

CITY OF KELOWNA

MEMORANDUM

DATE: November 2, 2006

File: 0550-05

TO: City Manager

FROM: Airport General Manager

SUBJECT: AIRCRAFT LANDING FEES

RECOMMENDATION

THAT Council approve eliminating the current tiered landing fee schedule and replace it with the following effective January 1, 2007;

1. AIRCRAFT LANDING FEES

- 1.1 Landing fees for Jet and Turbine aircraft will be \$5.00 per 1,000 kgs. or fraction thereof, of minimum take-off weight.
- 1.2 The minimum landing fee for fixed and rotary aircraft will be \$13.00.
- 1.3 Kelowna International Airport tenants may make prior arrangements with the Airport General Manager for a touch and go landing fee at 50% of the prevailing rate, conditional on all company landings of jet and turbine aircraft being reported monthly on the Airport's Commercial Aircraft Fees Record no later than the 7th of the following month.
- 1.4 To facilitate additional air service development, the Airport General Manager may approve a 50% reduction in landing and terminal fees for a maximum of six months after inauguration of a new air service for the new service.
- 1.5 Piston engine aircraft are exempt from these fees.
- 1.6 The Airport General Manager may at his/her discretion waive airport landing fees for flights carrying non-revenue passengers on behalf of Okanagan based not for profit organizations.

AND THAT Staff be instructed to amend Airport Fees Bylaw No. 7982 in accordance with this recommendation.

BACKGROUND AND COMMENTS

The current landing fee schedule was patterned after an outdated Transport Canada model.

The tiered schedule of fees unfairly penalizes international air carriers and jet equipped aircraft.

The proposed fee will eliminate any discrimination based on point of origin or power plant. It will also bring Kelowna International Airport into compliance with the November 2005 Canada – USA Air Treaty which requires that “user charges shall be assessed on the airlines of the other Party on terms not less favorable than the most favorable terms available to any other airline.”

The air carriers were notified of this proposal at a meeting with the Airline Consultative Committee on July 19, 2006. The Airline Consultative Committee is not opposing this change. This proposal will result in a small reduction in costs for WestJet and a small increase in costs for Air Canada.

A handwritten signature in black ink, appearing to read 'R. Sellick', with a stylized flourish at the end.

R. Sellick
RS/lab