

BYLAW NO. 1324-10

OF THE TOWN OF THREE HILLS

(hereinafter referred to as "the Municipality")

IN THE PROVINCE OF ALBERTA

This bylaw authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) in the amount of \$500,000.00 for the additional cost incurred in the upgrade, expansion and completion of the lobby in Three Hills Arena Facility, now known as the Three Hills Centennial Place.

WHEREAS on April 23, 2007, The Council of the Municipality duly approved and passed Bylaw No. 1285-07 pursuant to Section 258 of the Municipal Government Act to authorize the borrowing of \$800,000.00 to financing in part the upgrade and expansion of the Three Hills Arena Facility;

AND WHEREAS the estimated cost was \$3,200,000.00

AND WHEREAS the final cost of the upgrade, expansion and completion of the lobby in the Three Hills Centennial Place was \$3,765,900.00;

AND WHEREAS the total of all grants, donations, interest earned, previous authorized borrowing and previous transfers from town reserves amounted to \$2,869,998.00;

AND WHEREAS the Council of the Municipality has approved the transfer of an additional \$395,902.00 from town reserves;

NOW THEREFORE in order to complete the project it will be necessary for the Municipality to borrow the additional sum of \$500,000.00, for a period not to exceed twenty five (25) years, from the Alberta Capital Finance Authority or another authorized financial institution, by issuance of debentures and on the terms and conditions referred to in this bylaw.

The estimates lifetime of the project financed under this by-law is equal to, or in excess of twenty five (25) years.

The principal amount of the outstanding debt of the Municipality at December 31, 2008 is \$4,135,777 and no part of the principal or interest is in arrears.

All required approvals for the project have been obtained and the project is in compliance with all Acts and Regulations of the Province of Alberta.

**NOW, THEREFORE, THE COUNCIL OF THE MUNICIPALITY DULY ASSEMBLED,
ENACTS AS FOLLOWS:**

1. That in order to complete the upgrade and expansion of the Three Hills Centennial Place, the sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$500,000.00 is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) on behalf of the Municipality for the amount and purpose as authorized by this bylaw, namely the upgrade, expansion and completion of the Three Hills Centennial Place.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely monthly, semi-annual or annual equal payments (or other terms as negotiated) of combined principal and interest installments not to exceed twenty five (25) years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing, and not to exceed fourteen percent (14%).
4. The Municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.
7. This by-law comes into force on the date it is passed.

READ A FIRST TIME THIS 25th DAY OF MAY 2010.

READ A SECOND TIME AS AMENDED THIS 28th DAY OF JUNE 2010.

READ A THIRD AND FINAL TIME THIS 28th DAY OF JUNE 2010.

(CHIEF ELECTED OFFICIAL)

(CHIEF ADMINISTRATIVE OFFICER)