

BYLAW NO. 1436-19

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 \$1,300,000.00 for upgrading the water treatment plant.

WHEREAS:

The Council of the Municipality has decided to issue a bylaw pursuant to Section 258 (5) of the *Municipal Government Act* to authorize the financing, undertaking and completion of upgrading the Water Treatment Plant.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$16,733,484.00 and the Municipality estimates the following grants, contributions will be applied to the project:

Grant	\$ 8,913,316.00
Debenture as per Bylaw 1427-18	\$ 5,871,767.00
Reserves	\$ 648,401.00
Debenture (2019)	<u>\$ 1,300,000.00</u>
TOTAL PROJECT COST	\$ 16,733,484.00

In order to complete the project, it will be necessary for the Municipality to borrow the sum of \$1,300,000.00, for a period not to exceed twenty (20) 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 estimated lifetime of the equipment financed under this bylaw is equal to, or in excess of twenty (20) years.

The principal amount of the outstanding debt of the Municipality at December 31, 2018 is \$2,248,451.00 and no part of the principal or interest is in arrears.

All required approvals for the purchase 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 for the purpose of upgrading the water treatment plant, the sum of ONE MILLION THREE HUNDRED THOUSAND DOLLARS (\$1,300,000.00) 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 \$1,300,000.00 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 of the water treatment plant.
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 (20) 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 seven percent (7%).
4. The Municipality shall levy and raise in each year the water supply rates 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 bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS 28th DAY OF OCTOBER 2019.

READ A SECOND TIME THIS 28th DAY OF OCTOBER 2019.

READ A THIRD TIME THIS 28th DAY OF OCTOBER 2019.



(CHIEF ELECTED OFFICIAL)



(CHIEF ADMINISTRATIVE OFFICER)

SEAL