



TOWN OF DIDSBURY AGENDA
Regular Council Meeting

Thursday, May 29, 2025, 5:00 p.m.
Council Chambers 1606 14 Street

Pages

1. CALL TO ORDER

2. BUSINESS

2.1 Borrowing Bylaw 2025-07

3. ADJOURNMENT

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SPECIAL COUNCIL MEETING Request for Decision (RFD)

*Vision: The Place to Grow.
Mission: Creating the Place to Grow.*

MEETING DATE: May 29, 2025
SUBJECT: Borrowing Bylaw 2025--07
ORIGINATING DEPARTMENT: Legislative Services

BACKGROUND/PROPOSAL:

At the April 22, 2025 Regular Council Meeting, Council granted first reading to Borrowing Bylaw 2025-07.

Bylaw 2025-07 will authorize the municipality to borrow \$3.5 million from the Government of Alberta for the purpose of financing the construction of the East Reservoir Project. The East Reservoir Project is required for the continuity of providing clean and reliable drinking water to the residents of Didsbury as the Butte Reservoir reaches the end of its useful life. To fund this vital project, the Town will be allocating \$708,152 from reserves, \$215,000 from offsite levies, \$2,541,000 from grants and \$435,848 from third parties. To complete the project, taking on long-term debt is absolutely necessary. Section 254 of the *Municipal Government Act* prohibits the municipality from commencing construction of a capital project that is to be financed in part by a borrowing bylaw until such time as the borrowing bylaw is passed. Therefore, the passing of this bylaw is essential for the project to commence.

DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES

Following first reading, the bylaw was advertised for two consecutive weeks in the local newspaper, the *Albertan*, published on April 29th and May 6th, with advertising concluding on May 13th. In accordance with the *Municipal Government Act*, electors have the opportunity to file a petition with the CAO for a bylaw of this nature which must be received within fifteen days after the last day of advertising, being May 28th, 2025. At the time of publication, Administration has not received a petition to date and is not expecting one forthcoming. Administration will provide a verbal update at the Special Council Meeting to confirm that no petition has been received.

Should no petition be filed with the CAO within the deadline, Council may grant second and third reading to Borrowing Bylaw 2025-07.

Following third reading, the bylaw is considered valid if no application has been made to the Court of the King's Bench to declare the bylaw invalid 30 days after third reading, being June 28th, 2025.

ALIGNMENT WITH STRATEGIC PLAN

1. Strategically Managed Infrastructure

RECOMMENDATION

That Council grant second reading to Borrowing Bylaw 2025-07.

AND

That Council grant third and final reading to Borrowing Bylaw 2025-07.

TOWN OF DIDSBURY
Borrowing Bylaw
Bylaw 2025--07

A BYLAW OF THE TOWN OF DIDSBURY, IN THE PROVINCE OF ALBERTA, TO INCUR INDEBTEDNESS BY ISSUANCE OF DEBENTURE(S) IN THE AMOUNT OF \$3,500,000 FOR THE PURPOSE OF CONSTRUCTING THE EAST RESERVOIR PROJECT.

WHEREAS, the Council of the Town of Didsbury (hereinafter called the "Municipality") in the Province of Alberta, has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act*, R.S.A 2000, c. M-26 to authorize the financing, undertaking, and completion of the East Reservoir Project.

WHEREAS, the plans and specifications have been prepared and the total cost of the project is estimated to be \$7,400,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants	\$2,541,000
Water Reserves	1,144,000
Offsite Levies	215,000
Debenture(s)	3,500,000
Total Cost	\$7,400,000

WHEREAS, in order to complete the project, it will be necessary for the Municipality to borrow the sum of \$3,500,000 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.

WHEREAS, the estimated lifetime of the project financed under this bylaw is equal to, or in excess of 75 years.

WHEREAS, the principal amount of the outstanding debt of the Municipality at December 31, 2024 is \$1,504,902 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 Town of Didsbury Duly assembled, enacts as follows:

1. That for the purpose of constructing the East Reservoir Project the sum of THREE MILLION, FIVE HUNDRED THOUSANDS DOLLARS (\$3,500,000) 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 amount the full sum of THREE MILLION, FIVE HUNDRED THOUSANDS DOLLARS (\$3,500,000) 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 East Reservoir Project.
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 Province of Alberta, or another authorized financial institution, on the date of borrowing, and not exceed seven (7) percent.
4. The Municipality shall levy and raise in each year utility rates sufficient to pay the indebtedness. In the event of insufficient funds, 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 bylaw shall be applied only to the project specified by this bylaw.

7. This bylaw comes into force on the date it is passed.

Read a first time this 22nd day of April, 2025

Read a second time this __ day of _____ 2025

Read a third and final time this __ day of _____ 2025

Mayor – Rhonda Hunter

Acting Chief Administrative Officer – Amanda Riley