

THE CITY OF SPRUCE GROVE

BYLAW C-1259-23

INDUSTRIAL WATERMAIN – DIAMOND AVENUE BORROWING BYLAW

WHEREAS, pursuant to the *Municipal Government Act*, RSA 2000 cM-26 and amendments thereto, the City of Spruce Grove wishes to authorize the financing, undertaking, and construction of watermain upgrades on Diamond Avenue as part of the Industrial Watermain and Surface Rehabilitation project as authorized by Council;

AND WHEREAS, plans and specifications have been prepared and the total cost to complete this phase of the project is estimated at \$4,440,000 and the City of Spruce Grove estimates that a debenture not to exceed \$4,068,000 will be applied to the project to complete the work planned for 2023;

AND WHEREAS the probable lifetime of the project is a minimum of 20 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 “Industrial Watermain – Diamond Avenue 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*, RSA 2000 cL-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 \$4,068,000 for the purpose of financing the construction of watermain upgrades on Diamond Avenue as part of the Industrial Watermain and Surface Rehabilitation project.

4. **BORROWING**

- 4.1 That for the purpose of financing the construction of watermain upgrades on Diamond Avenue as part of the Industrial Watermain and Surface Rehabilitation project a sum not to exceed \$4,068,000 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 \$4,068,000 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 20 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 watermain upgrades on Diamond Avenue as part of the Industrial Watermain and Surface Rehabilitation project.

4.3 The City shall levy and raise in each year a utility rate or rates sufficient to pay the principal and interest falling due on 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 [Click here to enter a date.](#)

Second Reading Carried [Click here to enter a date.](#)

Third Reading Carried [Click here to enter a date.](#)

Date Signed

Mayor

City Clerk