
CITY OF KELOWNA
MEMORANDUM

Date: November 5, 2008
File No.: 0550-05
To: City Manager
From: Assistant General Manager, Airport Operations
Subject: **COMMON USE TERMINAL EQUIPMENT FEES –
KELOWNA INTERNATIONAL AIRPORT**

RECOMMENDATION:

THAT Council receive, for information, the Report of the Assistant General Manager – Airport Operations dated November 5, 2008;

AND THAT staff be directed to prepare the necessary amending bylaw to the City of Kelowna Airport Fees Bylaw No. 7982 to reflect the new "Common Use Terminal Equipment Fee" as outlined in the Report and forward the amending bylaw for reading consideration.

BACKGROUND:

At its regular meeting on Monday, November 20, 2006, Council approved the following fee structure for use of Airport Owned Common Use Terminal Equipment

- 23.1 Check-in Counter - \$1.00 per passenger aircraft Seat
(Includes use of Departure Room Podium Equipment)
- 23.2 Departure Room Podiums - \$0.50 per passenger aircraft seat

This fee has proven to be time consuming for administrative and operational staff due to system constraints. In addition the air carriers have indicated they find this methodology prohibitive as they are unable to sign on for short periods of time to assist handling passenger congestion without being subject to a full fee based on the number of passenger seats in their aircraft. As a result there has been sharply declining use resulting in escalating passenger inconvenience.

In order to streamline billing, encourage utilization by the airlines and offer better customer service to the travelling public, the airport is proposing that the following fee structure be effective January 1, 2009.

For use of Airport Owned Common Use Terminal Equipment on a monthly basis, per air carrier:

- | | | |
|------|------------------------------------|-------------------|
| 23.1 | 0 – 3500 minutes - | \$0.75 per minute |
| | 3501 – 7000 minutes - | \$0.25 per minute |
| | 7001 minutes and over - | \$0.10 per minute |
| | 100% Common Use Terminal Equipment | \$0.07 per minute |

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*Year round scheduled air carriers to be automatically billed a minimum of 3,501 minutes with any further minutes billed at the applicable rate.

This fee structure was presented at the Airline Consultative Committee Meeting on September 18, 2008 and the air carriers gave their approval to the change. As it is a new service this fee will continue to be reviewed as the airport grows.

FINANCIAL/BUDGETARY CONSIDERATIONS:

This fee should result in higher use and slightly higher revenue than 2008.

Considerations that were not applicable to this report:

INTERNAL CIRCULATION TO: Legislative Coordinator, Corporate Services

LEGAL/STATUTORY AUTHORITY: N/A

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS: N/A

EXISTING POLICY: N/A

PERSONNEL IMPLICATIONS: N/A

TECHNICAL REQUIREMENTS: N/A

EXTERNAL AGENCY/PUBLIC COMMENTS: N/A

ALTERNATE RECOMMENDATION: N/A

Submitted by:



D. Fuller
Assistant General Manager, Airport Operations

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Approved for Inclusion:

