

**TOWN OF DRUMHELLER
BYLAW NUMBER 09.22**

A BYLAW OF THE TOWN OF DRUMHELLER, IN THE PROVINCE OF ALBERTA (HEREINAFTER REFERRED TO AS "THE MUNICIPALITY") TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURE(S) IN THE AMOUNT OF \$5,000,000 FOR THE PURPOSE OF FLOOD MITIGATION IN DRUMHELLER THROUGH BERM ENHANCEMENT AND CONSTRUCTION.

WHEREAS, The Town of Drumheller Council has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize financing for enhancement and construction of berms in the Town of Drumheller for flood mitigation.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$55,000,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants	\$28,000,000
Federal Grant	\$22,000,000
Debentures (Town)	\$5,000,000
Total Cost	\$55,000,000

In order to complete the project, and in agreement with both the Federal and Provincial Governments to fund 10% of the project, it will be necessary for the Municipality to borrow the sum of \$5,000,000, for a period not to exceed thirty (30) 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 bylaw is equal to or in excess of fifty (50) years.

The principal amount of the outstanding debt of the Municipality on December 31, 2021, is \$7,097,616 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 Town of Drumheller Council duly assembled, enacts as follows:

1. That for the purpose of flood mitigation in Drumheller through berm enhancement and construction, the sum of FIVE MILLION DOLLARS (\$5,000,000) 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 FIVE MILLION DOLLARS (\$5,000,000) 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 bylaw, namely the enhancement and construction of the berms in Drumheller for the purpose of flood mitigation

3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely equal semi-annual or annual payments of combined principal and interest installments not to exceed thirty (30) 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 seven percent (7%).
4. The Municipality shall levy and raise in each year municipal taxes or utility rates 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 bylaw.

CITATION

1. This Bylaw is cited as the 2022 Drumheller Flood Mitigation Borrowing Bylaw.


TRANSITIONAL

1. Upon third reading of Bylaw 09.22, the Flood Mitigation Borrowing Bylaw 04.18 and Borrowing Bylaw 05.17 and all amendments are hereby repealed.
2. This Bylaw comes into force with third and final reading.

READ A FIRST TIME THIS 20th DAY OF JUNE , 2022.

READ A SECOND TIME THIS 18th DAY OF JULY, 2022.

READ A THIRD AND FINAL READING THIS 18th DAY OF JULY, 2022.



MAYOR



CHIEF ADMINISTRATIVE OFFICER