



# COUNCIL REQUEST FOR DECISION

**MEETING DATE:** August 17, 2020

**SUBMITTED BY:** C. Dragan-Sima, A/Director, Finance; E. Paras, Director, Facilities & Property Services

**PREPARED BY:** S. Ahn, Budget Analyst

**REPORT TITLE:** Bylaw No. 1061-2020 (Revised Bylaw - Golf Course Facility Borrowing) - 1st, 2nd & 3rd Readings

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## EXECUTIVE SUMMARY

Administration is proposing that Bylaw No. 1061-2020 receive First, Second and Third readings in order to correct a clerical error in Bylaw No. 1041-2019 (Golf Course Facility Borrowing Bylaw).

## RECOMMENDATION

1. That Bylaw No. 1061-2020 receive First Reading.
2. That Bylaw No. 1061-2020 receive Second Reading.
3. That Council unanimously agrees to give Bylaw No. 1061-2020 Third Reading.
4. That Bylaw No. 1061-2020 receive Third Reading.

## RATIONALE

On December 2, 2019, a land transfer and lease agreement between the City of Leduc and the Leduc Golf and Country Club was approved by Council. Subsequently, Bylaw No. 1041-2019 (Golf Course Facility Borrowing Bylaw) was passed by Council on May 11, 2020, as a means of funding the new facility construction. Bylaw No. 1041-2019 contains a clerical error in section 9, which Bylaw No. 1061-2020 has revised to correctly reference this project. The essence and intent of Bylaw No. 1041-2020 remains the same.

## STRATEGIC / RELEVANT PLANS ALIGNMENT

A City with a plan for the future.

## ORGANIZATIONAL IMPLICATIONS

### ADMINISTRATION:

There are no organizational implications.

## FINANCIAL

The golf course facility project (087.174) is an approved 2020 capital project in the amount of \$3.91M. The funding allocation is as follows:

- \$3.5M funded through borrowing.
- \$400k funded through reserve.

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When borrowing occurs there is an operational impact and it is approximately \$172K annually based on a 30-year payback period. This amount has been budgeted in the 2020 operating budget.

### LEGAL

The *Municipal Government Act* (“MGA”) provides that work may not commence on a project to be funded by a borrowing until a Bylaw has passed. Once Bylaw No. 1061-2020 is passed, the City of Leduc will enter into a promissory note agreement with the Alberta Capital Finance Authority, or other financial institution, and the project may commence. Bylaw No. 1061-2020, which as per section 65 of the MGA need not be advertised and will facilitate the finalization of the borrowing.

### IMPLEMENTATION / COMMUNICATIONS:

As per section 65 of the MGA, re-advertisement of this bylaw is not required.

### ALTERNATIVES:

That motions to approve all three readings of Bylaw 1061-2020 are not approved. This alternative is not recommended, as it will delay commencement of the construction project.

### ATTACHMENTS

1. Bylaw 1041-2019 (Golf Course Facility Borrowing Bylaw)
2. Bylaw 1061-2020 (Revised Bylaw - Golf Course Facility Borrowing)