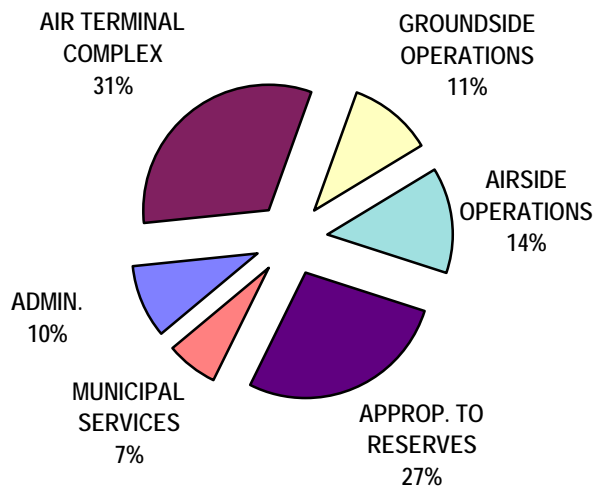


AIRPORT FUND

AIRPORT

Ron Mattiussi - City Manager
Sam Samaddar - Airport General Manager

Division Summary

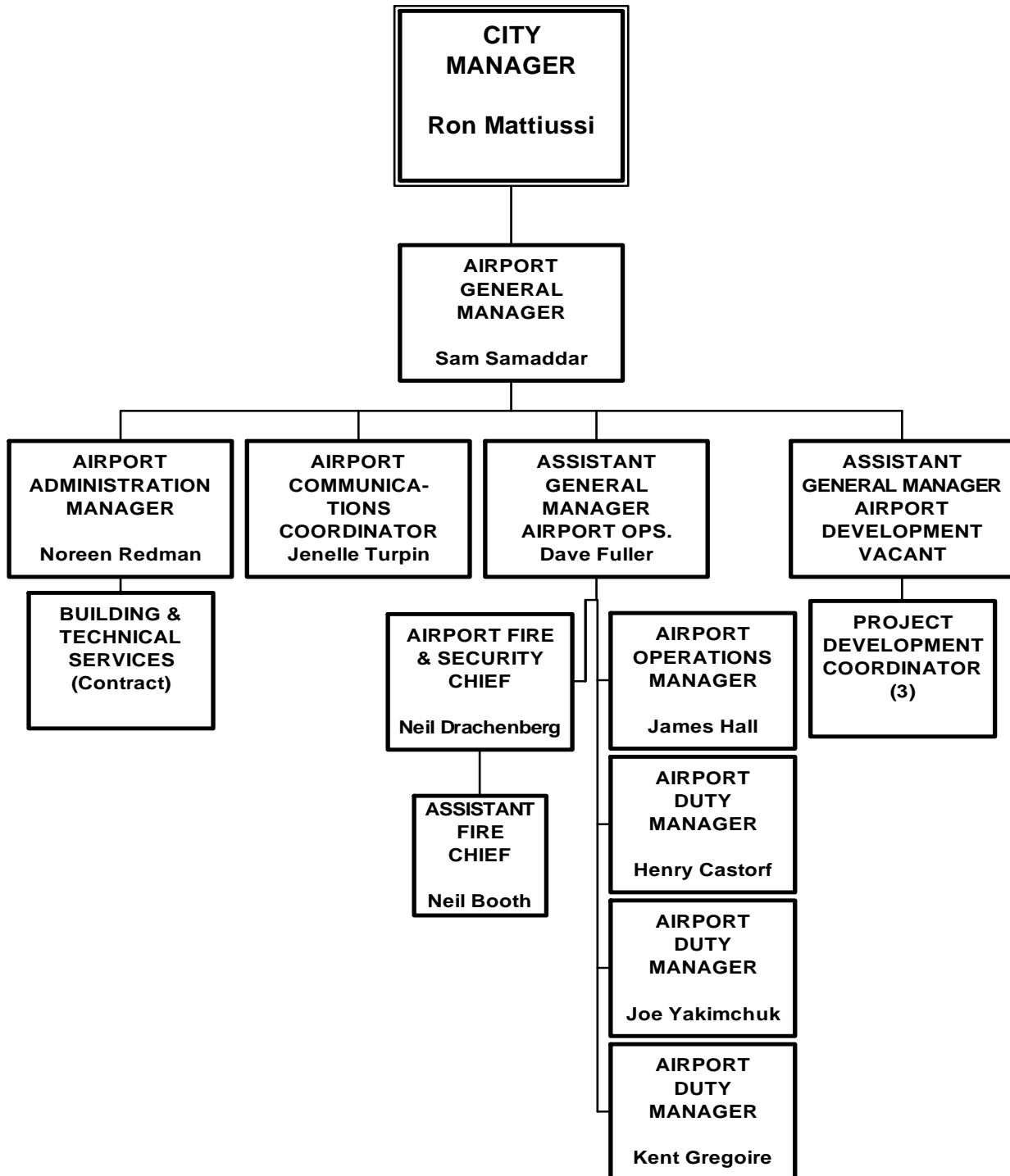


Department Overview

	Revised Adopted 2008	Financial Plan 2009	Change from Prior Year	Percent Change
Taxation Expenditures				
Net Operating	0	0	0	100.0%
Capital	0	0	0	0.0%
Total Taxation Expenditure	0	0	0	0.0%
Authorized Positions	33.8	36.2	2.4	7.1%

AIRPORT

ORGANIZATIONAL CHART



AIRPORT

“Community Operated and Focused”

2009 DEPARTMENT GOALS

- To provide high quality airport services in a safe and cost effective manner and in compliance with Federal regulations;
- To support the achievement of the municipality’s social, economic, and environmental objectives;
- To develop capital infrastructure to meet the needs of customers and stakeholders;
- To use a full range of innovative options to generate sufficient revenue to operate on a financially self-sufficient basis.

In collectively working towards these goals, the YLW team will be fast and flexible; customer focused and strive for continuous improvement.

CURRENT YEAR OBJECTIVES – LINK TO COMMUNITY STRATEGIC PLAN

GOAL 1 - OBJECTIVE 3 Manage human impacts on our natural environment, including Okanagan Lake and the surrounding hillsides.

1. In conjunction with the Transport Canada Environmental policy and the Airport’s Environmental Plan an “Environmental Exercise will be conducted with an emphasis on impact assessment and crisis communications planning.
2. A strategy will be developed in the long term management of Mill Creek as it relates to infrastructure developments associated with the 2025 Master Plan.
3. The key recommendations from the 2008 Greenhouse Gas Study to reduce emissions will be analyzed and prioritized.

GOAL 2 – OBJECTIVE 1 Aid in the growth and progress of Kelowna as a desirable place to do business.

