

CITY OF KELOWNA

MEMORANDUM

DATE: July 18, 2005

File: 0550-05

TO: City Manager

FROM: Airport General Manager

SUBJECT: COMMON USE SELF SERVICE EQUIPMENT IMPLEMENTATION

RECOMMENDATION

THAT Council approve an amendment to the 2005 Financial Plan to transfer the approved capital budget of \$100,000 for the Common Use Self Service kiosk implementation project from the Terminal Fee Reserve to the Airport Improvement Fee Reserve and to increase that budget to \$277,000;

THAT Council authorize the Airport General Manager to sign an agreement with Vancouver International Airport for the provision of Common Use Self Service application hosting and support services;

AND THAT Council approve amending Bylaw No. 7982 to reflect an increase in the General Terminal Fee of \$0.07 per aircraft seat effective November 1, 2005.

BACKGROUND AND COMMENTS

Common Use Self Service technology (CUSS) is a natural extension of electronic and airline Departure Control Systems and refers to self serve check in equipment offering passengers the ability to check themselves in for their flight using a common use kiosk for several different airlines.

The benefits of deploying this common use technology is that it enhances customer service through shorter queuing and check-in times, improves productivity and reduces costs for the airlines and maximizes the infrastructure efficiencies of the air terminal building, therefore reducing the pressure and cost to expand the footprint of the building.

CUSS technology is truly a global phenomenon and has been identified by the International Aviation Transport Association as one of the four pillars of the future international airline operating system. The first airport in the world to deploy common use technology was Vancouver in October of 2003 with Air Canada as the launch customer. These kiosks have now been installed at the 8 major airports and Kelowna will be among the first to install the system at a regional airport.

In consultation with Air Canada Jazz, Horizon Air and WestJet, a system has been developed to meet the air carriers needs and will cost \$177,000 more than what was originally approved in the airport capital budget.

The capital costs for this project will be funded from the Airport Improvement Fee Reserve and the ongoing operating costs will be supported by an increase in the General Terminal Fee of 0.07 cents per seat. For a typical 737-200, this would mean an increase of the General Terminal Fee of \$8.75 per aircraft. The Airline Consultative Committee has agreed to Phase 1 of this project and the increase in the General Terminal Fee to support the operating costs of the kiosks.



R. Sellick
SS/cmm