

BYLAW NO. 807
OF THE TOWN OF KILLAM

(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 \$ 1,500,000.00 for the purpose of the Town of Killam Main Street (50th Street) upgrades including concrete and paver stone work, street lights, roadway upgrades, landscaping items and sanitary sewer main and services replacement.

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 financing, undertaking and completion of the Town of Killam Main Street (50th Street) upgrades including concrete and paver stone work, street lights, roadway upgrades, landscaping items and sanitary sewer main and services replacement.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$2,060,000.00 and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants	\$560,000.00
Debenture(s)	<u>\$ 1,500,000.00</u>
Total Cost	\$2,060,000.00

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$ 1,500,000.00, for a period of 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 30 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2009 is \$377,655 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 Town of Killam Main Street (50th street) upgrades including concrete and paver stone work, street lights, roadway upgrades, landscaping items and sanitary sewer main and services replacement the sum of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) 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 \$ 1,500,000.00 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 by-law, namely the Town of Killam Main Street (50th street) upgrades including concrete and paver stone work, street lights, roadway upgrades, landscaping items and sanitary sewer main and services replacement.
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.
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 27th DAY OF JANUARY, 2011.

READ A SECOND TIME THIS 3RD DAY OF MARCH, 2011.

READ A THIRD TIME THIS 3RD DAY OF MARCH, 2011.

(CHIEF ELECTED OFFICIAL)

(CHIEF ADMINISTRATIVE OFFICER)

SEAL