

**BYLAW NO. 1180-09
OF THE M.D. OF PINCHER CREEK NO.9**

(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) in the amount of \$1,791,478 for the purpose of Hamlet of Lundbreck Phase 1a, Phase 1b and Phase 2 Water/Waste Water/Storm Sewer Replacement Project.

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 251 and Section 263 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the Hamlet of Lundbreck Phase 1a, Phase 1b and Phase 2 Water/Waste Water/Storm Sewer Replacement Project.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$1,940,608 and the Municipality estimates the following grants and contributions will be applied to the project:

Capital Reserves	\$0
Provincial Grants (S.I.P. Funding)	\$149,130
Debenture(s)	\$1,791,478
Total Cost	\$1,940,608

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$1,791,478, for a period not to exceed twenty-five (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 by-law is equal to, or in excess of twenty-five (25) years.

The principal amount of the outstanding debt of the Municipality at December 31, 2008 is Zero (\$0.00) 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 constructing the Lundbreck Phase 1a, Phase 1b and Phase 2 Water/Waste Water/Storm Sewer Replacement Project the sum of One Million Seven Hundred and Ninety-One Thousand Four Hundred and Seventy-Eight DOLLARS (\$1,791,478) 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 sum of \$1,733,280 is to be paid by the Municipality at large and \$58,198 will be paid by a local improvement tax imposed pursuant to the municipalities Local Improvement Tax Bylaw No. 1182-09 on the affected properties of Phase 1b of the project.

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 by-law, namely the Hamlet of Lundbreck Phase 1a, Phase 1b and Phase 2 Water/Waste Water/Storm Sewer Replacement Project.
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 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 seven (7) 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 9
day of June, 2009.

Rodney J. Cup
REEVE
Donna Thompson
CHIEF ADMINISTRATIVE OFFICER

READ a second time this 14
day of July, 2009.

Rodney J. Cup
REEVE
Donna Thompson
CHIEF ADMINISTRATIVE OFFICER

READ a third time and finally passed
this 14 day of July, 2009.

Rodney J. Cup
REEVE
Donna Thompson
CHIEF ADMINISTRATIVE OFFICER