that will manage stormwater peak flows that would otherwise impact downstream aquatic life and contribute to bank erosion.

Willingdon Road Daylighting Project

After TenTen Creek flooded in 2016, VAA discovered a pipe installed in the 1980s that had collapsed. After discussing a number of strategies, a new riparian setting was created by daylighting the affected area. VAA anticipates that aquatic life will develop in the coming years.

Awards and Recognition

VAA's focus is on providing exceptional facilities and customer service. Airports Council International recognized YYJ as Best Regional Airport in North America in 2012 and 2014, while placing third overall in other years.

CNN Travel named Victoria International Airport as one of the Most Loved Airports in the World in 2011 and again in 2017.

YVR / Musqueam First Nation Friendship and Sustainability Agreement

VAA leases the airport lands from the Federal government. The Government has always said that any issues regarding land claims and territorial rights must be negotiated between the Government of Canada and First Nations; however airports are encouraged to foster their own relationships with First Nations.

Over the years, VAA has engaged local First Nations in a number of ways. Two of VAA's long-serving employees are from the Saanich First Nation. VAA hires First Nations for soil monitoring projects, contributes to the Shorekeepers program, and provides financial support for various events and initiatives through donations and sponsorships. VAA wants to foster a strong relationship with local First Nations.

YVR recently reached an agreement with Musqueam First Nation to establish a 30 year agreement that would see 1% of airport revenue turned over to the band. The innovative agreement also calls for the creation of a certain number of jobs and other elements of mutual benefit.

The VAA CEO recently contacted the CEO of YVR to learn more about the agreement. YVR is currently under a non-disclosure agreement and has asked for permission to share details with the VAA.

With the YVR situation, the land claim by Musqueam First Nation is clear and demonstrated, with one band in proven records. With the Victoria International Airport lands, things are more complicated with four nations making claim to the area: Tseycum, Pauquachin, Tsawout and Tsartlip First Nations.

The YVR-Musqueam agreement took several years to achieve. Musqueam is a very sophisticated band in terms of partnerships, with a number of marinas, hotels and golf courses held through a number of holding companies.

The agreement is an interesting step forward and trendsetting in the airport industry. VAA will endeavour to learn more once YVR has been released from its non-disclosure agreement and is able to share more details.

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.

- **Two representative from the Local 40 Food Service Workers at the airport spoke about some of the challenges that come with growth. It's not just about infrastructure; in the case of their members, the increased workload and costs of living are causing stress and challenges for staff. As the airport expands, more people come through but staffing levels remain stagnant. There have so far been no service interruptions because their workers are stepping up to the challenge. However this is not sustainable, and inevitably customer service will suffer which matters to everyone. With YYJ being the gateway to Victoria, any service disruption could affect the reputation of the entire region. Local 40 is coming to the VAA to seek help in dealing with their employer, Compass Group, in moving forward with a resolution. Working at the airport is a terrific opportunity and an interesting world to be part of. In the past few months, many staff are overworked and understaffed, and the cost of living is putting added pressure at home and on the job. Staff are feeling burned out and under-appreciated. While they enjoy working at YYJ, they are under a lot of pressure due to lack of resources and low wages. All airport restaurant employees work very hard and want to support VAA's plans for growth. They are asking for VAA to support them in their discussions with Compass.**

The Committee Chair acknowledged the concerns brought forward by the Local 40 representatives on behalf of their membership.

- **Wayne Watkins, a local resident, noticed the overhead lights on the signs driving in made reading the print difficult. He suggested softer lighting around the whole sign to make the text more readable.**

The Committee Chair thanked the gentleman for his suggestion.

- **Norm Harding, a resident of McTavish Road, has been in dialogue with the VAA for a number of months with respect to the light pollution coming from the airport and impacting his living room. He raised concerns about the newly installed lights in the temporary parking lot which has added even more bright lights shining into his house. He hopes this problem will be resolved soon, as he has been attending these public meetings for over a year with no improvement.**

The CEO addressed Mr. Harding's concerns. VAA's Director of Facilities and GIS Coordinator have attended his residence on a number of occasions, taking photos, recalibrating the lights, with additional site visits to gauge the progress. VAA takes this matter to heart, and the CEO wanted to assure Mr. Harding that a lot of effort is going on behind the scenes. Light shields are being designed which will hopefully resolve this matter in the near future.

- **Lorne Underwood, a member of Tsawout First Nation, addressed the Committee in the administrative capacity of Pauquachin First Nation. He advised that First Nations have voiced their concerns about the Omicron development as there are no protocols in place to deal with First Nations. He appreciated the YVR-Musqueam Agreement as it addresses four pillars: Revenue sharing, scholarships, employment and environmental concerns. Musqueam hosted a noise management workshop that YVR has taken the lead on. There are discussions about a relationship manager from a governance perspective. First Nations are hoping to structure something similar with the VAA, especially in the area of governance. Revenue sharing similar to the Musqueam Agreement would be appreciated.**

On behalf of Pauquachin Chief Rebecca Ann Harris, VAA is invited to meet with Chief and Council to share more information about a possible agreement. Mr. Underwood inquired whether such an agreement in theory would be similar to YVR.

