



# **CITY OF FORT SASKATCHEWAN**

## **BYLAW C24-15**

**A BYLAW OF THE CITY OF FORT SASKATCHEWAN, IN THE PROVINCE OF ALBERTA, AUTHORIZING THE COUNCIL OF THE CITY OF FORT SASKATCHEWAN TO INCUR AN INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES TO THE ALBERTA CAPITAL FINANCE AUTHORITY FOR THE PURPOSE OF SEWER SERVICE RELINE CONSTRUCTION**

### **WHEREAS:**

The Council of the City of Fort Saskatchewan has decided to issue a Bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of sewer service reline construction.

Plans and specifications have been prepared and the total cost of the sewer service reline is estimated to be \$1,200,000 and the City of Fort Saskatchewan estimates that grants and contributions will not be applied to the project.

In order to complete the sewer service reline it will be necessary for the City of Fort Saskatchewan to borrow up to the sum of \$1,200,000 for a period not to exceed 20 years, from the Alberta Capital Finance Authority 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, 50 years.

The principal amount of the outstanding debt of the City of Fort Saskatchewan at December 31, 2014 was \$43,739,110 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 City of Fort Saskatchewan in the Province of Alberta, in open meeting of Council, enacts as follows:

1. That for the purpose of sewer service reline, up to the sum of \$1,200,000 be borrowed from the Alberta Capital Finance Authority by way of debenture on the credit and security of the City of Fort Saskatchewan at large, of which amount the full sum of 1,200,000 is to be paid by the City of Fort Saskatchewan at large.

2. The proper officers of the City of Fort Saskatchewan are hereby authorized to issue a debenture on behalf of the City of Fort Saskatchewan for the amount and purpose as authorized by this Bylaw, namely sewer service reline.
3. The City of Fort Saskatchewan 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 20 years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority on the date of the borrowing, and not to exceed 10 percent, or the interest rate as fixed from time to time by the Alberta Capital Finance Authority.
4. The City of Fort Saskatchewan 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 City of Fort Saskatchewan.
6. The net amount borrowed under this Bylaw shall be applied only to the project specified by this Bylaw.
7. This Bylaw shall take effect on the day of the final passing thereof.

READ a first time in Council this 8<sup>th</sup> day of December , 2015.

READ a second time in Council this day of , 2016.

READ a third time in Council and passed this day of , 2016.

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Mayor

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Director, Legislative Services

Date Signed: \_\_\_\_\_