

Report to Council



Date: November 19, 2018
File: 0610-50
To: City Manager
From: Shayne Dyrdal, Senior Airport Finance & Corporate Services Manager
Subject: Amendment to Kelowna International Airport Fees and Charges Bylaw No. 7982
Report Prepared by: Paul Crenson, Acting Airport Administration Manager

Recommendation:

THAT Council receive for information the report of the Senior Airport Finance & Corporate Services Manager dated November 19, 2018 with respect to the changes to the Airport Fees Bylaw No. 7982;

THAT the 2018 Financial Plan be amended to include an additional \$164,000 of parking revenues to be contributed to the Groundside Reserve;

AND THAT Bylaw No. 11715 being Amendment No. 32 to the City of Kelowna Airport Fees Bylaw 7982 be advanced for reading consideration.

Purpose:

To obtain Council's approval to amend the Kelowna International Airport's fees and charges by amending Bylaw No. 7982.

Background:

Parking Fees

Kelowna International Airport's (YLW's) passenger numbers have increased by 38% between the ten months ended October 31, 2013 and the same period in 2018. This increase in passenger numbers has resulted in capacity constraints for YLW's parking infrastructure and increased operational costs. YLW anticipates there will be a need to build additional parking infrastructure in the immediate future, which will result in increased capital costs and further operational costs. YLW is proposing an increase to parking fees effective December 1, 2018, to help offset the costs associated with the expansion of

parking infrastructure. The proposed parking fees have been developed in accordance with YLW's low-cost business model. Parking fees were last increased on April 1, 2014.

The proposed fee increases are:

Location	Description	Current	Proposed
Valet	Valet parking	\$15.00	\$20.00
Curbside	Parking meters (30 minutes)	\$1.75	\$2.00
Short-term	First hour	\$1.50	\$1.75
	Each subsequent hour	\$2.50	\$2.75
	Daily	\$18.50	\$21.00
	Gold Pass (6 months prepaid)	\$900.00	\$1,025.00
Long-term	First hour	\$1.50	\$1.75
	Each subsequent hour	\$2.50	\$2.75
	Daily	\$12.00	\$14.00
	Weekly	\$62.00	\$70.00

Security Fees and Charges

YLW's Security Fees and Charges consist of fees for restricted area identification cards (RAIC), security passes, security keys, parking decals and fuel cards that are lost, damaged or not returned. The Airport has seen an increased rate of these items being lost, damaged or not returned and has identified that YLW's Security Fees and Charges are lower than those at other airports. YLW is proposing an increase to Security Fees and Charges effective January 1, 2019, to continue to improve the level of security at YLW. Security Fees and Charges were last increased on February 15, 2014.

The proposed fee increases are:

Description	Offence	Current	Proposed
Lost or damaged security RAIC	1 st	\$50.00	\$100.00
	2 nd	\$100.00	\$200.00
	3 rd	\$150.00	\$300.00
Failure to return RAIC on termination of employment (charged to employer)		\$25.00	\$100.00
Lost visitor security pass		\$25.00	\$100.00
Lost security key		\$25.00	\$100.00
Lost parking decal		\$25.00	\$100.00
Failure to return visitor security pass, security key or parking decal on termination of employment (charged to employer)		\$0.00	\$100.00

Internal Circulation:

Jackie Dueck, Controller
Melanie Antunes, Budget Supervisor
Jessica Hewitt, Communications Advisor
Jodie Foster, Community Communications Manager

Financial/Budgetary Considerations:

The 2018 Financial Plan will require the addition of \$164,000 of parking revenue budget which will be contributed to the Groundside Reserve. The security fee adjustment is not expected to generate enough additional revenue to warrant a budget adjustment

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Considerations not applicable to this report:

Submitted by:

S. Dyrdal, Senior Airport Finance & Corporate Services Manager

Approved for inclusion:



Doug Gilchrist, City Manager
Sam Samaddar, Airport Director

cc:

Genelle Davidson, Divisional Director, Financial Services
Stephen Fleming, City Clerk
George King, Financial Planning Manager