

THE CITY OF SPRUCE GROVE

BYLAW C-1257-23

NEW GROWTH TRANSPORTATION – PIONEER ROAD BORROWING BYLAW

WHEREAS, pursuant to the *Municipal Government Act*, R.S.A. 2000 c M-26 and amendments thereto, the City of Spruce Grove wishes to authorize the financing, undertaking, and construction of the Pioneer Road Top Lift Asphalt project as authorized by Council;

AND WHEREAS, plans and specifications have been prepared and the total cost of the project is estimated at \$1,000,000;

AND WHEREAS the project is to be funded through the collection of offsite levies;

AND WHEREAS in order to proceed with the project it will be necessary for the City to borrow a sum not to exceed \$700,000 to be applied to the project;

AND WHEREAS the probable lifetime of the project is a minimum of 25 years;

AND WHEREAS, the principal amount of the outstanding debt of the City of Spruce Grove at December 31, 2022 is \$38,071,000 and no part of the principal or interest is in arrears;

AND WHEREAS, 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 for the City of Spruce Grove, duly assembled, hereby enacts as follows:

1. BYLAW TITLE

- 1.1 This bylaw is called the “New Growth Transportation – Pioneer Road Borrowing Bylaw”.

2. DEFINITIONS

- 2.1 “City” means the municipal corporation of the City of Spruce Grove in the Province of Alberta.

- 2.2 “City Manager” means the administrative head of the City of Spruce Grove.
- 2.3 “Council” means the Council of the City of Spruce Grove elected pursuant to the *Local Authorities Election Act*, R.S.A. 2000 c L-21, amended.

3. AUTHORIZATION

- 3.1 This bylaw authorizes the Council to incur indebtedness by the issuance of debenture(s) in an amount not to exceed \$700,000 for the purpose of financing the construction of the Pioneer Road Top Lift Asphalt project.

4. BORROWING

- 4.1 That for the purpose of financing the construction of the Pioneer Road Top Lift Asphalt project, a sum not to exceed \$700,000 may be borrowed from the Province of Alberta, or another authorized financial institution by way of debenture on the credit and security of the City at large, of which the full sum of \$700,000 is to be paid by the City at large.
- (a) The City shall repay the indebtedness according to the repayment structure in effect, namely annual or semi-annual payments of combined principal and interest instalments not to exceed 25 years calculated at a rate not exceeding the interest rate fixed by an authorized financial institution on the date of the borrowing, and not to exceed six (6.00) percent.
- 4.2 The City Manager is hereby authorized to issue debenture(s) on behalf of the City for the amount and purpose as authorized by this bylaw, namely the construction of the Pioneer Road Top Lift Asphalt project.
- 4.3 The City shall levy and raise sufficient funds each year through offsite levies to pay the principal and interest falling due on the indebtedness.
- (a) In the event of any deficiency, the City shall levy and raise municipal taxes sufficient to pay the indebtedness.
- 4.4 The indebtedness shall be contracted on the credit and security of the City.

5. SEVERABILITY

5.1 Every provision of this bylaw is independent of all other provisions and if any provision is declared invalid by a Court, then the invalid provisions shall be severed and the remainder provisions shall remain valid and enforceable.

6. EFFECTIVE DATE

6.1 This bylaw shall come into force and effect when it receives third reading and is duly signed.

First Reading Carried	11 April 2023
Second Reading Carried	8 May 2023
Third Reading Carried	8 May 2023
Date Signed	8 May 2023

Mayor

City Clerk