

**TOWN OF GRANDE CACHE
BY-LAW NO. 686**

BEING A BY-LAW OF THE TOWN OF GRANDE CACHE TO AUTHORIZE THE COUNCIL OF THE MUNICIPALITY TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURE(S) IN THE AMOUNT OF \$4,600,000 FOR THE PURPOSE OF CONSTRUCTION OF THE GRANDE CACHE RECREATION CENTRE

WHEREAS the Council of the Municipality has decided to issue a by-law pursuant to Section 258 of the *Alberta Municipal Government Act* to authorize the financing, undertaking and completion of the Grande Cache Recreation Centre.

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

Capital Reserves	\$ 1,400,000
Provincial/Federal Grants	\$ 6,000,000
Debenture(s)	\$ 4,600,000
Total Cost	\$23,000,000

In order to complete the project, it will be necessary for the Municipality to borrow the sum of \$4,600,000, for a period not to exceed fifteen (15) years, from the Alberta Capital Finance Authority, or another authorized financial institution, by the issuance of debentures, and on the terms and conditions referred to in this By-Law.

The estimated lifetime of the project financed under this By-Law is equal to, or in excess of, forty (40) years.

The principal amount of the outstanding debt of the Municipality at December 31, 2008 is \$5,622,428, and no part of the principal or interest is in arrears.

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 MUNICIPALITY DULY ASSEMBLED, ENACTS AS FOLLOWS:

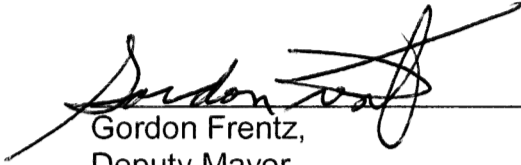
1. That for the purpose of constructing the Grande Cache Recreation Centre, the sum of **FOUR MILLION SIX HUNDRED DOLLARS (\$4,600,000)** be borrowed from the Alberta Capital Finance Authority, or another authorized financial institution by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$4,600,000 is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) on behalf of the Municipality for the amount and purpose as authorized by this By-Law, namely the Grande Cache Recreation Centre.
3. The Municipality 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 FIFTEEN (15) 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.
4. The Municipality shall levy and raise in each year, municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The net amount borrowed under the By-Law shall be applied only to the project specified by this By-Law.

7. This By-Law comes into full force and effect on the date it is passed.

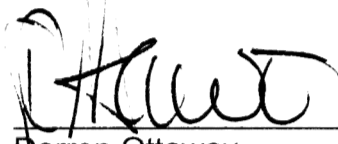
READ A FIRST TIME THIS FIFTEENTH DAY OF JUNE 2009 A.D.

READ A SECOND TIME THIS EIGHTH DAY OF JULY, 2009 A.D.

READ A THIRD AND FINAL TIME THIS EIGHTH DAY OF JULY, 2009 A.D.



Gordon Frentz,
Deputy Mayor



Darren Ottaway,
Chief Administrative Officer