

**TOWN OF HARDISTY  
BYLAW NO. 1153/10**

**PROVINCE OF ALBERTA**

**A BYLAW BEING ENACTED FOR THE PURPOSE OF BORROWING MONIES IN THE  
AMOUNT OF \$597,414 FOR THE PURPOSES OF FINANCING THE INSTALLATION OF  
MUNICIPAL WATER AND WASTEWATER SYSTEMS AND ROADWAYS IN THE 43RD  
AVENUE INDUSTRIAL/COMMERCIAL SUBDIVISION**

**WHEREAS** Section 251 (1) of the Municipal Government Act provides that a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw;

**AND WHEREAS**, Section 263 (1) of the Municipal Government Act provides for a borrowing made for the purpose of financing the cost of a local improvement to be funded in whole or in part by a local improvement tax;

**AND WHEREAS**, plans and specifications have been prepared and the total cost of the project is estimated to be \$1,792,238.93 and the Council of the Town of Hardisty has received confirmation of funding from the Province of Alberta and the Government of Canada in the amount of \$1,194,824.92 leaving the remaining \$597,414.01 to be funded through off site levy estimates the interest costs to be \$201,336.00 for a total project cost of \$1,993,574.93:

|                    |                      |
|--------------------|----------------------|
| Project Estimate   | \$1,792,238.93       |
| Federal Funding    | -\$ 597,412.46       |
| Provincial Funding | -\$ 597,412.46       |
| Interest Charges   | <u>\$ 201,340.79</u> |
| <br>Total Cost     | <br>\$ 798,754.80    |

In order to complete the project it will be necessary for the Town of Hardisty to borrow the sum of \$597,414, for a period not to exceed (15) fifteen 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 50 years.

The principal amount of the outstanding debt of the Town of Hardisty at December 31<sup>st</sup>, 2008 is \$875,775.00 and not 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 Town of Hardisty, duly assembled, enacts the following:

1. That for the purpose of constructing water and wastewater mains, service lines, and roadways for the sum of Five Hundred and Ninety Seven Thousand, Four Hundred and Fourteen dollars (\$597,414) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Town of Hardisty at large.

2. The amount of Fifty Four Thousand, One Hundred and Thirty Eight, 72/100 dollars (\$54,138.72) is to be paid by the Town of Hardisty at large, and Five Hundred and Forty Three Thousand, Two Hundred and Seventy Five, 29/100 dollars (\$543,275.29) is to be collected by way of local improvement tax imposed pursuant to the municipality's tax By-law.
3. The proper officers of the Town of Hardisty are hereby authorized to issue debentures on behalf of the Town of Hardisty for the amount and purpose as authorized by this by-law, namely the installation of Municipal Water and Wastewater systems and roadways in the 43<sup>rd</sup> Avenue Industrial Commercial Subdivision project.
4. The Town of Hardisty 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 \$820,000.00 over 15 years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Authority or another authorized financial institution on the date of the borrowing, and not to exceed (4.6%) percent.
5. The Town of Hardisty shall levy and raise in each year local improvement taxes sufficient to pay the indebtedness.
6. The indebtedness shall be contracted on the credit and security of the Town of Hardisty.
7. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.
7. In the event that the Municipal Government Act permits extension of the term of the loan and in the event the Council for the Town of Hardisty decides to extend the loan and the authorized financial institution is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in paragraph 2 hereof and delivered to the authorized financial institution will be valid and conclusive proof as against the Town of Hardisty of the decision of the Council to extend the loan in accordance with the terms of such renewal or extension, bill, debenture, promissory note, or other obligation and the authorized financial institution will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.


This Bylaw shall have force and take effect on the final reading thereof.

READ a first time this 20<sup>th</sup> day of January, A.D. 2010

READ a second time this 24th day of February, A.D. 2010

READ a third time this 24th day of February, A.D. 2010

  
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Anita Miller, Mayor

  
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Alan Parkin, CAO

