

**BYLAW NO. 436  
OF THE CITY OF LACOMBE**

(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) or bank loan in the amount of \$994,000 (Nine Hundred, Ninety-Four Thousand dollars) for the purpose of constructing the second phase of the water trunk main extension in the South East Area Structure Plan Area.**

**WHEREAS:**

The Council of the Municipality has decided to issue a by-law pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the water trunk main extension, phase 2, in the South East Area Structure Plan Area in the City of Lacombe.

The proposed project is to be funded through the collection of offsite levies as outlined in City of Lacombe Bylaw #387, as amended, and identified as project “1.5 Areas 7, 8, 9A, 9B Trunk Water Main”.

Plans and specifications have been updated and the total cost of the project is estimated to be \$994,000 which includes an estimate for construction as well as an additional estimate for engineering and project management and the Municipality estimates the following grants and contributions will be applied to the project:

Debenture(s) – Offsite Levy Supported	\$994,000
Total Cost	\$994,000

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$994,000 for a period not to exceed 25 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures or bank loan and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this by-law is equal to, or in excess of 30 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2016 is \$13,601,983 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 carrying out the South East Area water trunk main extension phase 2 project the sum of nine hundred, ninety-four thousand dollars (\$994,000) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture or bank loan on the credit and security of the Municipality at large, of which amount the full sum of \$994,000 is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) or sign loan documents on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the carrying out the South East Area water trunk main extension phase 2 project.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely, monthly, semi-annual or annual payments of

combined principal and interest instalments 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 eight (8) 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 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 13<sup>th</sup> DAY OF FEBRUARY, 2017.

READ A SECOND TIME THIS 27<sup>th</sup> DAY OF MARCH, 2017.

READ A THIRD TIME THIS 27<sup>th</sup> DAY OF MARCH, 2017.

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Original Signed  
(MAYOR)

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Original Signed  
(CHIEF ADMINISTRATIVE OFFICER)

SEAL