

**BYLAW 1444/19**  
**LOAN BYLAW**  
**SIGNIFICANT TAX REVENUE GROWTH FUNDED PROJECTS BORROWING BYLAW**

**STURGEON COUNTY, MORINVILLE, ALBERTA**

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**This Bylaw authorizes the Council of Sturgeon County to incur indebtedness by the issuance of a loan in the amount of \$6,000,000 for the purpose of financing Significant Tax Revenue Growth Funded Projects in the 2019 Budget.**

**WHEREAS** the Council of Sturgeon County (the "County") has decided to issue a bylaw pursuant to Section 251 and 257 of the *Municipal Government Act*, RSA, 2000, c.M-26 to authorize borrowing funds for the financing for Significant Tax Revenue Growth Funded Projects in the 2019 Budget (the "Projects").

**AND WHEREAS** plans and specifications have been prepared and the total costs of the Projects are estimated to be \$6,000,000.

**AND WHEREAS** the Projects are to be financed by way of a loan in the principal amount of \$6,000,000.

**AND WHEREAS** in order to complete the Projects, it will be necessary for the County to borrow a principal sum of \$6,000,000 for a period not to exceed three (3) years, from the Alberta Capital Finance Authority or any other bank or financial institution determined by the Mayor and CAO from time to time (the "Lender") on the terms and conditions referred to in this bylaw.

**AND WHEREAS** the audited principal amount of the outstanding debt of Sturgeon County at December 31, 2018 is \$30,814,105 and no part of the principal or interest is in arrears.

**AND WHEREAS** after the borrowing of the amount hereby authorized, the County will not have exceeded the debt limit established pursuant to the *Municipal Government Act* and Regulations thereto.

**AND WHEREAS** all required approvals for the Projects have been obtained and the Projects are in compliance with all applicable statutes, bylaws, rules, regulations, orders, ordinances, codes and requirements.

**NOW THEREFORE, the Council of Sturgeon County in the Province of Alberta duly assembled hereby enacts as follows:**

1. That for the purpose of financing the Projects, the County may borrow a principal sum of SIX MILLION DOLLARS (\$6,000,000) from the Alberta Capital Finance Authority or such other bank or financial institution approved by the Mayor and CAO by way of loan on the credit and security of Sturgeon County at large, of which the full principal amount, interest and fees are to be paid by Sturgeon County at large.
2. The Mayor and CAO of Sturgeon County are hereby authorized on behalf of the County to execute and deliver to the Lender such account authorities, instruments and agreements, including credit agreements and commitment letters, as may be required by the Lender for the County to avail and evidence the County's loans and credit with the Lender as provided for in this bylaw, and upon the execution and delivery of any such account authority, instrument or agreement, any such account authority, instrument or agreement shall be conclusively deemed to be authorized by this bylaw and binding on the County.

3. Sturgeon County shall repay the indebtedness according to the repayment structure set out in a credit agreement, commitment letter or other agreement between the County and the Lender, which may include semi-annual or annual equal payments of combined principal and/or interest installments and which shall set out that the term of repayment shall not exceed three (3) years.
4. The County will pay (a) interest calculated at a rate not exceeding the interest rate fixed by the Lender on the date of the borrowing, (b) stamping fees in respect of any bankers' acceptances accepted by the Lender from time to time at such rates as may be agreed to from time to time by the Mayor and CAO on behalf of the County; and (c) any fees (including the fees to operate the County's account maintained with the Lender) or other amounts provided for in the credit agreement, commitment letter or other agreement between the County and the Lender, provided that pursuant to Section 251(2)(b) of the Municipal Government Act, the interest rate in respect of direct loans nor the yield in respect of such bankers' acceptances (after giving effect to applicable stamping fees payable in respect thereof) shall not to exceed TEN (10) percent per annum.
5. Sturgeon County shall levy and raise in each year municipal taxes sufficient to pay the indebtedness described in this bylaw, including all principal interest and other amounts payable pursuant to this bylaw. Any amounts received now or hereafter by the County by way of taxes and/or penalties on taxes assessed or levied by the County in previous years and any other revenues received by the County from time to time from any source whatsoever may be applied, as far as necessary to the repayment of the indebtedness described hereunder, but the Lender shall not be bound to wait for repayment of any indebtedness, interest or other amounts until such taxes, penalties and other revenues are collected.
6. The indebtedness shall be borrowed on the credit and security of Sturgeon County.
7. The net amount borrowed under this bylaw shall be applied only to the Projects specified in Schedule "A" of this bylaw.
8. Nothing contained in this bylaw shall waive, prejudicially affect or exclude any right, power, benefit or security by statute, common law or otherwise given to or implied in favour of the Lender.
9. This Bylaw comes into force on the date it is passed and will expire on or before June 30, 2022 in accordance with the final loan payment.

Read a first time this 14<sup>th</sup> day of May, 2019.

Read a second time this 14<sup>th</sup> day of May, 2019.

Read a third time this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
COUNTY COMMISSIONER (CAO)

\_\_\_\_\_  
DATE SIGNED

**If any portion of this bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed and the remainder of the bylaw is deemed valid.**

## SCHEDULE "A"

#	Division	Project	Program	Scope of Work	Length (km)	Amount (\$)
RC-12	3	RR 274 (Campsite Road) from Hwy 37 to Twp. 544 A - (A)	Collector Reconstruction	Detailed Design	2.4	472,400
RC-13	3	RR 274 (Campsite Road) from Twp. 544A to Twp. 542 - (A)	Collector Reconstruction	Detailed Design	4.0	872,100
RH-1	1	Riverside Park - Subdivision Road Network	Road Rehabilitation	Construction	1.8	546,300
RH-7	1	RR 242 (Grandview) from Twp. 554 to Schultz Drive	Road Rehabilitation	Construction	1.6	1,972,900
RH-8	1	Cameron Park - Subdivision Road Network	Road Rehabilitation	Construction	2.1	1,686,100
RC-7	5	Twp. 562 from RR253 to Hwy 2	Collector Reconstruction	Construction	0.3	523,500
<b>GRAND TOTAL</b>						<b>6,073,300</b>