

**BY-LAW NO. 1-2025  
OF THE  
TOWN OF VERMILION  
(hereinafter referred to as the "Municipality")  
IN THE PROVINCE OF ALBERTA**

THIS BY-LAW AUTHORIZES THE COUNCIL OF THE MUNICIPALITY TO  
INCUR AN INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES FOR THE  
PURPOSE OF CONSTRUCTION OF SANITARY TRUNK MAIN REPLACEMENT

WHEREAS The Council of the municipality has decided to issue a By-law  
pursuant to Section 258 of the Municipal Government Act to authorize the financing,  
undertaking and completing of SANITARY TRUNK MAIN REPLACEMENT.

AND WHEREAS the municipality has made plans, specifications and  
estimates for the project and confirms the total cost of the said project is estimated at  
\$7,300,000 (Seven Million Three Hundred Thousand Dollars)

AND WHEREAS the Council of the municipality in order to construct and  
complete the said project, it will be necessary for the Municipality to borrow up to  
the estimated sum of \$2,250,000 (Two Million Two Hundred Fifty Thousand  
Dollars) for a period not to exceed 25 years, by the issuance of a debenture on the  
terms and conditions referred to in this By-law.

AND WHEREAS the estimated lifetime of the project is Twenty Five (25)  
years.

AND WHEREAS the principal amount of the outstanding debt of the  
municipality at December 31, 2023 is \$10,504,435 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 OF THE MUNICIPALITY DULY ASSEMBLED ENACTS AS FOLLOWS:

1. That for the purpose of constructing the Sanitary Trunk Main Replacement up to the estimated sum of \$2,250,000 (Two Million Two Hundred Fifty Thousand) shall be borrowed from Province of Alberta or another authorized financial institution by way of debenture on the credit and security of the municipality at large of which the full sum of \$2,250,000 (Two Million Two Hundred Fifty Thousand) is to be paid by the Municipality at large.
2. The proper officers of the municipality are hereby authorized to issue debentures on behalf of the municipality for the amount and purpose as authorized by this By-law, namely the construction of the Sanitary Trunk Main Replacement.
3. The municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual equal payments of combined principal and interest instalments not to exceed twenty five (25) 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 ten percent (10%).
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 by the bylaw shall be applied only to the project specified by this Bylaw.
7. This By-law shall take effect on the day of the final passing thereof.


READ A FIRST TIME IN COUNCIL THIS 7<sup>th</sup> DAY OF January,  
A.D. 2025.

  
\_\_\_\_\_  
Deputy Mayor

  
\_\_\_\_\_  
Chief Administrative Officer

READ A SECOND TIME IN COUNCIL THIS 18<sup>th</sup> DAY OF February,  
A.D. 2025.

  
\_\_\_\_\_  
Deputy Mayor

  
\_\_\_\_\_  
Chief Administrative Officer

READ A THIRD TIME IN COUNCIL THIS 18<sup>th</sup> DAY OF February,  
A.D. 2025.

  
\_\_\_\_\_  
Deputy Mayor

  
\_\_\_\_\_  
Chief Administrative Officer