



# City of Moose Jaw

**COMMUNICATION # CC-2022-0087**

**TITLE:** Moose Jaw Municipal Airport Authority Line of Credit Guarantee Request for Extension

**TO:** City Council

**FROM:** City Manager

**DATE:** April 20, 2022

**PUBLIC:** PUBLIC DOCUMENT

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## **RECOMMENDATION**

THAT City Administration be authorized to craft an amending bylaw to extend the line of credit to October 31, 2022 as part of Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021, being a bylaw of the City of Moose Jaw to authorize a revolving line of credit for the Moose Jaw Municipal Airport Authority.

## **EXECUTIVE SUMMARY**

Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021 allows for the City of Moose Jaw to provide bridge financing to the Moose Jaw Municipal Airport Authority ("MJMAA") for the runway capital upgrades under the ICIP Program. This bylaw required the revolving line of credit to be completely repaid by April 30, 2022, which has been completed. Some work remains to be completed in 2022 which has necessitated this request.

The ICIP Program requires that the work be completed, and invoices paid, which can take up to 90 days to be reimbursed. This has caused cash flow issues for the MJMAA. Mr. Greg Simpson, Chair, has requested that the revolving line of credit be extended until October 31, 2022 so that the remaining work can be completed.

## **BACKGROUND**

The following reports are attached as background information:

- Report dated February 20, 2021 from the Department of Financial Services regarding the Moose Jaw Municipal Airport Authority Line of Credit Guarantee.

- Report dated March 24, 2021 from the Department of Financial Services regarding Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021.
- Report dated April 13, 2021 from the Department of Financial Services regarding Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021 (3<sup>rd</sup> Reading).

## **DISCUSSION**

The following request was received from Mr. Greg Simpson, Chair of the Moose Jaw Municipal Airport Authority:

*"The MJMAA requests that our Bridge Loan be extended until October 31<sup>st</sup>, 2022. The reason for the extension is as follows:*

- *The Surfacing Contract was significantly delayed. We forecasted the project would start on May 7<sup>th</sup> and be completed in 6 weeks. However, we did not start until June, and the project paving and painting were not completed until October 2021.*
- *The electrical contract, signs, and grass will not be completed until June 30<sup>th</sup>, 2022.*
- *Payments from the government have been delayed by as much as 90 days due to yearend."*

This is the first step as notice of the bylaw has to be advertised and would be scheduled to be presented to Council on May 9, 2022.

## **STRATEGIC PLAN**

Objective #2 – Agriculture, Diversification, and Innovation – The municipal airport is an important municipal asset that supports the agriculture industry, economic development, increased economic activity, and job creation.

## **PRESENTATION**

Mr. Jim Puffalt, City Manager, will provide a brief overview of this report.

## **ATTACHMENTS**

- A. Report dated February 20, 2021 from the Department of Financial Services regarding the Moose Jaw Municipal Airport Authority Line of Credit Guarantee.
- B. Report dated March 24, 2021 from the Department of Financial Services regarding Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021.
- C. Report dated April 13, 2021 from the Department of Financial Services regarding Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021 (3<sup>rd</sup> Reading).

**REPORT APPROVAL**

Written by: Jim Puffalt, City Manager, MBA, CMMA, RMA  
Reviewed by: Tracy Wittke, City Clerk  
Approved by: Jim Puffalt, City Manager, MBA, CMMA, RMA  
Approved by: Clive Tolley, City Mayor

*to be completed by the Clerk's Department only.*

Presented to Regular Council or Executive Committee on \_\_\_\_\_

Resolution No. \_\_\_\_\_

**Report Approval Details**

Document Title:	Moose Jaw Municipal Airport Authority Line of Credit Guarantee - Request for Extension - CC-2022-0087.docx
Attachments:	<ul style="list-style-type: none"><li>- Attachment A - Report dated February 20, 2021 - MJMAA Line of Credit Guarantee.pdf</li><li>- Attachment B - Report dated March 24, 2021 - Bylaw No. 5643, The MJMAA Guarantee Bylaw, 2021.pdf</li><li>- Attachment C - Report dated April 13, 2021 - Bylaw No. 5643, The MJMAA Guarantee Bylaw, 2021 - 3rd Reading.pdf</li></ul>
Final Approval Date:	Apr 21, 2022

This report and all of its attachments were approved and signed as outlined below:



Tracy Wittke



Jim Puffalt



Clive Tolley