1. The key recommendations from the 2008 Ground Transportation Study will be analyzed and prioritized.
2. Key personnel will work with Airline partners and the business community in the retention of air service and the development of new markets.

GOAL 2 - OBJECTIVE 2 Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour.

1. A business plan and class C design estimate will be developed to determine the feasibility of a full diamond interchange as envisaged in the master plan.
2. Plans and recommendations for temporary facilities will be developed in partnership with federal government agencies to support the 2010 Olympic Games in Vancouver.

GOAL 2 – OBJECTIVE 3 Increase the diversity of employment opportunities.

1. An investment will be made in staff to ensure succession planning and training is key throughout the organization.
2. To provide accountable management oversight, meet the increased regulatory demands of the Safety Management System and transition into the Security Management System a new Manager of Safety and Security position will be established.

GOAL 2 – OBJECTIVE 4 Commit to continued sound fiscal management.

1. The airport will continue to participate in the review of clerical positions.

2. A financial and operational audit will be conducted on the Airport's Master Building and Technical Services contract.
3. A review of airport fees and charges with an emphasis on Building Space Rental, Taxi, Fuel Truck Licenses and aircraft General Terminal fees will be conducted.
4. An easier and less restrictive Common Use Terminal Fee designed to stimulate increased usage will be implemented by the spring of 2009.
5. A new fees structure resulting from the 2008 Parking Pricing Demand Management Study will be implemented by the spring of 2009.
6. New fees and charges to cover the cost of administration to handle lost or damaged Restricted Area Identification Control (RAIC) and Visitor Cards, lost parking permits and lost keys will be instituted by spring of 2009.
7. A review and update of all administrative procedures, associated policies and procedural bulletins will be conducted.
8. The 1998 Ford 150 will be replaced as it is 10 years old and has reached the end of its useful life cycle.

GOAL 3 - OBJECTIVE 1 Promote health and wellness initiatives.

1. Full participation, regular monthly meetings and prompt follow up on recommendations of the Health and Safety Committee will be ensured.
2. The requirements associated with Safety Management System regulations will be implemented.
3. City wide health and safety initiatives will be supported.
4. All staff will receive necessary training on work safety.
5. An atmosphere that promotes health and wellness and allows employees to raise concerns in a non-punitive environment will continue to be fostered.
6. Efficiencies will be implemented on the Airports Security Management System.

GOAL 3 OBJECTIVE 6 – Provide Infrastructure that keeps pace with populations growth & evolving opportunities.

1. Planning and design for a new 250 passenger per hour international concourse and new car rental terminal will be completed.
2. Design for the expansion to the main aircraft apron and a new taxiway between the main apron and the runway will be completed to accommodate wide body aircraft.
3. The existing radio system will be replaced with a tunable VHF system which allows for communication between Penticton Flight Services Station, aircraft and vehicles on the same frequency.
4. A portion of Apron 1 will be rehabilitated based on the engineering analysis conducted in 2007 which shows that the pavement requires remediation.
5. Contingency plans will be developed in order to accommodate an interim customs area in order to meet the demand placed by charter companies operating larger aircraft.
6. The large helicopter pad will be relocated due to the expansion of the long term parking lot.
7. Runway sensors will be installed to provide real time data regarding the formation of ice on the runway allowing earlier intervention and application of anti-icing agents.
8. A security monitoring system will be installed along the east edge of the commercial apron in order to meet pending Restricted Area legislation which will make it mandatory to monitor all access points leading into a restricted area.
9. Public information systems used to assist passengers in navigating through the terminal building will be enhanced or upgraded.
10. A heavy duty equipment storage building will be constructed.

AIRPORT

COMPARISON OF 2008 AND 2009 REVENUES AND EXPENDITURES

	<u>2008 BUDGET</u>	<u>2009 BASE</u>	<u>2009 CHANGES</u>	<u>TOTAL</u>
<u>REVENUES</u>				
Landing & Other Airside Fees	2,484,333	2,520,583	31,220	2,551,803
Terminal Fees, Concessions	3,966,569	3,966,569	93,740	4,060,309
Vehicle Parking	2,463,000	2,463,000	481,100	2,944,100
Land Rentals	404,683	404,683	8,350	413,033
Airport Improvement Fee	6,324,000	6,324,000	279,000	6,603,000
Contributions From Reserve	851,827	850,010	(22,470)	827,540
	<u>16,494,412</u>	<u>16,528,845</u>	<u>870,940</u>	<u>17,399,785</u>
<u>EXPENDITURES</u>				
Administration	1,069,486	904,047	64,340	968,387
City Services	587,967	675,355	-	675,355
Air Terminal Complex	2,512,879	2,927,603	330,690	3,258,293
Groundside Operations	607,512	1,024,281	49,370	1,073,651
Airside Operations	1,792,166	1,307,914	80,990	1,388,904
Policing	2,780	2,780	75,100	77,880
Approp. to Reserve	2,745,795	2,745,795	(219,020)	2,526,775
Approp. to AIF Reserve	6,575,827	6,574,010	256,530	6,830,540
Interest Expense	600,000	600,000	-	600,000
	<u>16,494,412</u>	<u>16,761,785</u>	<u>638,000</u>	<u>17,399,785</u>
Transfer to Airport Capital				
Net Operating Revenue	<u>-</u>	<u>(232,940)</u>	<u>232,940</u>	<u>-</u>
Surplus/(Deficit)	<u>-</u>	<u>(232,940)</u>	<u>232,940</u>	<u>-</u>
Capital - Other Funding Sources	<u>16,878,580</u>	<u>-</u>	<u>11,590,000</u>	<u>11,590,000</u>
Projected Accumulated Surplus*	532,773	-	-	532,773

*Does not include the outstanding obligation under the AIF program.



AIRPORT

Department ID Section Descriptions

ADMINISTRATION

Kelowna International Airport has been managed and operated by the City of Kelowna since its inception in 1946. Kelowna City Council has established an Airport Advisory Committee to encourage participation from neighbouring communities. The Airport General Manager oversees all airport operations.

AIR TERMINAL COMPLEX

The 101,000 sq ft Air Terminal Building provides a full range of services including food, revenue and retail concessions and international arrivals facilities for up to 150 passengers per hour including Canada Customs processing on a 24 hour basis. The combined operations building located adjacent to the air terminal building houses the airport operations department.

GROUND SIDE OPERATIONS

Groundside Operations includes the maintenance and administration of the road system and the two public parking lots with a total of 2097 paved parking stalls and 730 gravel parking stalls. The short term parking lot is directly in front of the Air Terminal Building, the long term lot is south of the Terminal.