The CEO was not sure what kind of agreement could be contemplated. Something to keep in mind is that YVR has ten times the revenue base as YYJ, any financial settlement must be divided by a factor of ten. There is also a different dynamic with the Saanich First Nation, with four different nations involved. This will mean a more complicated agreement.

Other learning factors will include working through the proper protocols to engage with each band. VAA does not want to offend anyone so Management needs to understand the protocols for engagement. Musqueam receives absolute dollars from YVR; YYJ would need to share their revenue among multiple bands. The various First Nations may wish to have some discussions about this.

VAA is endeavouring to understand the overall agreement, but YVR is not in a position to share the document at this point due to the non-disclosure agreement. VAA is hoping to obtain a copy of the agreement soon, get a better understanding of the terms, then engage

in meaningful discussion within the next six months.

The Committee Chair added that the matter of a friendship and sustainability agreement with local First Nations is under discussion by the Board, and to rest assured that the CEO is on top of the issue.

- **Central Saanich Councillor Alicia Holman thanked the VAA for the opportunity to consult. It is always a pleasure to hear good news and progress at the airport. The District of Central Saanich has identified 2017 as a Year of Reconciliation; the municipality is undertaking steps for meaningful action. On behalf of the District, Councillor Holman wished to lend her support in achieving a similar friendship and sustainability agreement with local First Nations. The District also passed policy this year to support a living wage for those working within the municipality. Affordability in the region is an issue. Councillor Holman wished to lend her support to the food service workers at the airport. It is great to see Victoria International Airport grow and it needs to continue.**

The Committee Chair thanked the Councillor for her comments.

- **A member of the public inquired whether VAA had considered an underground parking facility or multi-level parking structure rather than spreading out on airport lands.**

In terms of a parkade, underground structure or build out, the capital costs of a parkade are approximately \$70,000 per stall, with ongoing operating costs. The cost to build out is approximately \$7,000 per stall, significantly less. If the world goes to driverless cars, VAA would need to deal with the building structure. VAA would prefer to look at one level of vehicles vs. a concrete parkade.

- **Councillor Holman emphasized the need for transit solutions for the airport in the region.**

VAA has ongoing discussions with BC Transit to encourage expanded service, however Transit's position has been the economics don't justify the service.

- **North Saanich Councillor Jack Thornburgh commended the VAA on its environmental stewardship with the TenTen Creek and Reay Creek projects, as well as the 9.3 km Flight Path which has added so much to people's enjoyment and health. He hoped that VAA would delay as much as possible any encroachment on the airport wooded buffers for sound and ambiance.**

With respect to phasing out single use water bottles, Councillor Thornburgh was in favour of water fountains and use of cups and pitchers or water for meetings. BC Transit has stalled on adding new service to the airport, particularly for buses with luggage racks. If VAA can do anything to help encourage BC Transit to add service, it would be appreciated.

With respect to parking expansions, he suggested using permeable parking surfaces for the cars. He recognized this may not be realistic for the aprons but may be worth looking into in order to avoid more storm water runoff from non-permeable surfaces. He encouraged VAA to explore new technologies.

The Committee thanked the Councillor for his comments and suggestions.

- **David Calveley referenced the new head of Translink who comes from Portland. They implemented a car share service for employees and have been proactive in reducing single driver programs. He suggested that VAA may wish to look at Portland for ideas.**

The Committee Chair noted there were many questions and comments around parking, parking lots and roadways. This has been a topic of much discussion at the Board level and has been a challenge for the team. A number of options are under review, with continuing strategies being advanced to address future growth.

- **A member of the public commended the VAA on the tremendous job it was doing. He noted an issue with the McTavish Road traffic circle. While the residents are familiar with it, many of the people renting cars should be explained how to use it to avoid accidents. Perhaps the car rental companies could educate visitors on how to successfully negotiate the roundabouts.**

He also wished to share his compliments on the White Spot restaurant that he and his wife frequent. Staff are pleasant and have a tourism program in place for their staff. He encouraged VAA to offer this kind of training to other airport staff so they are friendlier to tourists.

Each year puts aside money to offer Superhost training to all airport workers to improve their customer service skills. While we already do what was suggested, there can always be room for more training.

- **Sidney Councillor Kenny Podmore wanted to address the comments on the McTavish interchange. The Town of Sidney Council met with the Minister of Transportation and Infrastructure to obtain brochures on proper traffic procedures. His understanding is that the airport car rental companies do provide this information to visitors.**

VAA also provides instructions how to navigate roundabouts on its website.

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:

- **Spring Airport Consultative Committee Meeting:
7:30 AM – Tuesday, March 6, 2018
Downtown Venue: To Be Confirmed**
- **Annual Public General Meeting
7:00 PM, Thursday, May 10, 2018
Venue: To Be Confirmed**

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. There being no further business, the meeting was adjourned.