

## Request for Decision

<b>Title</b>	<b>Bylaw 1577/22 - Debenture for Range Road 252 Upgrade – Second and Third Reading</b>
<b>Proposed Motion</b>	<ol style="list-style-type: none"> <li>1. That Council give second reading of Bylaw 1577/22.</li> <li>2. That Council give third reading of Bylaw 1577/22.</li> </ol>
<b>Administrative Recommendation</b>	Administration recommends that Council give second and third readings of Bylaw 1577/22 to authorize the use of long-term borrowing to fund the paving of Range Road 252 from Bellerose Drive to Coal Mine Road.
<b>Previous Council / Committee Direction</b>	<p><u>January 11, 2022 Regular Council Meeting</u> Motion 009/22: That Council give first reading of Bylaw 1577/22.</p> <p><u>December 14, 2021 Regular Council Meeting</u> Motion 549/21: That Council approve the proposed 2022 Operating and Capital Budget as amended by motions passed on November 30, 2021.</p> <p>Motion 550/21: That Council approve in principle the 2023-2025 Operating Financial Forecast and the 2023-2027 Capital Financial Forecast as presented in the consolidated Operating and Capital Budget and amended by motions passed on November 30, 2021.</p>
<b>Report</b>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>• Upgrading Range Road 252 from gravel to pavement will restore paved connectivity to St. Albert. Paved connection greatly enhances travel to and from Sturgeon Valley.</li> <li>• Paving of Range Road 252 coincides with planned work on Coal Mine Road scheduled in 2022, from Range Road 252 (Firehall Road) to Township Road 544.</li> <li>• The Range Road 252 project was presented and approved as part of the 2022 Capital Budget.</li> <li>• The proposed Debenture Bylaw 1577/22 is for \$1,835,000, which is the full anticipated project cost. Funds will be drawn in accordance with the Debt Management Policy.</li> <li>• The tax-supported debenture is a 15-year term with semi-annual interest payments. The total interest on the life of the debenture is approximately \$476,782 and the annual payment is approximately \$154,119.</li> </ul>

	<ul style="list-style-type: none"><li>Sturgeon County’s debt limit as of December 31, 2020 per the <i>Municipal Government Act</i> (MGA) is \$125,608,454.</li><li>The total outstanding debt principal as of December 31, 2020 is \$34,229,692 (audited).</li><li>Sturgeon County’s debt limit as of December 31, 2021 per the MGA is projected to be \$145,594,196 (unaudited) with total long-term debt principal anticipated to be \$30,866,852 (unaudited).</li><li>Based on the 2021 projected debt limit and debentures approved by Council for 2021, the debt limit available based on MGA regulations is \$107,427,344.</li></ul> <p><u>External Communication</u></p> <ul style="list-style-type: none"><li>Following first reading of Bylaw 1577/22 on January 11, 2022, advertisements were placed in the Morinville <i>Free Press</i> and Redwater <i>Review</i> for two consecutive weeks starting January 19, 2022. There were no petitions of the electors for a vote on Bylaw 1577/22 during that time. The public notice was also posted on the Sturgeon County website.</li><li>If Council passes Bylaw 1577/22, it will be published to the Sturgeon County website.</li></ul> <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"><li><i>Municipal Government Act</i>, RSA 2000 c.M-26</li><li>Debt Management Policy</li></ul>								
<b>Implication of Administrative Recommendation</b>	<p><u>Strategic Alignment:</u></p> <p><b>Planned Growth and Operational Excellence</b> – Paving of Range Road 252 from Bellerose Drive to Coal Mine Road will allow for an improved roadway, providing for a faster and easier connection to St. Albert.</p> <p><u>Organizational:</u></p> <ul style="list-style-type: none"><li>Administration will pave Range Road 252 through the 2022 capital plan.</li></ul> <p><u>Financial:</u></p> <ul style="list-style-type: none"><li>The Debenture Bylaw request is for \$1,835,000.</li><li>The current interest rate for a 15-year debenture is anticipated to be 3.12%.</li></ul> <table><tr><th>Project</th><th>Debenture</th><th>Total Interest (15-Years)</th><th>Annual Payment (15-Years)</th></tr><tr><td>Range Road 252</td><td>\$1,835,000</td><td>\$476,782</td><td>\$154,119</td></tr></table>	Project	Debenture	Total Interest (15-Years)	Annual Payment (15-Years)	Range Road 252	\$1,835,000	\$476,782	\$154,119
Project	Debenture	Total Interest (15-Years)	Annual Payment (15-Years)						
Range Road 252	\$1,835,000	\$476,782	\$154,119						
<b>Alternatives Considered</b>	Council may defeat the bylaw and not proceed with the Range Road 252 project until alternative financing options can be explored.								
<b>Implications of Alternatives</b>	<p><u>Strategic Alignment:</u></p> <p><b>Operational Excellence</b> – Deferral of the project until alternative financing options can be explored would increase the County’s available debt limit, leaving room for other projects. However, with scheduled work providing a paved surface from Highway 37 south on Range Road 252 and west on Coal</p>								

	<p>Mine Road to Township Road 544, complete connectivity to St. Albert would not occur.</p> <p><u>Organizational:</u></p> <ul style="list-style-type: none"> <li>Administration would not implement the paving of Range Road 252 through the 2022 capital plan.</li> </ul> <p><u>Financial:</u></p> <ul style="list-style-type: none"> <li>The proposed debenture would not be pursued.</li> </ul>
<b>Follow up Action</b>	<ol style="list-style-type: none"> <li>Obtain Mayor and CAO signatures on the Bylaw (Legislative Services, March 2022).</li> <li>Post the Bylaw to the Sturgeon County website (Corporate Communications, March 2022).</li> </ol>
<b>Attachment(s)</b>	<ol style="list-style-type: none"> <li>Attachment 1: Bylaw 1577/22</li> </ol>
<b>Report Reviewed by:</b>	<p>Gary Mayhew, Director, Transportation and Engineering Services</p> <p>Sabrina Duquette, Manager, Corporate Finance &amp; Treasury</p> <p>Andrew Hayes, General Manager, Financial Services, CFO</p> <p>Scott MacDougall, Chief Operating Officer – COO</p> <p>Reegan McCullough, County Commissioner – CAO</p>

## Strategic Alignment Checklist

**Vision:** *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

**Guiding Principles:** Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
<b>Planned Growth</b>			
<ul style="list-style-type: none"> <li>Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Modern broadband and digital capabilities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Low cost, minimal red-tape regulations</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Thriving Communities</b>			
<ul style="list-style-type: none"> <li>Beautiful, surprising places with high standards; integrated natural spaces &amp; trail systems; healthy and resilient</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Engaging cultural, historical, and civic amenities; strong community identity and pride</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Environmental Stewardship</b>			
<ul style="list-style-type: none"> <li>Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Sustainable development; partnerships with industry and others to drive emission reductions</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Collaborative Governance</b>			
<ul style="list-style-type: none"> <li>Predictable and stable external relationships; volunteer partnerships</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Meaningful connections with Indigenous communities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Respectful and informed debate; clear and supportive governance processes</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Operational Excellence</b>			
<ul style="list-style-type: none"> <li>Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Future focused thinking to proactively respond to emerging opportunities and challenges</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Alternative revenue generation and service delivery models integrated strategic and business planning</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>