AIRSIDE OPERATIONS

The Airport's four scheduled air carriers, Air Canada, Horizon Air, WestJet and Central Mountain Air serve a catchment area of over 250,000 people including the cities of Kelowna and Vernon and a number of smaller communities in the southern interior of B.C. Approximately 30 departures per day offer service to five major international airports; Calgary, Edmonton, Seattle, Toronto and Vancouver. Non-stop service is also provided to a number of other communities in Western Canada including Victoria and Prince George.

PERFORMANCE MEASURES

PROGRAM INPUT MEASURES		Actual 2007	Revised Adopted 2008	Financial Plan 2009
35/39	REVENUES	(14,594,944)	(15,642,585)	(16,572,243)
041	ADMINISTRATION	800,201	1,069,486	968,385
042	AIR TERMINAL COMPLEX	2,160,161	2,512,879	3,258,293
043	GROUND SIDE OPERATIONS	608,899	607,512	1,073,651
044	AIRSIDE OPERATIONS	1,752,257	1,792,166	1,388,904
047	AIRPORT POLICING	2,695	2,780	77,880
49/51	APPROP. TO RESERVES	9,118,361	9,069,795	9,129,775
059	SURPLUS / DEFICIT	0	0	0
811	MUNICIPAL SERVICES	552,008	587,967	675,355
Total Net Operating Expenditures		399,638	0	0

AIRPORT

PERFORMANCE MEASURES

	Actual 2007	Estimated 2008	Proposed 2009
PROGRAM OUTCOMES			
Financial Audit of Concessionaires	0	1	1
New Safety Management System Audits	1	1	1
Terminal and Airside Safety Audits		4	4
Security Audits	1	4	8
Tenant Leasehold Audits	28	30	30
Key Control Audits			2
Police Log Audits		4	4
After Hours Operational Audits	4	4	4
Concession Inspections	89	96	96
EFFICIENCY MEASURES			
The airport will continue its position as a low cost provider of airport services when compared to similar sized Canadian Airports (Victoria, Saskatoon, Regina and Prince George). The target is to keep costs including the AIF at industry leading levels, airline operating cost at \$8.00 or less.			
Airline Operating Cost	\$6.39	\$6.05	\$8.00
Maintain the Airport Improvement Fee at \$10.00 per person.	\$8.00	\$10.00	\$10.00
CUSTOMER SATISFACTION			
The airport will maintain an overall customer satisfaction rating of +90%.	+90%	+90%	+90%
INNOVATION AND LEARNING			
Operations			
Airport Operations Specialists (training hours per month)	12	14	16
The airport mechanic will complete one course annually on equipment maintenance.	1	1	1
Communications			
Meetings			
Airport Director & City Senior Mgmt			4
General Staff Meetings	2	4	4
Airport Management Meetings	12	12	12
Airport Senior Management Meetings	52	52	52
Airport Administration Meetings	26	26	26
Individual AOS meetings with Manager		12	12
Operations Group Meetings		6	6

AIRPORT SUMMARY

REVENUES / EXPENDITURES BY CATEGORY

	ACTUAL 2007	REVISED ADOPTED 2008	FINANCIAL PLAN 2009
<u>REVENUE</u>			
FEES AND CHARGES	(15,099,793)	(16,184,317)	(17,109,892)
OTHER REVENUE	(1,172,068)	(732,120)	(657,120)
TRANSFERS FROM FUNDS	(121,204)	(851,827)	(2,936,195)
Special (Stat Reserve) Funds			
Development Cost Charge Funds			
Accumulated Surplus	(121,204)	(851,827)	(2,936,195)
TOTAL REVENUE	(16,393,065)	(17,768,264)	(20,703,207)
 <u>EXPENDITURES</u>			
SALARIES & WAGES	2,128,072	2,587,712	2,865,438
INTERNAL EQUIPMENT	15,199	24,241	17,134
MATERIAL & OTHER	3,878,037	4,234,537	4,602,168
CONTRACT SERVICES	283,200	335,380	335,380
DEBT	416,621	600,000	2,708,655
INTERNAL ALLOCATIONS	596,604	632,859	760,917
TRANSFERS TO FUNDS	9,474,970	9,353,535	9,413,515
Special (Stat Reserve) Funds			
Development Cost Charge Funds			
Accumulated Surplus	9,474,970	9,353,535	9,413,515
TOTAL EXPENDITURES	16,792,703	17,768,264	20,703,207
 NET OPERATING EXPENDITURES	 399,638	 0	 0
 <u>CAPITAL EXPENDITURES</u>			
FROM AIRPORT REVENUE	2,863,329		
OTHER FUNDING SOURCES	5,348,424	16,878,580	11,590,000
GROSS CAPITAL EXPENDITURES	8,211,753	16,878,580	11,590,000
 NET OPERATING & UTILITY CAP. EXP.	 3,262,967	 0	 0

AUTHORIZED F.T.E. POSITIONS

	BUDGETED FTE'S 2007	ACTUAL 2007	REVISED ADOPTED 2008	FINANCIAL PLAN 2009
<i>Salaried</i>	28.1	27.1	32.6	35.0
<i>Hourly</i>	1.2	1.5	1.2	1.2
<i>Contract</i>				

AIRPORT

Description of Program Changes	2009 Gross Cost Change	2009 Net Impact	2009 FTE
1) 2008 One-time requests	(\$128,250)	(\$128,250)	
2) Annualized Costs	\$48,150	\$48,150	1.33
3) Salary Adjustments	\$114,820	\$114,820	
4) Interdepartmental Transfers	\$116,283	\$101,761	
5) Materials and Other - Utilities	\$96,459	\$96,459	
6) 2009 Supplementals	\$3,624,745	(\$232,940)	1.00
Total Changes for 2009	\$3,872,207	\$0	2.33

