

**BYLAW 6-2022
OF THE
TOWN OF VERMILION
(hereinafter referred to as the "Municipality")
IN THE PROVINCE OF ALBERTA**

**THIS BYLAW AUTHORIZES THE COUNCIL OF THE MUNICIPALITY TO
INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES FOR THE
PURPOSE OF CONSTRUCTION OF A BROADBAND NETWORK.**

WHEREAS The Council of the Municipality has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act*, RSA 2000, c. M-26, as amended or repealed and replaced from time to time to authorize the financing of the construction of a Broadband Network.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$2,400,000 and the Municipality has estimated no grants or contributions will be applied to the Project.

Debenture	<u>\$ 2,400,000</u>
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In order to complete the project it will be necessary for the Municipality to borrow the sum of TWO MILLION FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000) for a period not to exceed TWENTY FIVE (25) years from the Province of Alberta or another authorized financial institution by the issuance of debentures and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this bylaw is equal to, or in excess of TWENTY FIVE (25) years.

The principal amount of the outstanding debt of the Municipality at December 31, 2021 is \$10,751,252 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 Town of Vermilion, duly assembled, hereby enacts as follows:

1. That for the purpose of constructing a Broadband Network the sum of TWO MILLION FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000) be borrowed from the 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 \$2,400,000 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 bylaw, namely the construction of the new Broadband Network.
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 TWENTY FIVE (25) 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 EIGHT (8) 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 this bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw shall take effect on the day of the final passing thereof.

READ A FIRST TIME IN COUNCIL THIS 18 DAY OF October,
A.D. 2022.

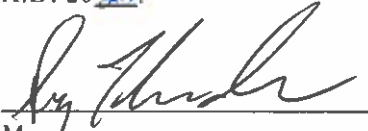


Mayor



Chief Administrative Officer

READ A SECOND TIME IN COUNCIL THIS 1 DAY OF November,
A.D. 2022.




Mayor



Chief Administrative Officer

READ A THIRD TIME IN COUNCIL THIS 1 DAY OF November,
A.D. 2022.



Mayor



Chief Administrative Officer