

MUNICIPALITY OF CROWSNEST PASS

BY-LAW NO. 1054, 2020

BORROWING BYLAW

This by-law authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) in the amount of \$3,000,000 for the purpose of the Construction of the Frank Wastewater Treatment Plant (Phase 1,3 and 4).

WHEREAS the Council of the Municipality of Crowsnest Pass has decided to issue a by-law pursuant to Section 251 and 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the Frank Wastewater Treatment Plant (Phase1, 3 and 4).

Plans have been prepared and the total cost of the project is estimated to be \$11,800,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial/Federal Grants	\$ 8,800,000
Debenture(s)	<u>\$ 3,000,000</u>
Total Cost	<u>\$11,800,000</u>

In order to complete the project it will be necessary for the Municipality to borrow the sum of up to \$3,000,000 for a period not to exceed 25 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures 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 25 years. The principal amount of the outstanding debt of the Municipality at December 31, 2019 is \$6,684,943 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 of Crowsnest Pass duly assembled, enacts as follows:

1. That for the purpose of the Frank Wastewater Treatment Plant (Phase 1, 3 and 4) the sum of up to THREE MILLION DOLLARS (\$3,000,000) 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 the full sum of up to THREE MILLION DOLLARS (\$3,000,000) 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 Frank Wastewater Treatment Plant (Phase 1,3 and 4) project.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual payments of combined principal and interest instalments not to exceed twenty (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 in council this 18th day of August 2020.

READ a **second** time in council this 29th day of September 2020.

READ a **third and final** time in council this 29th day of September 2020.



Blair Painter
Mayor



Patrick Thomas
Chief Administrative Officer