2009 SUPPLEMENTAL REQUEST SUMMARY
PROVISIONAL BUDGET
BY DEPARTMENT

<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>GROSS AMOUNT</u>	<u>REVENUE</u>	<u>FUNDING SOURCE</u>	<u>NET AMOUNT</u>	<u>ONE-TIME ONGOING</u>
<u>AIRPORT</u>						
XXX-20-035-0-XXX	LANDING & OTHER AIRSIDE FEE CHANGES	24,940	63,010	REVENUE	(38,070)	ON-GOING
XXX-20-036-0-XXX	TERMINAL FEES, CONCESSIONS & RENTALS	45,170	138,910	REVENUE	(93,740)	ON-GOING
XXX-20-037-0-XXX	CHANGES TO VEH. PKG. & OTHER GROUNDSIDE	600	483,200	REVENUE	(482,600)	ON-GOING
XXX-20-041-0-001	AIRPORT ADMINISTRATION CHANGES	87,160	22,820	RECOVERIES	64,340	ON-GOING
XXX-20-044-0-001	AIRSIDE OPERATIONS CHANGES	44,430	10,870	RECOVERIES	33,560	ON-GOING
XXX-20-042-XXX	AIR TERMINAL COMPLEX CHANGES	308,480	10,000	RECOVERIES	298,480	ON-GOING
XXX-20-043-XXX	GROUNDSIDE OPERATIONS CHANGES	43,440	25,000	RECOVERIES	18,440	ON-GOING
XXX-20-047-0-XXX	AIRPORT POLICING CHANGES	75,100			75,100	ON-GOING
481-20-049-0-XXX	CHANGES TO GEN. RESERVE APPROPRIATION	457,330	676,350	RESERVE	(219,020)	ON-GOING
XXX-20-XXX-0-XXX	MANAGEMENT CHANGES	149,240	38,670	REALLOC.	110,570	ON-GOING
XXX-20-XXX-0-XXX	AIF RESERVE & APPROPRIATION CHANGES	280,200	280,200	REV/RES	-	ON-GOING
XXX-20-701A-0-XXX	DEBT CHANGES	2,108,655	2,108,655	RECOVERIES	-	ON-GOING
		3,624,745	3,857,685		(232,940)	



CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: AIRSIDE OPERATIONS

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
AIRSIDE OPERATIONS CHANGES		

JUSTIFICATION:

The increases in Airside Operations are a result of actual usage over 5 years, the increased runway length requiring additional materials such as crack filler, urea and sodium formate/acetate, increased cost for broom sections and supplies, 1 photocopier being used exclusively for airside and increased staffing level requirements offset by transfers of Uniforms and Clothing and Safety Supplies and Equipment to Groundside and Terminal.

2009 Base budget is \$402,742

STRATEGIC PLAN OBJECTIVE:

Goal 2, Objective 2&4 - Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour and commit to continued sound fiscal management

CONSEQUENCES OF NOT FUNDING:

Changes estimated would not be reflected in the 2009 Budget

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
XXX-20-044-0-001	Material & Supplies	1,490	1,490	1,490
XXX-20-044-0-001	Materials, Tools & Repair Parts	(5,570)	(5,570)	(5,570)
XXX-20-044-0-001	Equipment Rental	(5,300)	(5,300)	(5,300)
XXX-20-044-0-001	Purchased Services & Maintenance	9,030	9,030	9,030
XXX-20-044-0-001	Licenses & Dues	900	900	900
XXX-20-044-0-001	Radio Repeater Site Rental	1,800	1,800	1,800
XXX-20-044-0-001	Operating Materials	24,210	24,210	24,210
XXX-20-044-0-001	Firefighting Supplies	7,000	7,000	7,000
TOTAL COST ADDITION		33,560	33,560	33,560

FUTURE BUDGET IMPACT	ON-GOING ONE-TIME	X	PRIORITY:	1
SPECIAL REMARKS				

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: AIR TERMINAL COMPLEX

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
AIR TERMINAL COMPLEX CHANGES		

JUSTIFICATION:

The increases in Terminal expenditures are a result of the annualization of 2008 costs, as well as Uniforms & Clothing, Safety Supplies and Equipment being moved from Airside to a split between Airside, Groundside and Terminal, and increased use of Sodium Hypochloride. The percentage increase for the Master Building and Technical Services contract, the cost of maintaining the new water filtration system installed in 2008 due to changes in the quality of water received from the GEID, additional cost for the extension to the terminal building, training required for Duty Managers on Aerodrome Standards and Recommended Practices, Safety, and to obtain International Association of Airport Executive Accreditation are included.

The increases in recoveries are due to more frequent rental of the second boardroom by tenants and a projected increase in tenant utility recovery based on the City's utility cost projections.

2009 Base Budget is \$1,808,716

STRATEGIC PLAN OBJECTIVE:

Goal 2, Objective 2 & 4- Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour and commit to continued sound fiscal management

CONSEQUENCES OF NOT FUNDING:

Changes estimated would not be reflected in the 2009 Budget

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
104-20-042-0-001	Uniform & Clothing	1,090	1,090	1,090
XXX-20-042-0-001	Equipment, Supplies, Repair Parts	3,150	3,150	3,150
231-20-042-0-001	Purchased Services	251,270	251,270	251,270
4370-20-042-0-T750	Transfer To Water	40,070	40,070	40,070
XXX-20-042-0-XXX	Employee Training & Personnel Exp.	11,500	11,500	11,500
632-20-042-0-9407	Boardroom Rentals	(1,000)	(1,000)	(1,000)
632-20-042-0-95220	Recoveries - Water	1,400	1,400	1,400
632-20-042-0-95221	Recoveries - Natural Gas	(3,000)	(3,000)	(3,000)
632-20-042-0-95222	Recoveries - Electrical	(6,000)	(6,000)	(6,000)
		298,480	298,480	298,480

FUTURE BUDGET IMPACT	ON-GOING ONE-TIME	X	
SPECIAL REMARKS			PRIORITY: 1

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: GROUNDSIDE OPERATIONS

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
GROUNDSIDE OPERATIONS CHANGES		

JUSTIFICATION:

The increased costs in Groundside are a result of the annualization of 2008 costs, as well as Uniforms & Clothing & Safety Supplies and Equipment being moved from Airside to a split between Airside, Groundside and Terminal. The increased number of passengers renting u-drives and the increased cost of fuel, oil & grease, actual usage of consumable supplies such as batteries, signs, cleaning supplies etc., the percentage increase for the Master Building and Technical Services contract plus additional cost for maintenance of the parking lot extensions.

The increase in the recovery of Gas and Diesel is due to the growth in passengers using U-Drives and the increased cost of Gas.

2009 Base Budget is \$284,726

STRATEGIC PLAN OBJECTIVE:

Goal 2, Objective 2 & 4- Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour and commit to continued sound fiscal management

CONSEQUENCES OF NOT FUNDING:

Changes would not be reflected in the 2009 Budget

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
104-20-043-0-001	Uniforms & Clothing	1,090	1,090	1,090
105-20-043-0-001	Safety Supplies & Equipment	2,750	2,750	2,750
107-20-043-0-001	Gasoline & Diesel	20,000	20,000	20,000
115-20-043-0-001	Oil, Grease & Related Products	1,620	1,620	1,620
116-20-043-0-001	Consumable Supplies	4,000	4,000	4,000
231-20-043-0-001	Purchased Services General	13,980	13,980	13,980
632-20-043-0-95223	Recoveries - Gas & Diesel	(25,000)	(25,000)	(25,000)
TOTAL COST ADDITION		18,440	18,440	18,440

FUTURE BUDGET IMPACT	ON-GOING	X	
	ONE-TIME		
SPECIAL REMARKS	PRIORITY: 1		

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT
 DEPT. ID: ADMINISTRATION

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
AIRPORT ADMINISTRATION CHANGES		

JUSTIFICATION:

With uncertainty facing the aviation industry due to rising fuel costs and environmental matters, as well as other airports seeking to expand, it is essential that the current customer base is maintained, that the air carriers currently serving this airport are supported and that the airport is pro-active in seeking enhanced services and new markets. In order to do this the airport proposes to put into place a comprehensive marketing plan encompassing advertising, promotion and air service retention.

