CITY OF KELOWNA

MEMORANDUM

Date:

July 24, 2007

File No.:

0550-05

2320-20

To:

City Manager

From:

Assistant General Manager, Airport Operations

Subject:

Airporter Bus Service Licence (BL9485 September 19, 2005)

RECOMMENDATION:

THAT Council award an Airporter Bus Service Licence to Ambrosia Tours Ltd to assume the remaining three (3) years on the Airporter Bus Service Licence between Penticton and the Kelowna International Airport.

AND THAT Council authorize the Mayor and City Clerk to sign the agreement on behalf of the City of Kelowna.

BACKGROUND AND COMMENTS:

The previous licensee (Peach City Cabs (1986) Ltd. dba Penticton Airport Limo Shuttle) for the airporter bus service to/from Penticton to Kelowna International Airport ceased operation on April 20, 2007 and this license was terminated May 30, 2007.

An invitation to tender (T07-081) was posted in local media with a reply deadline of July 12, 2007. There was one qualified bid to the tender, Ambrosia Tours Ltd.

Ambrosia Tours Ltd. is presently operating an unlicensed "reservation in advance" shuttle between Kelowna International Airport and the City of Penticton and has done so for approximately 1.5 years. All BC Ministry of Transport permits are in order.

The issuance of a license would permit Ambrosia to operate a scheduled service to/from Penticton and the Kelowna International Airport, operating three times per day using three shuttle vans.

Ambrosia Tours Ltd. will assume the effective July 1, 2007 rate at 3% of gross revenue, effective July 1, 2008 rate of 3.5% of gross revenue and effective July 1, 2009 rate of gross revenue.

INTERNAL CIRCULATION TO:

Purchasing Manager has reviewed and approved recommendation.

Considerations that were not applicable to this report:

LEGAL/STATUTORY AUTHORITY:

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

EXISTING POLICY:

FINANCIAL/BUDGETARY CONSIDERATIONS:

PERSONNEL IMPLICATIONS:

TECHNICAL REQUIREMENTS:

EXTERNAL AGENCY/PUBLIC COMMENTS:

ALTERNATE RECOMMENDATION:

Submitted by:

D. Fuller

CC:

Assistant General Manager, Airport Operations

Approved for Inclusion:

Maureen MacGillivray, Purchasing Manager