
CITY OF KELOWNA

MEMORANDUM

Date: December 14, 2007
File No.: 0550-05
1611-01
To: City Manager
From: Airport Administration Manager
Subject: AIRPORT FEES AND CHARGES

RECOMMENDATION:

THAT Council receive the Report of the Airport Administration Manager dated December 14th, 2007;

AND THAT staff be directed to prepare the necessary amending bylaw to the City of Kelowna Airport Fees Bylaw No. 7982 to reflect the increase in fees as outlined in the Report and forward the amending bylaw for reading consideration.

BACKGROUND:

The airport is requesting approval of the following fee increases:

Effective April 1, 2008:

1. **AIRCRAFT LANDING FEES**

1.1 Landing fees for Jet and Turbine aircraft will be \$5.15 per 1,000 kgs. or fraction thereof, of maximum take-off weight.

3.1 **AIRCRAFT PAVED PARKING**

(a) Apron # 1	\$33.00 per night
(b) Apron # 2	\$15.00 per night
(c) Apron # 3	Operational Stand - \$24.00 per night Itinerant Short Term - \$11.00 per night

3.2 **AIRCRAFT ANNUAL PARKING**

(i) With taxiway access	\$500.00 per annum
(ii) Unserviced	\$275.00 per annum
(iii) Oversized Aircraft (Unserviced)	\$1,475.00 per annum

3.3 Aircraft using annual parking stalls for unauthorized short-term parking will be subject to the Apron #3 Itinerant Short Term fee.



5. **AFTER HOURS FIREFIGHTING AND MAINTENANCE SERVICES FEES**

For every landing or take-off requiring firefighting and maintenance coverage outside of the airport's normal published operating hours a fee of \$100.00 will be charged for every ½ hr or portion thereof.

6. **APRON EQUIPMENT PARKING**

Remote space - \$10.00 per sq. m per annum

Terminal frontage space - \$20.00 per sq. m. per annum

Effective November 1, 2008:

1. **AIRCRAFT LANDING FEES**

1.1 Landing fees for Jet and Turbine aircraft will be \$5.30 per 1,000 kgs or fraction thereof, of maximum take-off weight.

During the Airport's 2008 Budget presentation, Council approved hiring 2 additional Airport Operations Specialists (AOS) in order to extend the airport's hours of operation. This approval was based on full cost recovery from increased landing fees.

Extended hours of operation are necessary to accommodate the increasing number of flights outside of published hours and a Transport Canada regulation effective January 1st, 2008 that requires maintenance activities no longer be performed within 100 feet of the runway when it is open for use.

In order to ensure full cost recovery a 6% landing fee increase is required. The airport proposes to offer maximum benefit to the airlines by implementing this fee increase in two steps, the first 3% in April when it is estimated that AOS staffing will be completed and the remaining 3% in November when the runway extension is scheduled to be completed. During construction of the runway extension it will be necessary to close the runway at night and while the airlines will benefit from a reduction in possible daytime runway closures for maintenance activities (due to the Transport Canada regulation) they will not receive the full benefit of the extended hours until the runway extension is opened.

Charter flight use of the north apron has increased greatly necessitating the implementation of an operational stand on Apron 3. The fees proposed for this apron are slightly less than apron 1 as services such as loading bridges and baggage service are not offered. This apron will also offer itinerant aircraft short term parking which will replace the short term parking previously offered on the infield.

A two tiered fee for Apron Equipment Parking is proposed as a control to ensure that only essential equipment is stored in front of the terminal building.

A survey conducted showed that the proposed fees are in the mid range of comparator airports such as Victoria, Abbotsford, Prince George, Regina, Saskatoon, Thunder Bay and Halifax.

These fee increases are necessary to ensure that the airside cost centre remains financially viable and they have been reviewed with the airlines.

Considerations that were not applicable to this report:

INTERNAL CIRCULATION TO: N/A

LEGAL/STATUTORY AUTHORITY: N/A

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS: N/A

EXISTING POLICY: N/A

FINANCIAL/BUDGETARY CONSIDERATIONS: N/A

PERSONNEL IMPLICATIONS: N/A

TECHNICAL REQUIREMENTS: N/A

EXTERNAL AGENCY/PUBLIC COMMENTS: N/A

ALTERNATE RECOMMENDATION: N/A

Submitted by:

N Redman

N. Redman
Airport Administration Manager

NR

Approved for Inclusion:

A small square box containing a stylized signature, likely 'SP', with a long horizontal line extending from the right side.