

**TOWN OF DRUMHELLER
BYLAW NUMBER 08.22**

A BYLAW OF THE TOWN OF DRUMHELLER, IN THE PROVINCE OF ALBERTA (HEREINAFTER REFERRED TO AS "THE MUNICIPALITY"), TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURE(S) IN THE AMOUNT OF \$1,200,000 FOR THE PURPOSE OF UPGRADING THE PENITENTIARY WATER BOOSTER STATION.

WHEREAS, The Town of Drumheller Council has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing and upgrading of the Penitentiary Booster Station.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$1,300,000 and the Municipality estimates the following reserve contributions will be applied to the project:

Reserves (Water)	\$100,000
Debenture(s)	\$1,200,000
Total Cost	\$1,300,000

In order to complete the project, it will be necessary for the Municipality to borrow the sum of \$1,200,000, for a period not to exceed thirty (30) years, from the Alberta Treasury Board and Finance 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 forty-five (45) years.

The principal amount of the outstanding debt of the Municipality on December 31, 2021, is \$7,097,616 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 Town of Drumheller Council duly assembled, enacts as follows:

1. That for the purpose of upgrading the Penitentiary Water Booster Station. the sum of ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1,200,000) 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 amount the full sum of ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1,200,000) 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 financing and upgrading of the Penitentiary Water Booster Station.
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 installments not to exceed thirty (30) 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 municipal utility 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.

CITATION

1. This Bylaw is cited as the Penitentiary Water Booster Station Borrowing Bylaw

TRANSITIONAL

1. This Bylaw comes into force with third and final reading.

READ A FIRST TIME THIS 20th DAY OF JUNE, 2022.

READ A SECOND TIME THIS 18th DAY OF JULY, 2022.

READ A THIRD AND FINAL TIME THIS 18th DAY OF JULY, 2022.

The original document, duly signed and executed, is retained on file.