

## Request for Decision

<b>Title</b>	<b>Bylaw 1629/23 – Debenture Bylaw for Estates Way from Park Road to Range Road 225 Reconstruction and Surfacing – First Reading</b>
<b>Proposed Motion</b>	That Council give first reading of Bylaw 1629/23.
<b>Administrative Recommendation</b>	Administration recommends that Council give first reading of Bylaw 1629/23 to authorize the use of long-term borrowing to fund the reconstruction and surfacing of Estates Way from Park Road to Range Road 225.
<b>Previous Council / Committee Direction</b>	<p><u>December 13, 2022 Regular Council Meeting</u> Motion 482/22: That Council approve the 2023-2025 Capital Budgets in the amounts of \$35,701,907 for 2023, \$42,114,975 for 2024, and \$38,639,232 for 2025 as referenced in Attachment 3: Capital Funding and Project Listing.</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>
<b>Report</b>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>To help facilitate development in the Sturgeon Industrial Park area, a 500-meter section of Estates Way, from Park Road to Range Road 225, is to be upgraded from a gravel surface to a paved surface.</li> <li>Reconstruction and widening of Estates Way is required to accommodate the new pavement structure, but minor grading and drainage improvements within the right of way may also be required.</li> <li>The Estates Way reconstruction project was presented and approved as part of the 2023-2025 Capital Budget.</li> <li>The allocation of reconstruction costs for the Estates Way project is outlined in Bylaw 1548/21 - Sturgeon Industrial Park Area Off-site Levy Bylaw.</li> <li>Of the \$1.16 million total budgeted project cost, 20% (\$232,029) is considered the responsibility of Sturgeon County and will be funded from municipal reserves. The remaining 80% (\$928,114) is the developer's share of the infrastructure upgrade.</li> </ul>

- The proposed borrowing, to a maximum of \$928,114, is to fund the developer's share of the project and the total principal and interest would be recovered from off-site levies.
- The off-site levy-supported debenture is a 15-year term with blended payments of interest and principal. The total interest on the life of the debenture is approximately \$379,228 and the annual payment is approximately \$87,156. Debenture funds will be drawn in accordance with the Debt Management Policy.
- Sturgeon County's debt limit as of December 31, 2022 per the *Municipal Government Act* (MGA) is \$133,794,646.
- The total outstanding debt principal as of December 31, 2022 is \$27,590,450 (audited).
- Based on MGA regulations, the audited 2022 debt limit, and Council approved but not yet drawn debentures for 2021 and 2022 projects, the debt limit available is \$111,816,874.

External Communication

- The Bylaw will be advertised in various media outlets and posted on the Sturgeon County website to provide information to residents and to allow for petitions.

Relevant Policy/Legislation/Practices

- *Municipal Government Act*, RSA 2000 c.M-26
- Debt Management Policy

**Implication of Administrative Recommendation**

Strategic Alignment

**Planned Growth and Operational Excellence** – Rehabilitation of Estates Way from Park Road to Range Road 225 is required to facilitate development and support growth in the Sturgeon Industrial Park area.

Organizational

Administration will be rehabilitating Estates Way from Park Road to Range Road 225 through the 2023 capital plan.

Financial

- The Debenture Bylaw request is for \$928,114.
- The interest rate for a 15-year debenture is anticipated to be 4.74%.

Project	Debenture	Total Interest (15-Years)	Annual Payment (15-Years)
Estates Way from Park Road to Rge Rd 225	\$928,114	\$379,228	\$87,156

**Alternatives Considered**

Council may defeat the bylaw and not proceed with the Estates Way reconstruction project until alternative financing options can be explored.

<b>Implications of Alternatives</b>	<p><u>Strategic Alignment</u> Not proceeding with the project is inconsistent with the County's goal of attracting and supporting business growth, as this infrastructure investment is required to support growth in the Sturgeon Industrial Park area.</p> <p><u>Organizational:</u> Administration would not implement the Estates Way project through the 2023 capital plan.</p> <p><u>Financial:</u> Administration would not implement the Estates Way project through the 2023 capital plan.</p>
<b>Follow up Action</b>	<ol style="list-style-type: none"> <li>1. Advertise the Bylaw in accordance with legislative requirements to allow for petitions (Financial Services &amp; Corporate Communications, May 2023).</li> <li>2. Once the advertising period is closed, bring Bylaw 1629/23 back to Council for consideration of second and third readings (Financial Services, Q3 2023).</li> </ol>
<b>Attachment(s)</b>	<ol style="list-style-type: none"> <li>1. Attachment 1: Bylaw 1629/23</li> <li>2. Attachment 2: Debt Management Policy</li> <li>3. Attachment 3: Reserve Policy</li> </ol>
<b>Report Reviewed by:</b>	<p>Sabrina Duquette, Manager, Corporate Finance &amp; Treasury</p> <p>Andrew Hayes, General Manager, Financial Services &amp; Chief Financial Officer</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 checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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"/>