

BYLAW NUMBER 5B2014

**BEING A BYLAW TO AUTHORIZE THE CITY OF
CALGARY TO INCUR INDEBTEDNESS BY THE
ISSUANCE OF ONE OR MORE DEBENTURES IN
THE TOTAL AMOUNT OF \$126.1 MILLION FOR
FINANCING THE BONNYBROOK
WASTEWATER TREATMENT PLANT
CAPACITY EXPANSION PROGRAM**

WHEREAS Council of The City of Calgary ("Council") has approved report UCS2014-0025 concerning the Bonnybrook wastewater treatment plant capacity expansion program ("the Project");

AND WHEREAS the Project has an estimated cost of \$126.1 million;

AND WHEREAS Council has decided to pass a bylaw pursuant to Sections 251 and 258 of the Municipal Government Act (R.S.A. 2000 c. M-26) ("the MGA") to borrow the sum of \$126.1 million from Alberta Capital Finance Authority ("ACFA") or other financial institutions or capital markets by the issuance of debentures to finance the Project;

AND WHEREAS the estimated lifetime of the Project financed under this Bylaw is equal to, or in excess of twenty five (25) years;

AND WHEREAS the amount of the long term debt of The City of Calgary ("The City") as at 2013 December 31 (unaudited) is \$3,661 million with \$571 million being tax supported debt, \$1,174 million being self-sufficient tax supported debt and \$1,916 million being non tax supported debt and no part of the principal or interest is in arrears;

AND WHEREAS all required approvals for the Project will be obtained prior to construction to ensure the Project is in compliance with all laws in force in the Province of Alberta.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF CALGARY ENACTS AS FOLLOWS:

1. The proper officers of The City are hereby authorized to issue one or more debentures on behalf of The City to a maximum sum of \$126.1 million to finance the Project.
2. The City shall repay the indebtedness according to one of the following repayment structures in effect:
 - (a) repay semi-annual equal principal and interest installments not exceeding twenty five (25) years calculated at a rate not exceeding the interest rate fixed by the lender on the date of the borrowing; or
 - (b) pay interest, principal, fees and deposits when due and as required on the indebtedness not exceeding twenty five (25) years at a rate not exceeding the interest rate fixed by the lender on the date of the borrowing.

3. The City shall charge user fees sufficient to pay the interest, principal, fees and deposits when due and as required on the indebtedness. In the event of any revenue deficiency, The City shall levy and raise municipal taxes sufficient to pay the indebtedness.
4. The indebtedness shall be contracted on the credit and security of The City.
5. The net amount borrowed under this Bylaw shall be applied only to the Project.
6. This Bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS ____ DAY OF _____, 2014.

READ A SECOND TIME THIS ____ DAY OF _____, 2014.

READ A THIRD TIME THIS ____ DAY OF _____, 2014.

MAYOR
SIGNED THIS ____ DAY OF _____, 2014.

CITY CLERK
SIGNED THIS ____ DAY OF _____, 2014.