

**BYLAW NO. 1951
TOWN OF PEACE RIVER**

(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 IN THE AMOUNT OF \$3,500,000 FOR THE PURPOSE OF THE RELOCATING WATER AND SEWER MAINS ON THE WEST HILL.

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 relocating of the water and sewer mains affected by the sliding of the hill.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$3,500,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Debenture	<u>\$3,500,000</u>
Total Cost	<u>\$3,500,000</u>

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$3,500,000, for a period not to exceed 15 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 15 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2013 is \$6,757,849 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 the relocating water and sewer mains the sum of THREE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$3,500,000) 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 \$3,500,000 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 relocation of water and sewer mains.
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 FIFTEEN (15) 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.

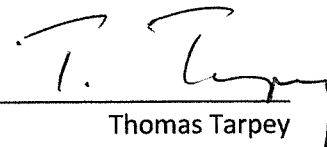
This bylaw shall come into force and have effect on the date of third and final reading.

READ a first time this 11th day of AUGUST, 2014.

READ a second time this 29th day of SEPTEMBER, 2014.

READ a third and final time this 29th day of SEPTEMBER, 2014.

SIGNED by the Mayor and Chief Administrative Officer this 15th day of OCTOBER, 2014.


Thomas Tarpey
Mayor


Kelly Bunn
Chief Administrative Officer