The increases in administration costs are for the marketing plan, material & supply costs and the removal of an expenditure recovery for a joint funding agreement with Tourism Kelowna and the Economic Development Commission that is no longer in place.

The reductions in administration costs are for legal fees where anticipated costs were not realized, actual reproduction costs and the removal of an automobile lease.

2009 Base Budget is \$183,998

STRATEGIC PLAN OBJECTIVE:

Goal 2, Objective 2 & 4- Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour and commit to continued sound fiscal management.

CONSEQUENCES OF NOT FUNDING:

Changes estimated would not be reflected in the 2009 Budget

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
XXX-20-041-0-001	Stationary and Consumable Supplies	20,580	20,580	20,580
XXX-20-041-0-001	Leased Auto - Equip & Insurance	(6,270)	(6,270)	(6,270)
XXX-20-041-0-001	Purchased Services & Maintenance	2,570	2,570	2,570
XXX-20-041-0-001	Reproduction Services	(1,700)	(1,700)	(1,700)
XXX-20-041-0-001	Audit & Legal Fees	(14,850)	(14,850)	(14,850)
XXX-20-041-0-001	Advertising - Other	34,610	34,610	34,610
XXX-20-041-0-001	Travel General	7,000	7,000	7,000
632-20-041-0-001	Expenditure Recoveries	2,400	2,400	2,400
632-20-041-0-001	Expenditure Recoveries - Gov't	20,000	20,000	20,000
TOTAL COST ADDITION		64,340	64,340	64,340

FUTURE BUDGET IMPACT	ON-GOING	X	
	ONE-TIME		
SPECIAL REMARKS	PRIORITY: 1		

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: AIRSIDE/GROUNDSIDE/TERMINAL/AIF

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
MANAGEMENT CHANGES		

JUSTIFICATION:

As part of a reorganization to work more effectively and to recognize the ever increasing need and growing regulatory demand for safety management system regulations and security, the following changes are proposed:

Replacing the Assistant Airport General Manager, Development with a Manager of Airport Development.
Splitting the current position of Manager, Airport Fire and Security into 2 positions, a Manager, Airport Safety and Security and an Airport Fire Chief.

2009 Base Budget is \$2,115,372

STRATEGIC PLAN OBJECTIVE:

Goal 2, Objective 2 - Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour.

CONSEQUENCES OF NOT FUNDING:

Changes estimated would not be included in the 2009 Budget

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
511-20-042-0-001	Salaries Terminal	32,210	32,210	32,210
511-20-043-0-001	Salaries Groundside	30,930	30,930	30,930
511-20-044-0-001	Salaries Airside	31,930	31,930	31,930
511-20-051-0-001	Salaries AIF	(23,670)	(23,670)	(23,670)
731-20-051-0-R508	Funding from Reserve	23,670	23,670	23,670
517-20-044-0-828	Airside Salaries - Double Time	(15,000)	(15,000)	(15,000)
517-20-044-0-834	Airside Salaries - Double Time	14,500	14,500	14,500
632-20-044-0-95225	Airside Salaries Airline Recovery	16,000	16,000	16,000
TOTAL COST ADDITION		110,570	110,570	110,570

FUTURE BUDGET IMPACT	ON-GOING	X	
	ONE-TIME		
SPECIAL REMARKS	PRIORITY: 1		

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT
 DEPT. ID: AIRPORT POLICING

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
AIRPORT POLICING CHANGES		

JUSTIFICATION:
 The increase in Airport Policing costs are due to changes in wages and the Federal Government (T.C.) assuming responsibility for funding of the airport policing program. Negotiations are ongoing with the Federal Government (T.C), however it is currently their intent to fund only salary and benefits with no funding allocated for currently incurred administrative costs such as vehicles and training.

2009 Base Budget is \$2,780

STRATEGIC PLAN OBJECTIVE:
 Goal 2, Objective 2 - Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour.

CONSEQUENCES OF NOT FUNDING:
 Changes estimated will not be included in the 2009 Budget

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
313-20-047-0-001	Policing Audit	100	100	100
690-20-047-0-99800	Recovery from Federal Government	75,000	75,000	75,000
TOTAL COST ADDITION		75,100	75,100	75,100

FUTURE BUDGET IMPACT	ON-GOING ONE-TIME	X
SPECIAL REMARKS		PRIORITY: 1

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: LANDING & OTHER AIRSIDE FEES

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
LANDING & OTHER AIRSIDE FEE CHANGES		

JUSTIFICATION:

The increases in revenue are a result of the annual 2% increase in land rentals and maintenance fees, international air carrier use of larger aircraft, increased general aviation landings and the change in aircraft parking and apron equipment parking fees.

The decreases in revenue are due to fewer domestic air carrier landings and the elimination of a charge for Ground Power Unit (GPU) usage to encourage air carriers to reduce greenhouse gas emissions by using electrical power when their aircraft are parked at the gate.

2009 base budget is (\$2,797,700)

STRATEGIC PLAN OBJECTIVE:

Goal 2, Objective 4 - Commit to continued sound fiscal management.

CONSEQUENCES OF NOT FUNDING:

Changes estimated would not be reflected in the 2009 budget.

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
680-20-035-0-9901	Land Lease Revenue	(6,190)	(6,190)	(6,190)
684-20-035-0-9941	Airline Landing Fees Domestic	16,940	16,940	16,940
684-20-035-0-9942	Airline Landing Fees International	(14,620)	(14,620)	(14,620)
684-20-035-0-9943	NonAirline Landing Fees Domestic	(38,000)	(38,000)	(38,000)
680-20-035-0-9962	Aircraft parking Revenue	(2,580)	(2,580)	(2,580)
687-20-035-0-9968	Airport Mtce. Charge	(660)	(660)	(660)
687-20-035-0-9970	GPU Plug-in Receptacle Charge	8,000	8,000	8,000
687-20-035-0-9971	Apron Equipment Parking Charge	(960)	(960)	(960)
TOTAL COST ADDITION		(38,070)	(38,070)	(38,070)

FUTURE BUDGET IMPACT	ON-GOING	X	
	ONE-TIME		
SPECIAL REMARKS	PRIORITY: 1		

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: TERMINAL FEES, CONCESSIONS & RENTALS

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
TERMINAL FEES, CONCESSIONS & RENTALS CHANGES		

JUSTIFICATION:

Increased revenue is from changes to tenant lease space, new concessions as well as increased passengers using concessions, ground transportation and on airport U-Drives and air carrier use of larger aircraft.

