

CITY OF KELOWNA
MEMORANDUM

DATE: June 2, 2002 File: 0550-05
2380-20-8110
2380-20-8112
TO: City Manager
FROM: Assistant Airport General Manager
SUBJECT: D & R SERVICES LTD. AND KELOWNA RAMP SERVICES
AIR TERMINAL BUILDING SPACE SUB-LEASES

RECOMMENDATION

THAT Council authorize the Mayor and City Clerk to sign the air terminal building space sub-leases for D & R Services Ltd. and Ironman Holdings Ltd. d.b.a. Kelowna Ramp Services at the Kelowna International Airport.

BACKGROUND AND COMMENTS

Several years ago, D & R Services Ltd. was contracted by Canadian Regional Airlines and Kelowna Ramp Services was contracted by AirBC Limited to provide baggage handling and marshalling services on the ramp for commercial flights at the Kelowna International Airport.

Currently, D & R provides ramp services to WestJet Airlines and Kelowna Ramp provides services to Air Canada Jazz. In 2000, both companies requested and each were allocated the exclusive use of one storage room in one of the air terminal baggage make up rooms on an interim basis. The development of air terminal building space sub-leases formalizes these arrangements.

The rent charged on these baggage make up rooms is \$284.29 per square metre per annum, which equates to annual rents of \$2,760.48 from D & R Services and \$2,356.80 from Kelowna Ramp Services, plus G.S.T. The tenancy has been set on a month-to-month basis for both sub-leases.

S. Samaddar

/jmj