



BYLAW 25-24 – BORROWING BYLAW

Purpose

The purpose of Bylaw 25-24 is to authorize the incurring of indebtedness of \$30.0 Million to finance construction of the raw water pipeline, pumping station, reservoir, and intake station located in Foothills County.

Readings

This Bylaw is ready for second and third readings.

Report, Analysis and Financial Implications

Funding is required to finance the construction of the raw water pipeline, pumping station, reservoir, and intake station located in Foothills County to support the Foothills Okotoks Regional Water Project. The amount currently requested for debt financing is \$30.0 Million.

The Town's total debt including this borrowing would be at \$51.628 Million. On December 31, 2023, the debt cap set by the province for the Town of Okotoks is \$119,699 Million of which we have issued debt of \$21.628 Million for a net amount available for new debt of \$98.071 Million. After the Town issues the new debt, the available would be \$68.071 Million. The self-imposed Town limit established by Town Council is 75% of the provincial cap or \$89.775 Million, and if reduced by the total debt the amount available for new debt would be \$38.147 Million.

As the project is in the procurement phase, the borrowing has been set to be the budgeted amount in the current capital plan. The borrowing bylaw needs to be in place prior to the start of construction. Intake station construction is planned to start in the fall of 2024. The Capital Budget for the project will be amended once the procurement processes are complete and the final numbers are known. This project is a joint project with Foothills County and the Town's contributions are from off-site levies, which are developer funded. Grants have been awarded to the project and will reduce the amount of financing required. The timing of when the debenture financing is required is dependent of the overall project plan. This borrowing has no impact on tax/utility rates for Okotokians.

Debentures are issued by the provincial government on a quarterly basis, and as such, the timeline anticipated will comply with a 2025 September debenture issuance.

Strategic Plan Goals

<input checked="" type="checkbox"/>	Responsibly Managed Growth	<input type="checkbox"/>	Demonstrated Environmental Leadership
<input checked="" type="checkbox"/>	Strong Local Economy	<input type="checkbox"/>	Enhanced Culture & Community Health
<input type="checkbox"/>	Organizational Excellence		

Community Engagement Strategy

As per the *Municipal Government Act*, Bylaw 25-24 was placed on the Town's website beginning on July 16, 2024 and advertised in the Western Wheel on July 24 and 31, 2024. At the date of this report writing no submissions had been received.

Alternatives for Consideration

n/a

CAO Comments

I support second and third readings of this bylaw.

Attachment(s)

1. Bylaw 25-24 Borrowing Bylaw First Reading Version

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Chief Financial Officer
August 14, 2024