

Request for Decision

Title	Bylaw 1573/22 - Debenture for Bridge File 2212 – First Reading
Proposed Motion	That Council give first reading of Bylaw 1573/22.
Administrative Recommendation	Administration recommends that Council give first reading of Bylaw 1573/22 to authorize the use of long-term borrowing to fund the rehabilitation of Bridge File 2212.
Previous Council / Committee Direction	<p><u>December 14, 2021 Regular Council Meeting</u></p> <p>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>
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> Bridge File 2212 is located on Meadowview Drive adjacent to Range Road 261A. The current bridge requires rehabilitation aligning with the Counties Bridge Asset Management Program and Meadowview Drive construction schedule. The Bridge File 2212 project was presented and approved as part of the 2022 Capital Budget. The proposed Debenture Bylaw 1573/22 is for \$1,500,000, which is the full anticipated project cost. Funds will be drawn in accordance with the Debt Management Policy. 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 \$389,740 and the annual payment is approximately \$125,983. Sturgeon County's debt limit as of December 31, 2020 per the <i>Municipal Government Act</i> (MGA) is \$125,608,454. The total outstanding debt principal as of December 31, 2020 is \$34,229,692 (audited).

	<ul style="list-style-type: none">Sturgeon County’s debt limit as of December 31, 2021, per the <i>Municipal Government Act</i> (MGA) is projected to be \$145,594,196 (unaudited) with total long-term debt principal anticipated to be \$30,866,852 (unaudited).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. <p><u>External Communication</u></p> <ul style="list-style-type: none">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. <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"><i>Municipal Government Act</i>, RSA 2000 c.M-26Debt Management Policy								
Implication of Administrative Recommendation	<p><u>Strategic Alignment:</u></p> <p>Planned Growth and Operational Excellence – Rehabilitation of Bridge File 2212 aligns with current asset management practices and Meadowview Drive construction schedule.</p> <p><u>Organizational:</u></p> <p>Administration will be rehabilitating Bridge File 2212 through the 2022 capital plan. This allows for synergies and coordination with the proposed Meadowview Drive construction schedule.</p> <p><u>Financial:</u></p> <ul style="list-style-type: none">The Debenture Bylaw request is for \$1,500,000.The current interest rate for a 15-year debenture is anticipated to be 3.12%. <table><tr><th>Project</th><th>Debenture</th><th>Total Interest (15-Years)</th><th>Annual Payment (15-Years)</th></tr><tr><td>Bridge File 2212</td><td>\$1,500,000</td><td>\$389,740</td><td>\$125,983</td></tr></table>	Project	Debenture	Total Interest (15-Years)	Annual Payment (15-Years)	Bridge File 2212	\$1,500,000	\$389,740	\$125,983
Project	Debenture	Total Interest (15-Years)	Annual Payment (15-Years)						
Bridge File 2212	\$1,500,000	\$389,740	\$125,983						
Alternatives Considered	Council may defeat the Bylaw and not proceed with the Bridge File 2212 project until alternative financing options can be explored.								
Implications of Alternatives	<p><u>Strategic Alignment:</u></p> <p>Operational Excellence – Deferral of the project until alternative financing options can be explored would increase the County’s available debt limit, leaving room for other projects.</p> <p><u>Organizational:</u></p> <ul style="list-style-type: none">Administration would not implement the Bridge File 2212 project through the 2022 capital plan.								

	<u>Financial:</u> <ul style="list-style-type: none"> The Debenture would not be pursued as a financing strategy.
Follow up Action	1. Advertise the Bylaw in various media outlets and post on the Sturgeon County website (Financial Services, January 2022). 2. Bring Bylaw 1573/22 back to Council for consideration of second and third reading (Financial Services, Q1 2022).
Attachment(s)	1. Attachment 1: Bylaw 1573/22
Report Reviewed by:	Sabrina Duquette, Manager, Financial Services Andrew Hayes, Director, Financial, Assessment and Procurement Services Scott MacDougall, Acting County Commissioner – CAO

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
Planned Growth			
<ul style="list-style-type: none"> Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Modern broadband and digital capabilities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Low cost, minimal red-tape regulations 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Thriving Communities			
<ul style="list-style-type: none"> Beautiful, surprising places with high standards; integrated natural spaces & trail systems; healthy and resilient 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Engaging cultural, historical, and civic amenities; strong community identity and pride 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental Stewardship			
<ul style="list-style-type: none"> Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Sustainable development; partnerships with industry and others to drive emission reductions 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative Governance			
<ul style="list-style-type: none"> Predictable and stable external relationships; volunteer partnerships 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Meaningful connections with Indigenous communities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Respectful and informed debate; clear and supportive governance processes 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Operational Excellence			
<ul style="list-style-type: none"> Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> 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 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Future focused thinking to proactively respond to emerging opportunities and challenges 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Alternative revenue generation and service delivery models integrated strategic and business planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>