

**BYLAW NO. 399
OF THE CITY OF LACOMBE**

(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) or bank loan in the amount of \$3,109,800 (Three million, one hundred, nine thousand, eight hundred dollars) for the purpose of carrying out the first phase (Phase I) of a four phase safety code upgrade construction project to the City of Lacombe’s Ice Arena and Aquaplex facilities.

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 the first phase (Phase I) of a four phase safety code upgrades construction project to the City of Lacombe’s Ice Arena and Aquaplex facilities.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$3,973,500 which includes an estimate for construction as well as an additional estimate for engineering and project management as outlined in Schedule “A” of this bylaw and the Municipality estimates the following grants and contributions will be applied to the project:

Lacombe County	\$863,700
Debenture(s)	
Temporary (MSI Funded 2020)	\$2,015,300
Long Term	<u>\$1,094,500</u>
Total Cost	\$3,973,500

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$3,109,800, for a period not to exceed 20 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures or bank loan 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 20 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2013 is \$9,012,010 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 carrying out the first phase (Phase I) of a four phase safety code upgrade construction project to the City of Lacombe’s Ice Arena and Aquaplex facilities the sum of Three million, one hundred, nine thousand, eight hundred dollars (\$3,109,800) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture or bank loan on the credit and security of the Municipality at large, of which amount the full sum of \$3,109,800 is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) or sign loan documents on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the carrying out of the first phase (Phase I) of a four phase safety code upgrade construction project to the City of Lacombe’s Ice Arena and Aquaplex facilities.

3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely, monthly, semi-annual or annual payments of combined principal and interest instalments not to exceed fifteen (20) 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 eight (8) 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 9th DAY OF FEBRUARY, 2015.

READ A SECOND TIME THIS 9th DAY OF MARCH, 2015.

READ A THIRD TIME THIS 9th DAY OF MARCH, 2015.

_____(Original Signed)_____

(MAYOR)

_____(Original Signed)_____

(CHIEF ADMINISTRATIVE OFFICER)

SEAL

Schedule "A"
 Estimate of Construction Costs, Engineering & Financing
 For Safety Code Upgrades to Lacombe Arena & Aquaplex
 As per the 2015-2024 City of Lacombe Multi Year Capital Plan*
 (for information purposes only)

Included in 2015-2024 Budget

	2015	2016	2017	2018	2019	2020
Construction Costs	\$2,879,000	\$5,059,000	\$1,495,000	\$1,360,000		
Financing						
Lacombe County/Donations	\$863,700	\$1,517,700	\$448,500	\$408,000		
Temporary Borrowing (front end 2020 MSI Capital Grant)	2,015,300	359,200				(\$2,374,500)
Long Term Borrowing	-	3,182,100	1,046,500	952,000		
Total	\$2,879,000	\$5,059,000	\$1,495,000	\$1,360,000		
MSI Funding Payment						\$2,374,500
Difference	0	0	0	0		0

Additional Engineering & Project Management Costs

	2015	2016	2017	2018	2019	2020
Engineering & Project Management	\$1,094,500					
Financing						
Long Term Debt	\$1,094,500					
Difference	0					

Total Project Costs \$3,973,500 \$5,059,000 \$1,495,000 \$1,360,000 – Total - \$11,887,500

*The overall project cost is subject to change. Each phase will have its own separate borrowing bylaw and overall project cost update will be included in future borrowing bylaws.