

**BYLAW NO. 403  
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 \$1,320,700 (one million, three hundred twenty thousand, seven hundred dollars) for the purpose of expanding the capacity of the City of Lacombe’s North East Wastewater Lift Station.**

**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 construction and engineering related to the expansion of the City of Lacombe’s North East Wastewater Lift Station.

The City has approved Bylaw 387 allowing for the collection of offsite levies from future development areas and the North East Wastewater Lift Station expansion project is included as an eligible project and funded on a 75/25 basis between future development and current development net of provincial and federal grants.

The City has collected only a portion of the offsite levies to date requiring the City to borrow the difference. The debt incurred under this bylaw will be recouped through the future collection of offsite levies.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$2,204,800 and the Municipality estimates the following grants and contributions will be applied to the project:

Waste water Capital Reserves	\$443,140
Provincial Grants	\$432,230
Offsite Levies (Collected to Date)	\$8,730
Debenture(s) (to be recovered through future Offsite Levies)	<u>\$1,320,700</u>
Total Cost	\$2,204,800

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$1,320,700 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 40 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2013 is \$9,012,010 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 expanding the North East Wastewater Lift Station the sum of one million, three hundred twenty thousand, seven hundred DOLLARS (\$1,320,700) 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 \$1,320,700 is to be paid by the Municipality at large and recouped through the collection of offsite levies.

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 construction and engineering related to the expansion to the North East Waste Water Lift Station.
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 23<sup>rd</sup> DAY OF FEBRUARY, 2015.

READ A SECOND TIME THIS 23<sup>rd</sup> DAY OF MARCH 2015.

READ A THIRD TIME THIS 23<sup>rd</sup> DAY OF MARCH 2015.

\_\_\_\_\_(ORIGINAL SIGNED)\_\_\_\_\_  
(MAYOR)

SEAL

\_\_\_\_\_(ORIGINAL SIGNED)\_\_\_\_\_  
(CHIEF ADMINISTRATIVE OFFICER)

UNCERTIFIED COPY