

**TOWN OF DRUMHELLER
BYLAW NO. 14.09**

This bylaw authorizes the Town of Drumheller, in the Province of Alberta, to incur indebtedness by the issuance of debenture(s) in the amount of \$6,000,000 for the purpose of borrowing to finance the construction of the Badlands Community Facility phase 1.

WHEREAS, the Council of the Town of Drumheller has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the Badlands Community Facility.

WHEREAS, plans and specifications have been prepared and the total cost of the project is estimated to be \$23,000,000 and the Town of Drumheller estimates the following grants and contributions will be applied to the project:

Reserves	\$5,000,000
Provincial Grants	\$3,000,000
Federal Grants	\$3,000,000
Donations	\$6,000,000
Debenture(s)	\$6,000,000
Total Cost	\$23,000,000

WHEREAS, in order to complete the project it will be necessary for the Town of Drumheller to borrow the sum of \$6,000,000 for a period not to exceed Twenty (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.

WHEREAS, the estimated lifetime of the project financed under this bylaw is equal to, or in excess of Twenty (20) years.

WHEREAS, the principal amount of the outstanding debt of the Town of Drumheller at December 31, 2008 is \$3,960,358 and no part of the principal or interest is in arrears and with another \$3,000,000 approved by Council for borrowing in 2009 for other projects.

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 OF THE TOWN OF DRUMHELLER,
DULY ASSEMBLED, ENACTS AS FOLLOWS:**

1. That for the purpose of completing the Badlands Community Facility project phase 1, the sum of six million dollars (\$6,000,000.00) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debentures on the credit and security of the Town of Drumheller at large, of which amount the full sum of six million dollars (\$6,000,000) is to be paid by the municipality at large.
2. The proper officers of the Town of Drumheller are hereby authorized to issue debenture(s) on behalf of the Town of Drumheller for the amount and purpose as authorized by this bylaw, namely the Badlands Community Facility phase 1.
4. The Town of Drumheller 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 Twenty (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 Ten (10) percent.
5. The indebtedness shall be contracted on the credit and security of the Town of Drumheller.
6. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
8. This bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS 22nd DAY OF June 2009.

READ A SECOND TIME THIS 4th DAY OF August 2009.

READ A THIRD TIME THIS 4th DAY OF August 2009.

SEAL


MAYOR


CHIEF ADMINISTRATIVE OFFICER