

**TOWN OF LACOMBE
BYLAW 342**

This bylaw authorizes the Council of the Municipality to incur indebtedness by the issuance of debentures in the amount of \$879,229 for the 2007 Road and Infrastructure Project.

WHEREAS:

The Council of the Municipality has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the 2007 Road and Infrastructure Project.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$3,856,018 and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants	\$2,013,673
Water Capital Function Reserves	394,447
Wastewater Capital Function Reserves	120,810
Streets Operating Funds	447,859
Total Other Funding Sources	\$2,976,789

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$879,229, for a period not to exceed 15 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this bylaw is equal to, or in excess of 15 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2005 is \$9,502,748 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 for the purpose of constructing the 2007 Road and Infrastructure project the sum of Eight Hundred and Seventy-Nine Thousand, Two Hundred and Twenty-Nine Dollars (\$879,229) 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 \$879,229 to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debentures on behalf of the Municipality for the amount and purpose as authorized by this bylaw, namely the Mayor and Chief Administrative Officer of the Municipality.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest instalments not to exceed Fifteen (15) 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 (14) percent.
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 bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw comes into force on the date it is passed.

INTRODUCED AND GIVEN FIRST READING this 8th day of January, 2007

GIVEN SECOND READING this 12th day of March, 2007

GIVEN THIRD READING this 12th day of March, 2007

Judy Gordon
Mayor

Robert Jenkins
Chief Administrative Officer

UNCERTIFIED COPY