

PROPOSED

ITEM #10.1.1.4
BYLAW TABULATION
ATTACHMENT

BYLAW NUMBER 5B2017

**BEING A BYLAW OF THE CITY OF CALGARY
TO INCUR INDEBTEDNESS
BY THE ISSUANCE OF DEBENTURES
IN THE TOTAL AMOUNT OF \$151.818 MILLION
FOR FINANCING THE IMPROVEMENTS AND
UPGRADES OF BUILDINGS AND ELECTRIC
SYSTEMS FOR THE REGULATED OPERATIONS
OF ENMAX CORPORATION**

WHEREAS Council of The City of Calgary ("**Council**") has approved the 2018 Capital budget for ENMAX Corporation, a controlled corporation of The City of Calgary ("**The City**");

AND WHEREAS the electric system and building improvements and upgrades for the regulated operations of ENMAX Corporation, as described in the attached Schedule "A" (the "**Improvements and Upgrades**") are estimated to cost \$179.675 million;

AND WHEREAS it is estimated that \$27.857 million of the total cost will be financed from sources other than debenture borrowing;

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) to borrow the sum of \$151.818 million from Alberta Capital Finance Authority ("**ACFA**") by the issuance of debentures to finance the Improvements and Upgrades;

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 as at 2016 December 31 is \$3,204 million with \$451 million being tax supported debt, \$554 million being self-sufficient tax supported debt and \$2,199 million being self supported debt and no part of the principal or interest is in arrears;

AND WHEREAS all required approvals for the Improvements and Upgrades will be obtained to ensure they are in compliance with all the laws in force in the Province of Alberta;

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

1. The proper officers of The City are hereby authorized to issue debentures on behalf of The City to a maximum sum of \$151.818 million to finance the Improvements and Upgrades.
2. The City shall repay the indebtedness over a period not exceeding twenty five (25) years in semi-annual equal principal and interest installments, with interest being calculated at a rate not exceeding the rate fixed by ACFA on the date of the borrowing, up to a maximum rate of 8% per annum.

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3. The City shall obtain funds from ENMAX Corporation to repay the said indebtedness under the terms of the agreement between The City and ENMAX Corporation, as described in Bylaw No. 47M2017. 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 purposes specified by this Bylaw.
6. The attached Schedule "A" is hereby declared to form part of this Bylaw.
7. This Bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS ___ DAY OF _____, 2017.

READ A SECOND TIME THIS ___ DAY OF _____, 2017.

READ A THIRD TIME THIS ___ DAY OF _____, 2017.

MAYOR
SIGNED THIS ___ DAY OF _____, 2017.

CITY CLERK
SIGNED THIS ___ DAY OF _____, 2017.

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SCHEDULE "A"

THE CITY OF CALGARY

BORROWING BYLAW NO. 5B2017
(000's)

Amount of Bylaw : \$ 151,818

Term of Borrowing: 25 Years

Municipal Government Act Section no. 251 & 258

Council's Authorizing Document (As Shareholder): ENMAX Corporation's 2018 Capital Budget

Purpose of Borrowing

ENMAX
Corporation

Upgrades and improvement of transmission system and substations

Upgrades and improvements of metering

Upgrades and improvements of distribution system

General building upgrades and improvement