Decreased revenue is from loss of advertising space due to terminal renovations, actual revenue from off airport u-drives, and continued declining use of pay telephones.

2009 Base Budget is (\$3,924,458)

STRATEGIC PLAN OBJECTIVE:

Goal 2, Objective 4 - Commit to Sound Fiscal Management

CONSEQUENCES OF NOT FUNDING:

Changes estimated for 2009 will not be reflected in the budget

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
680-20-036-0-9903	Terminal Bldg Space Rental	(10,590)	(10,590)	(10,590)
680-20-036-0-9906	ATB Advertising Displays & Signs	12,770	12,770	12,770
680-20-036-0-9908	Gift Shop and News Stands	(23,400)	(23,400)	(23,400)
680-20-036-0-9909	ATB Restaurants and Lounge Lease	(25,000)	(25,000)	(25,000)
680-20-036-0-9910	Flight Information Display System	(1,000)	(1,000)	(1,000)
683-20-036-0-9931	Car Rental Concession Avis	30,000	30,000	30,000
683-20-036-0-9932	Car Rental Concession - Budget	(13,680)	(13,680)	(13,680)
683-20-036-0-9933	Car Rental Concession - Hertz	(17,100)	(17,100)	(17,100)
683-20-036-0-9934	Car Rental Concession - National	(1,000)	(1,000)	(1,000)
683-20-036-0-9936	Car Rental Concession - Enterprise	(12,710)	(12,710)	(12,710)
685-20-036-0-9951	Terminal Fees - Airlines	(20,730)	(20,730)	(20,730)
680-20-036-0-9961	Ground Transp. Concessions	(13,700)	(13,700)	(13,700)
687-20-036-0-9963	Pay Telephone Commission	2,400	2,400	2,400
TOTAL COST ADDITION		(93,740)	(93,740)	(93,740)

FUTURE BUDGET IMPACT	ON-GOING ONE-TIME	X
SPECIAL REMARKS	PRIORITY: 1	

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: VEHICLE PARKING & OTHER GROUNDSIDE FEES

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
CHANGES TO VEHICLE PARKING & OTHER GROUNDSIDE FEES		

JUSTIFICATION:

Increased revenue is a result of the annual 2% increase in land lease and maintenance, increased passengers, increased stalls in the long term and aircrew parking lots, a planned increase in the number of parking stalls in the main parking lot, and a proposed demand management adjustment in parking fees to be introduced in 2009.

2009 Base Budget is \$(2,474,788)

STRATEGIC PLAN OBJECTIVE:

Goal 2, Objective 4 - Commit to continued sound fiscal management.

CONSEQUENCES OF NOT FUNDING:

Changes estimated for 2009 will not be reflected in the budget.

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
680-20-037-0-9911	Airport Land - Municipal Owned	(1,860)	(1,860)	(1,860)
682-20-037-0-9920	North End Park Link	(10,500)	(10,500)	(10,500)
682-20-037-0-9921	Car Parking - Main Lot	(150,000)	(150,000)	(150,000)
682-20-037-0-9922	Car Parking - Economy Lot	(311,000)	(311,000)	(311,000)
682-20-037-0-9924	Aircrew Parking	(9,600)	(9,600)	(9,600)
687-20-037-0-9968	Airport Maintenance Charge	(240)	(240)	(240)
4300-20-037-0-T4300	Transfer to General Op. Fund	600	600	600
TOTAL COST ADDITION		(482,600)	(482,600)	(482,600)

FUTURE BUDGET IMPACT	ON-GOING ONE-TIME	X	
SPECIAL REMARKS	PRIORITY: 1		

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: APPROPRIATION TO AIF RESERVE

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
AIF RESERVE & APPROPRIATION CHANGES		

JUSTIFICATION:

The increases in the Airport Improvement Fees (AIF), the resulting Appropriation to Reserve, the AIF audit cost, and the Air Transport Association of Canada's fee (ATAC) for overseeing the AIF Agreement are a result of the 3% growth in 2008 and the projected 3% growth in 2009.

Please note further changes to the AIF Reserve on the Salaries Supplemental.

2009 Base budget for Airport Improvement Fees and corresponding Appropriation to Reserve was \$6,324,000
2009 Base budget for Fees and corresponding Funding from Reserve was \$31,223

STRATEGIC PLAN OBJECTIVE:

Goal 1, Objective 2 - Preserve and promote the enhancement of air quality within Kelowna's air shed.

CONSEQUENCES OF NOT FUNDING:

Changes estimated for 2009 will not be reflected in the budget.

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
686-20-039-0-9955	Airport Improvement Fee	(279,000)	(279,000)	(279,000)
481-20-051-0-R508	Appropriation to Reserve	279,000	279,000	279,000
238-20-051-0-001	ATAC Fee	1,100	1,100	1,100
313-20-051-0-001	Audit Fees	100	100	100
731-20-051-0-R508	Funding from Reserve	(1,200)	(1,200)	(1,200)
TOTAL COST ADDITION		-	-	-

FUTURE BUDGET IMPACT	ON-GOING ONE-TIME	X
SPECIAL REMARKS	PRIORITY: 1	

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: APPROPRIATION TO GENERAL RESERVES

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
CHANGES TO GENERAL RESERVES APPROPRIATION		

JUSTIFICATION:

As part of an ongoing initiative to use an aeronautical fees and charge methodology that is consistent with industry practices, airport reserve funds have been consolidated into airside, terminal and groundside reserves.

The 2009 budget for R512 is \$932,256 (includes amount shown below)
 The 2009 budget for R513 is \$233,879 (includes amount shown below)
 The 2009 budget for R514 is \$1,360,640 (includes amount shown below)

STRATEGIC PLAN OBJECTIVE:

Goal 2 & 4 - Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour, and commit to sound fiscal management

CONSEQUENCES OF NOT FUNDING:

Changes estimated for 2009 will not be reflected in the budget.

