CITY OF KELOWNA

MEMORANDUM

Date:

August 26, 2008

File No.:

0550-05

2380-20-8172

To:

City Manager

From:

Assistant General Manager, Airport Operations

Subject:

GROUND HANDLER LICENCE AND SUB-LEASE AGREEMENT -

STRATEGIC AVIATION SERVICES LTD. – KELOWNA INTERNATIONAL AIRPORT

RECOMMENDATION: THAT Council authorize the Mayor and City Clerk to sign the Ground Handler Licence and Sub-Lease Agreement allowing Strategic Aviation Services Ltd. to operate at the Kelowna International Airport.

BACKGROUND: AC Jazz has contracted for a new ground handling company, Strategic Aviation Services Ltd., effective November 1, 2008.

Strategic Aviation Services Ltd. will be sub-leasing 28.08m² of office and storage space at \$9,181.03 per annum effective November 1, 2008.

Strategic Aviation Services Ltd. has been in operation since 2006 in Grande Prairie, Alberta and Prince George, B.C.

The Ground Handler Licence Agreement was approved by City Council in November 2006 and allows the Mayor and City Clerk to sign with new entrant ground handlers wishing to operate at our airport. It requires the provision of a security deposit equivalent to the estimated revenue for three months to accompany the agreement.

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

COMMUNICATIONS CONSIDERATIONS: N/A

ALTERNATE RECOMMENDATION: N/A

Submitted by:

D. Fuller

Assistant General Manager, Airport Operations

DF/cmm

Approved for inclusion:

D/12.