



STAFF REPORT

Title: 2024 Capital Budget Amendment - Aircraft Maintenance Engineering School (AMES)

Meeting Date: September 10, 2024

Executive Summary:

During its' in-camera session on August 13, 2024, the Corporate Priorities Committee of Council discussed the future of the Aircraft Maintenance Engineering School project, a partnership between Portage College and the City of Cold Lake. An opportunity to have the school functional by the fall of 2025 or 2026 was discussed, with the understanding that Portage College has begun the necessary federal approvals for the program.

Based on the discussion at that meeting, administration is recommending that Council reallocate \$1,412,000 currently restricted for the "YOD Terminal Development" in the 2018 Capital Budget to the Aircraft Maintenance Engineering School Project. This would give the project the funding needed to complete the renovations of the City's hangar, as well as space in the terminal building, so that an AME-S school can be established by the fall of 2026. Administration's main priority would be to leverage as many of these capital dollars through grants, and, together with Portage College, will continue to seek sponsorships and donations from other interested parties to reduce the funding burden on the City of Cold Lake as much as possible.

The City of Cold Lake also understands that the executive of Portage College has allocated \$442,000 in capital dollars towards the project.

Background:

The City of Cold Lake, in collaboration with Portage College, is advancing the Aircraft Maintenance Engineering (AME) project. The recent procurement of a hangar at the Cold Lake Regional Airport and available space within the airport terminal building have provided the necessary infrastructure to establish the AME-S training facility.

The administration at Portage College is excited about the potential program and has been instructed to work towards a possible fall 2025 launch date for the AME-S program.



Administration feels that the fall of 2026 would be a safer target, given the need to create additional MOUs, lease agreements and coordinate activity between the two organizations, as well as the need to attain both federal and provincial accreditations. While the AME school is governed by federal legislation, Portage College is also bound by provincial regulations that must be met before it can advertise a program or course. Portage College is receptive to this feedback and is aware that the 2025 timeline is aggressive. Administration is looking into changing plans to align them for a fall 2026 launch of the AME-S program in Cold Lake.

Remaining Tasks:

- Procurement of tools and equipment needed for practical training.
- Building renovations for labs.
- Purchase of initial consumables.
- IT infrastructure installation at hangar and terminal building.
- Possible need for 3 phase power.

The City of Cold Lake's administration estimates that the project will take approximately \$1.3 million dollars to complete in its current stage. This order-of-magnitude cost includes equipment, some renovations, IT infrastructure and potential 3 Phase power services (if required). This would provide an AME-S school located at CEN5 with a class of about 16 students.

Investor relations and potential partnerships with industry, Prairies Can and the Government of Alberta remain on the table, and discussions continue to make headway. Since no school with a track record of graduating students currently exists, however, these discussions have proven to be complex. All funding announcements in this space since 2019 have been for the expansion of existing AME schools.

Alternatives:

- Council may pass a motion to amend the 2024 Capital Budget from \$16,186,000 to \$17,598,000, with the additional funding of \$1,412,000 to come from funds previously restricted for the *YOD Terminal Development* in the 2018 Capital Budget.
- Council may decline to amend the 2024 Capital Budget at this time.

Recommended Action:

Administration recommends that Council pass a motion to amend the 2024 Capital Budget from \$16,186,000 to \$17,598,000, with the additional funding of \$1,412,000 to come from funds previously restricted for the *YOD Terminal Development* in the 2018 Capital Budget.



Budget Implications (Yes or No):

Yes

Submitted by:

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