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
481-20-049-0-R512	Airside Reserve	457,330	457,330	457,330
481-20-049-0-R513	Terminal Reserve	(655,350)	(655,350)	(655,350)
481-20-049-0-R514	Groundside Reserve	(21,000)	(21,000)	(21,000)
TOTAL COST ADDITION		(219,020)	(219,020)	(219,020)

FUTURE BUDGET IMPACT	ON-GOING ONE-TIME	X	
SPECIAL REMARKS			PRIORITY: 1

CITY OF KELOWNA

2009 SUPPLEMENTAL REQUEST DETAILS

DEPARTMENT: AIRPORT

DEPT. ID: DEBT MANAGEMENT

DESCRIPTION:	NEW or EXPANDED Program?	EXPANDED
DEBT CHANGES		

JUSTIFICATION:
 To provide the debt repayment for 2008 borrowing for the Airport 2010 Development Program. This multi-year program will have borrowing needs due to the large value construction projects. This request covers the repayment on \$16 Million borrowed for a ten year term.

STRATEGIC PLAN OBJECTIVE:
 Goal 2, Objective 4 - Commit to continued sound fiscal management.

CONSEQUENCES OF NOT FUNDING:
 Debt payments will not match the budget.

Acct-Fund-Dept-Prog-Class	DESCRIPTION	2009 AMOUNT	2010 AMOUNT	2011 AMOUNT
403-20-701A-0-D920	2010 Development - Principal	1,332,655	1,332,655	1,332,655
404-20-701A-0-D920	2010 Development - Interest	776,000	776,000	776,000
731-20-701A-0-R508	2010 Development Dept- AIF Reserve	(2,108,655)	(2,108,655)	(2,108,655)

TOTAL COST ADDITION	-	-	-
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FUTURE BUDGET IMPACT	ON-GOING ONE-TIME	X	PRIORITY:	1
SPECIAL REMARKS				

CITY OF KELOWNA
 2009 CAPITAL BUDGET SUMMARY
 UTILITY OPERATING FUND
 PROVISIONAL BUDGET



CHARTFIELD	DESCRIPTION	UTILITY REVENUE	SURPLUS/ RESERVES	DEBENTURE OTHR BORRW	FED / PROV FUNDING	DEV/COMM OTHR CONTRB	DCC RESERVE	TOTAL
<u>AIRPORT</u>								
1. 20-040-AP274	AIR/GROUND/TOWER RADIOS	0	20,000	0	0	0	0	20,000
2. 20-040-AP275	APRON 1 REHABILITATION	0	250,000	0	0	0	0	250,000
3. 20-040-AP276	INTERIM CUSTOMS AREA	0	20,000	0	0	0	0	20,000
4. 20-040-AP277	HELICOPTER PARKING AREA	0	50,000	0	0	0	0	50,000
5. 20-040-AP278	REPLACE 1998 FORD F150	0	45,000	0	0	0	0	45,000
6. 20-040-AP279	RUNWAY TEMPERATURE SENSORS	0	80,000	0	0	0	0	80,000
7. 20-040-AP280	RESTRICTED AREA ACCESS CONTROL	0	60,000	0	0	0	0	60,000
8. 20-040-AP281	PUBLIC INFO SYSTEM UPGRADES	0	40,000	0	0	0	0	40,000
9. 20-040-AP321	HEAVY EQUIPMENT STORAGE BLDG.	0	1,020,000	0	0	0	0	1,020,000
10. 20-040-AP329	INT. CONCOURSE & TERMINAL	0	0	8,930,000	0	0	0	8,930,000
11. 20-040-AP330	APRON EXPANSION & TAXIWAY DESIGN	0	500,000	0	0	0	0	500,000
12. 20-040-AP331	HWY 97 INTERSECTION IMPROVEMENTS	0	500,000	0	0	0	0	500,000
13. 20-040-AP999	SMALL CAPITAL PROJECTS	0	75,000	0	0	0	0	75,000
DEPARTMENT PRIORITY 1 TOTALS		0	2,660,000	8,930,000	0	0	0	11,590,000

CITY OF KELOWNA
 2009 CAPITAL BUDGET SUMMARY
 UTILITY OPERATING FUND
 PROVISIONAL BUDGET



RANK	CHARTFIELD	DESCRIPTION	UTILITY REVENUE	SURPLUS/ RESERVES	DEBENTURE OTHR BORRW	FED / PROV FUNDING	DEV/COMM OTHR CONTRB	DCC RESERVE	TOTAL
<u>AIRPORT</u>									
1.	20-040-AP329	INT. CONCOURSE & TERMINAL	0	0	8,930,000	0	0	0	8,930,000
2.	20-040-AP330	APRON EXPANSION & TAXIWAY DESIGN	0	500,000	0	0	0	0	500,000
3.	20-040-AP331	HWY 97 INTERSECTION IMPROVEMENTS	0	500,000	0	0	0	0	500,000
4.	20-040-AP274	AIR/GROUND/TOWER RADIOS	0	20,000	0	0	0	0	20,000
5.	20-040-AP275	APRON 1 REHABILITATION	0	250,000	0	0	0	0	250,000
6.	20-040-AP276	INTERIM CUSTOMS AREA	0	20,000	0	0	0	0	20,000
7.	20-040-AP277	HELICOPTER PARKING AREA	0	50,000	0	0	0	0	50,000
8.	20-040-AP278	REPLACE 1998 FORD F150	0	45,000	0	0	0	0	45,000
9.	20-040-AP279	RUNWAY TEMPERATURE SENSORS	0	80,000	0	0	0	0	80,000
10.	20-040-AP280	RESTRICTED AREA ACCESS CONTROL	0	60,000	0	0	0	0	60,000
11.	20-040-AP281	PUBLIC INFO SYSTEM UPGRADES	0	40,000	0	0	0	0	40,000
12.	20-040-AP321	HEAVY EQUIPMENT STORAGE BLDG.	0	1,020,000	0	0	0	0	1,020,000
13.	20-040-AP999	SMALL CAPITAL PROJECTS	0	75,000	0	0	0	0	75,000
DEPARTMENT PRIORITY 1 TOTALS			0	2,660,000	8,930,000	0	0	0	11,590,000

2009 CAPITAL PROJECT SUMMARY

CITY OF KELOWNA

PROJECT	DESCRIPTION	TOTAL COST
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AIRPORT

- 1. 20-040-AP274 AIR/GROUND/TOWER RADIOS \$20,000**
Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

The request is to replace the existing radio system with a tunable Very High Frequency (VHF) system which allows for communication between the Penticton Flight Services Station, aircraft and vehicles on the same frequency.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
	20,000					
Funding						
Airside Reserve (R512) - \$20,000						

- 2. 20-040-AP275 APRON 1 REHABILITATION \$250,000**
Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

The request is to fully rehabilitate a portion of Apron 1 based on the engineering analysis conducted in 2007 which shows that the pavement requires remediation.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
	250,000					
Funding						
Airside Reserve (R512) - \$250,000						

- 3. 20-040-AP276 INTERIM CUSTOMS AREA \$20,000**
Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

Current processing capacity in the Customs area is 135 passengers per hour. This is not sufficient to meet the demand placed by charter companies operating larger aircraft. The request is for funding to provide an interim solution until the new International Arrivals area is constructed.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
	20,000					
Funding						
Terminal Reserve (R513) - \$20,000						

2009 CAPITAL PROJECT SUMMARY

CITY OF KELOWNA

PROJECT	DESCRIPTION	TOTAL COST
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4. 20-040-AP277 HELICOPTER PARKING AREA \$50,000

Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

The current expansion of the long term parking lot has eliminated the parking area for large helicopters. The request is for funding to relocate this parking requirement.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
Funding	50,000					

Airside Reserve (R512) - \$50,000

5. 20-040-AP278 REPLACE 1998 FORD F150 \$45,000

Strategic Plan Objective: Commit to continued sound fiscal management.

