



Municipality of the District of Argyle

Item: Airport – request for extension of the intermunicipal agreement

Date: March 22, 2019

VISION

We see Argyle as home to a healthy and thriving rural population. Our municipality promotes and supports economic and social opportunities for the region and engages in the active expression of our unique Acadian heritage. We are a place of choice for rural living and are widely recognized for our warm hospitality and joie de vivre. Surrounded by fresh air and cool ocean breezes, we work and play in the great outdoors. People choose to live in Argyle because of our commitment to each other, to our community and to our neighbors. Argyle is a place we are proud to call home.

Background:

As you are all well aware, the 4 year intermunicipal agreement between the three Yarmouth County municipalities is coming to an end at the end of March. There has been a recent facilitated session, which had some surprises, but at the end of the day, the three units were in agreement that the facility should be smaller, and that land and assets could be sold to achieve this objective. This was a big change from the past operations.

The presentation done by CAO Muise recommended a potential budget for the coming year. The amount was \$570,000, which is the lowest in years. This figure assumed an elimination of the property tax expense (netted instead of grossed). Actual budget including the property taxes would be \$675,000.

A phone meeting with the three CAO's occurred the week of March 17th, and resulted in the three CAO's agreeing that a 60 day extension on this agreement, with one change only, would be recommended to our Councils. The additional 60 days would result, in our view, in a solidified agreement.

Currently, the agreement would not exceed 24 months, and would be a minimum of 12 months. The funding would be reduced, and the commitment to alter operations would be documented in the new agreement.

MGA considerations:

Certainly as owners of the airport, we are able, within the MGA framework, to negotiate intermunicipal contracts.

CAO's Conclusion:

Recommend that we extend the agreement for 60 days, with a deadline of June 30th, to present a contract to the three units. The agreement would have only one amendment – that is, the funding would be set at \$685,000 for the coming year. For Argyle, this means:

\$685,000 x 29% =	\$198,650 cost
Property tax recovery	<u>\$ (30,450) recovery</u>
Total	\$168,200 net cost

Any charges incurred for MODA for services would further reduce this net cost.

Suggested motion:

Move to extend the deadline of the current 4 year intermunicipal agreement to June 30th, 2019, with no amendments except for a revised funding requirement of \$685,000, and that the negotiated agreement be brought to Councils for approval as close to that deadline as possible.