

Final step for Skaha Marina Agreement

(Penticton, BC – April 7, 2022) – Council will be asked to enter into the proposed Management Operating Agreement with the Penticton Yacht Club (PYC) at a special meeting planned for April 12, 2022. The long-term agreement to operate the Skaha Marina was endorsed by the Parks and Recreation Committee earlier today in advance of being considered by Council.

A copy of the agreement can be reviewed as part of the agenda package for the upcoming Special Council Meeting at www.penticton.ca. The agreement sets expectations for management and operation of the marina, operating and capital contributions, the City's rights and obligations, inspections and monitoring, and financial and other reporting requirements.

"The agreement is in place to protect the community and also the operators of the Marina to ensure the delivery of a high quality marina and associated facilities," said General Manager of Community Services Anthony Haddad. "The negotiation of this agreement has been completed in partnership with the PYC, under the understanding that the proposal upon which they were awarded the long-term agreement will be completed to the satisfaction of the City."

Some of the key features of the 25-year agreement include: an annual operating fee of \$45,000 and an initial capital commitment of \$565,000 for marina updates and \$2.5M for the restaurant; the requirement of a Letter of Credit in the amount of 25 per cent of the construction value for the restaurant investment; and an expectation for an annual business plan and performance review every 3 to 5 years. The agreement also includes provisions for termination for non-payment, failure to deliver the services expected and breach of the agreement with the City.

"The MOA that has been developed has taken into account all of the community objectives outlined at the beginning of the process and will hold the PYC and their partners to their commitments as outlined in their proposal," said Haddad. "Staff are looking forward to working with PYC and their partners on the long-term investment and sustainability of the Skaha Marina, providing a positive contribution to the future of these important lands."

Should Council agree to enter into the agreement, the PYC will assume operations by mid-April to support an organized transition for slip holders and marina users.

Contacts:

Anthony Haddad
General Manager of Community Services
City of Penticton
250-490-2579

JoAnne Kleb
Public Engagement Program Manager
City of Penticton
250-490-2586