The request is to replace the 1998 Ford F150. This vehicle is 10 years old and has reached the end of it's useful life cycle.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
Funding	45,000					

Groundside Reserve (R514) - \$45,000

6. 20-040-AP279 RUNWAY TEMPERATURE SENSORS \$80,000

Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

Weather reports are currently relied on for timing the application of anti icing agents on the runway. The request is to install runway temperature sensors which will provide real time data regarding the formation of ice on the runway thus allowing earlier intervention and application of anti icing agents.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
Funding	80,000					

Airside Reserve (R512) - \$80,000

2009 CAPITAL PROJECT SUMMARY

CITY OF KELOWNA

PROJECT	DESCRIPTION	TOTAL COST
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7. 20-040-AP280 RESTRICTED AREA ACCESS CONTROL \$60,000

Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

The request is to install a security monitoring system along the east edge of the commercial apron in order to meet pending Restricted Area Legislation. This legislation will make it mandatory to monitor all access points leading into a restricted area.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
	60,000					
Funding						
Airside Reserve (R512) - \$60,000						

8. 20-040-AP281 PUBLIC INFO SYSTEM UPGRADES \$40,000

Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

This request is to replace, enhance or upgrade components of the public way finding system used to assist passengers in navigating through the Air Terminal Complex. The system includes such items as the Flight Information Display System, the Baggage Information Display System, the Public Address System, the Electronic Sign Boards and the Electronic Gate Information Display System.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
	40,000					
Funding						
Terminal Reserve (R513) - \$40,000						

2009 CAPITAL PROJECT SUMMARY

CITY OF KELOWNA

PROJECT	DESCRIPTION	TOTAL COST
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9. 20-040-AP321 HEAVY EQUIPMENT STORAGE BLDG. \$1,020,000

Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

Primary heavy equipment deployed to keep the airside clear of debris, including snow and ice, is currently stored outside or under an open shelter exposing the equipment to the weather. The weather elements both summer and winter, are hard on the equipment and contribute to early mechanical degradation. In order to retain the equipment in peak operating condition and provide rapid operational readiness it is proposed to construct a heavy equipment storage building for the equipment. The building will be equipped with radiant heating to melt the snow and ice off of the equipment. This request includes \$350,000 from the 2008 budget that will not be carried over.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
	<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>
Funding		1,020,000				
Airside Reserve (R512) - \$1,020,000						

10. 20-040-AP329 INT. CONCOURSE & TERMINAL \$8,930,000

Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

Part of the 2010 Development Construction Program. With passenger activity forecasted to grow to 1.6 million by 2015 it is necessary to construct a new 250 passenger per hour international concourse and new car rental terminal. The funds will be expended on program management, project design and initial construction. Funding for this project will be from approved borrowing with repayment from AIF revenues.

Note:

In 2008 Council approved the 2010 Development Construction Program with estimated expenditures of \$2 million for Roadway and Parking Improvements in 2008, \$15 million in 2009 and \$13 million in 2010. Due to cost and magnitude of work able to be completed the cost for 2008 has risen to \$3.4 million (approved by Council at it's regular meeting August 18, 2008), the cost for 2009 is now estimated at \$9.93 million which is being split between 3 projects for simplicity in tracking expenditures. 2010 costs will be better known by the fall of 2009.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
	<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>
Funding			8,930,000			

2009 CAPITAL PROJECT SUMMARY

CITY OF KELOWNA

PROJECT	DESCRIPTION	TOTAL COST
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11. 20-040-AP330 APRON EXPANSION & TAXIWAY DESIGN \$500,000

Strategic Plan Objective: Provide infrastructure (utilities, transportation, parks, facilities) that keeps pace with population growth and evolving opportunities.

Part of the 2010 Development Construction Program.
 In order to accommodate larger aircraft, the main aircraft apron will have to be expanded. In addition, a new taxiway between the main apron and the runway will have to be constructed to accommodate wide body aircraft.

The funds requested will be expended on project design.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Funding</i>	<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>
AIF Reserve (R508) - \$500,000		500,000				

12. 20-040-AP331 HWY 97 INTERSECTION IMPROVEMENTS \$500,000

Strategic Plan Objective: Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour.

Part of the 2010 Development Construction Program.
 The original business model in the 2010 Development Program envisaged two left hand turn lanes on Airport Way outbound and a left hand turn lane south bound on Hwy 97 into the Airport. The traffic analysis as part of this project has determined that even with the proposed improvements, the intersection would fail within 5 years.

Funding will be expended on a business plan and development of a class C design estimate to determine the feasibility of developing a full diamond interchange as envisaged in the master plan.

<i>10 Year Capital Plan reference</i>			<i>Ongoing Operating Cost</i>			
<i>Funding</i>	<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>
AIF Reserve (R508) - \$500,000		500,000				

2009 CAPITAL PROJECT SUMMARY

CITY OF KELOWNA

PROJECT	DESCRIPTION	TOTAL COST
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13. 20-040-AP999 SMALL CAPITAL PROJECTS \$75,000

Strategic Plan Objective: Aid in the growth and progress of Kelowna as a desirable place to visit, shop and tour.

During the year funds are required for minor capital projects which need to be implemented expeditiously. The Airport Director will approve these projects during the year, with no individual project exceeding \$15,000.

<i>10 Year Capital Plan reference</i>	<i>Ongoing Operating Cost</i>					
<i>Utility Rev</i>	<i>Reserve</i>	<i>Borrow</i>	<i>Fed/Prov</i>	<i>Dev/Com</i>	<i>DCC Reserve</i>	
Funding	75,000					

- Airside Reserve (R512) - \$25,000
- Terminal Reserve (R513) - \$25,000
- Groundside Reserve (R514) - \$25,000