

# Report to Council



**Date:** November 25, 2019  
**To:** Council  
**From:** City Manager  
**Subject:** Delegation of Authority – Airport Agreements  
**Department:** Kelowna International Airport

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## **Recommendation:**

THAT Council receives, for information, the Report from the Senior Airport Finance and Corporate Services Manager dated November 25, 2019, pertaining to implementation of a new bylaw for delegation of authority for entering into airport related agreements;

AND THAT Bylaw No. 11961, being the Airport Agreements Delegation of Authority Bylaw, be forwarded for reading consideration.

## **Purpose:**

To create the City of Kelowna Airport Agreements Delegation of Authority Bylaw No. 11961.

## **Background:**

The Kelowna International Airport (the Airport) enters into various agreements, that are consistent with delivery of the approved master plan, in the normal course of operations of the Airport. These agreements include, but are not limited to, agreements related to the Airport Improvement Fee, the operation of airlines, ground handlers and NAV Canada at the Airport, and revenue generation.

## **Discussion:**

In an effort to improve or stop lower value activities, the Airport is recommending a delegation of certain authorities from Council to the Airport Director that would authorize the Airport Director to negotiate, approve, enter into and amend certain agreements, on behalf of the City of Kelowna.

Under the Bylaw, the Airport Director would be delegated the authority to enter into contracts related to the Airport Improvement Fee, airlines operating at the Airport, ground handlers operating at the Airport, NAV Canada and generation of revenues at the Airport. These contracts are entered into in the course of operations of the Airport and include, but are not limited to, the following agreements:

- Airport Improvement Fee: Airport Improvement Fee Agreement
- Airlines Operating at the Airport: Air Carrier Airport Use Agreement
- Ground Handlers Operating at the Airport: Ground Handler Licence Agreement
- NAV Canada: Aviation Services and Facilities Agreement
- Generation of Revenues at the Airport: Parking, Car Rental, Food and Beverage and Advertising

These agreements are operational in nature, do not include the lease of land and any fees and charges referred to in these agreements are governed by the Airport Fees Bylaw, which is approved and/or amended via Council approval periodically. All agreements would be in accordance with City bylaws and policies, including those for Purchasing, and would be reviewed by legal counsel, if applicable.

The Airport Director will provide a report to Council regarding any transactions approved by this Bylaw on an annual basis, in order to ensure full accountability and transparent reporting.

**Conclusion:**

In order to improve or stop lower value activities, the Airport is recommending a delegation of authority from Council to the Airport Director to authorize the Airport Director to negotiate, approve, enter into and amend certain Airport-related agreements, on behalf of the City of Kelowna.

**Internal Circulation:**

J. Dueck, Controller  
 J. Hewitt, Communications Advisor  
 D. Tompkins, Purchasing Manager  
 S. Fleming, City Clerk

**Considerations applicable to this report:**

**Legal/Statutory Authority:** *Community Charter, section 154 – Delegation of Council Authority*  
**Legal/Statutory Procedural Requirements:** *Community Charter, section 154 – Delegation of Council Authority*

**Considerations not applicable to this report:**

**Existing Policy:**  
**Financial/Budgetary Considerations:**  
**External Agency/Public Comments:**  
**Communications Comments:**

Submitted by:

S. Dyrdal, Senior Airport Finance and Corporate Services Manager

**Approved for inclusion:**

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cc:

S. Dyrdal, Senior Airport Finance and Corporate Services Manager