



Date: 17/05/2018

AGENDA ITEM SUMMARY

To: Chair and Directors, Cariboo Regional District Board
And To: John MacLean, Chief Administrative Officer
From: Darron Campbell, Manager of Community Services
Date of Meeting: Cariboo Regional District Board_May25_2018
File: 2240-20-8400

Short Summary:

Proposed South Cariboo Regional Airport Management and Operations Agreement

Voting:

Corporate Vote –Weighted

Memorandum:

The Cariboo Regional District has a contract for daily operations and management of the South Cariboo Regional Airport at 108 Mile Ranch. The current five-year contract with Dennis Christianson, dba Nick's Rag and Tube will expire in June 2018 and an Expressions of Interest was issued in March 2018 as a first step to the procurement process for developing a new service contract.

The Regional District received three responses to the EOI and invited the proponents to submit detailed proposals for delivery of the required services, including demonstration of experience, required heavy equipment, and annual cost.

Final proposals were submitted by two parties for the contract position and the proposals were reviewed by the CRD's South Cariboo Regional Airport Commission.

At its meeting on April 17, 2018, the Airport Commission resolved that Nick's Rag and Tube be offered the airport contract and that negotiations for cost be initiated with an appropriate increase from the current contract cost of \$88,000 plus applicable taxes annually.

Following negotiations with Dennis Christianson and approval by the commission, via email, it was determined that the Agreement will have a term of five years (June 1, 2018-May 31, 2023) and a value of \$100,000 plus applicable taxes annually.

In addition to the increase in contract value, the contractor and the commission are proposing an update to the SCR Airport Fees and Charges Bylaw to increase landing and parking fees at the airport. The fees are collected and retained by the airport contractor as part of the revenue stream towards operating costs at the airport. An amended bylaw is included elsewhere on this Board agenda as a separate item.

Attachments:

Proposed South Cariboo Regional Airport Management and Operations Agreement

Financial Implications:

The annual fee proposed for the new Airport Management and Operations contract is \$100,000 plus applicable taxes for the duration of the five-year term. There is sufficient funding in the airport budget to support the fee increase without affecting taxation. The fuel commission payable to the airport contractor will be maintained at \$0.05/litre.

Policy Implications:

None. There are no material changes proposed to the existing contract arrangements. The procurement process has confirmed the best value to the Regional District for the contract services based on the criteria included in the RFP.

Alignment with Strategic Plan:

- Ensuring Sufficient and Sustainable Funding
- Building on our Relationships
- Providing Cost Effective High Quality Services
- Focusing on Being Well Governed

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CAO Comments:

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Options:

- 1) Receipt;
- 2) Receipt and endorsement of the recommendation;
- 3) Defer

Recommendation:

That the agenda item summary from Darron Campbell, Manager of Community Services, dated May 17, 2018, regarding the South Cariboo Regional Airport Management and Operations Agreement, be received. Further, that the agreement be entered into with Dennis Christianson, dba Nick's Rag and Tube, for a five-year term at a value of \$100,000 plus applicable taxes annually and that the appropriate signatories be authorized to enter into the necessary contracting agreement.