



**BYLAW NO.11-2024
TOWN OF SMOKY LAKE
IN THE PROVINCE OF ALBERTA**

A Bylaw of the Municipality of the Town of Smoky Lake in the Province of Alberta to authorize Municipal Council to incur indebtedness in the amount of One million, two hundred and twenty-four thousand, two hundred and five (\$1,224,205.00) dollars for the purpose of funding the replacement of the Water Reservoir in Smoky Lake.

WHEREAS Section 251(1) of the Municipal Government Act, being Chapter M26 of the Revised Statutes of Alberta, 2000, and amendments thereto, provide that a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw.

WHEREAS the Council of the Town of Smoky Lake issue a bylaw pursuant to Section 258 of the Municipal Government Act to authorize the borrowing of the principal sum of One million, two hundred and twenty-four thousand, two hundred and five (\$1,224,205.00) dollars for the purpose of funding the replacement of the Water Reservoir in Smoky Lake.

WHEREAS the plans and specifications have been prepared and the total cost of the replacement of the Water Reservoir project in Smoky Lake is estimated to be Four million, six hundred and eighty-six thousand, two hundred and five (\$4,686,205.00) dollars. The total cost of the Town’s portion is estimated to be \$1,224,205.00 and the Town of Smoky Lake estimates the following grants and contributions will be applied to the project:

Capital Reserves	\$0
Provincial Grants	\$3,462,000.00
Debenture	\$1,224,205.00
Total Cost	\$4,686,205.00

WHEREAS in order to complete the project, it will be necessary for the Town of Smoky Lake to borrow up to the principal sum of \$1,224,205.00 dollars, for a period not to exceed Twenty (20) years, from the Province of Alberta or another authorized financial institution, by the issuance of a debenture or 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 Smoky Lake at December 31, 2023 is \$688,894.00 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 MUNICIPAL COUNCIL OF THE TOWN OF SMOKY LAKE DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. CITATION

- 1.1 This bylaw may be cited as the “2024 Water Reservoir Replacement”.

2. PROVISIONS

- 2.1 That for the purpose of funding the replacement of the Water Reservoir in Smoky Lake in the principal sum of \$1,224,205.00 be borrowed from the Province of Alberta or another authorized financial institution by way of debenture on the credit and security of the Town of Smoky Lake, of which amount the full sum of \$1,224,205.00 is to be paid by the Town of Smoky Lake.
- 2.2 That the proper officers of the Town of Smoky Lake are hereby authorized to issue the debenture or loan on behalf of the Town of Smoky Lake for the amount and purpose as authorized by this bylaw, namely funding the replacement of the Water Reservoir in Smoky Lake.
- 2.3 That the Town of Smoky Lake shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest installments not to exceed Twenty (20) years calculated at a rate not exceeding the interest rate fixed by the Province of Alberta, or another authorized financial institution, on the date of the borrowing, and not to exceed Seven (7) percent.
- 2.4 That the Town of Smoky Lake may levy and raise in each year municipal taxes sufficient to pay the indebtedness.
- 2.5 That the indebtedness shall be contracted on the credit and security of the Town of Smoky Lake.
- 2.6 That the net amount borrowed under the bylaw shall be applied only to the Project specified by this bylaw.

3. SEVERABILITY

- 3.1 If any section or sections of this Bylaw or parts thereof are found in any court or law to be illegal or beyond the power of Council to enact, such Section or Sections or parts thereof shall be deemed to be severable and all other Sections or parts of the Bylaw shall be deemed separate and independent therefrom and to be enacted as such.

4. EFFECTIVE DATE

- 4.1 This bylaw comes into effect on the date it is passed.

READ a FIRST time this 22nd Day of July 2024.

Original Signed

Amy Cherniwchan
Mayor

Original Signed

Dawn Phillips
Chief Administrative Officer

READ a SECOND time this 23rd Day of September 2024.

READ a THIRD and FINAL time this 23rd Day of September 2024.

Original Signed

Amy Cherniwchan
Mayor

Original Signed

Dawn Phillips
Chief Administrative Officer