

BYLAW NO. 10017

A Bylaw of The City of Saskatoon to raise by way of loan through debentures the sum of Forty-Eight Million Four Hundred Thousand Dollars (\$48,400,000.00) to pay a portion of the cost of various water and wastewater projects in the City of Saskatoon

Whereas *The Cities Act*, S.S. 2002, c. C-11.1 (the “Act”) provides that a city may borrow money or incur debt for the purpose of financing capital property;

And whereas the Council of The City of Saskatoon (the “City”) has approved through previous capital budgets and capital plans the construction of the following capital projects:

Project No.	Name	Purpose
P.02579	Wastewater Treatment Plant – Fourth Digester Tank	Design and installation of a fourth digester at the Wastewater Treatment Plant
P.02219	Water Treatment Plant – Northeast Sector Reservoir	Expansion of the overall reservoir capacity throughout the distribution system in the Northeast sector
P.02565	Water Treatment Plant – Transfer Pumping and Electrical Upgrade	Design and construction of an upgraded power supply system and added redundancy to eliminate the risk of a single point of failure at the Water Treatment Plant

(collectively, the “Projects”);

And whereas the City proposes, pursuant to this Bylaw, to borrow the sum of \$48,400,000.00 to pay for a portion of the cost of the Projects;

And whereas the Saskatchewan Municipal Board has established and authorized a debt limit of \$558,000,000.00 for the City to have outstanding at any time (the “Debt Limit”);

And whereas the outstanding long-term debt of the City, including the borrowing authorized by this Bylaw, as at June 26, 2024, totals \$301,235,873.10, no part of which either as to principal or interest is in arrears;

And whereas the debt to be created pursuant to this Bylaw, together with the current outstanding long-term debt of the City, does not in the aggregate exceed the Debt Limit;

Now therefore, in accordance with sections 134 and 139 of the *Act*, the Council of the City enacts as follows:

Definitions

1. In this Bylaw and the preamble hereto:
 - (a) “**Act**” means *The Cities Act*, S.S. 2002, c. C-11.1;
 - (b) “**CDS**” means CDS Clearing and Depository Services Inc.;
 - (c) “**City**” means the City of Saskatoon;
 - (d) “**Debenture**” or “**Debentures**” means the debentures authorized to be created and issued pursuant to this Bylaw;
 - (e) “**Definitive Debenture**” means a Debenture in fully registered form in an amount specified on the face of the Debenture;
 - (f) “**Global Debenture**” means the Debenture issued in fully registered global form in the name of CDS & Co., being the nominee of CDS; and
 - (g) “**Participants**” means the persons who purchase a beneficial interest in the Global Debenture.

Authorization to Issue

2. (1) There shall be raised and borrowed by way of unsecured debenture loan based upon the credit and security of the City at large the sum of Forty-Eight Million Four Hundred Thousand Dollars (\$48,400,000.00), in lawful money of Canada, to pay a portion of the cost to construct the Projects.
- (2) The Debentures to be issued as above mentioned:
 - (a) shall mature and be payable in instalments, in the amounts set forth in Schedule “A”, on the 3rd day of July in each year from 2025 to 2034, inclusive, and shall bear interest at the rates provided in section 5;

- (b) shall not be redeemable prior to maturity; and
- (c) shall initially be represented by the Global Debenture.

Issuance

- 3. (1) The Mayor, the Chief Financial Officer (Corporate Financial Services Department) and the Treasurer of the City, or any or either of them, as may be required, are authorized to:
 - (a) cause any number of Debentures, initially represented by the Global Debenture, to be issued in such principal amounts as may be required from time to time, but not less than One Thousand Dollars (\$1,000.00) and not at any time exceeding in the aggregate the sum of Forty-Eight Million Four Hundred Thousand Dollars (\$48,400,000.00);
 - (b) cause the Debentures to be sold at such price or prices as they may determine; and
 - (c) enter into all necessary agreements with fiscal agents and with CDS, and generally to do all things and to execute all documents and other papers in the name of the City, in order to carry out the creation, issuance and sale of the Debentures as provided in this Bylaw.
- (2) The Treasurer is authorized to affix the City's seal to all documents and papers required by subsection 3(1)(c).

Form of Debentures

- 4. (1) The Debentures shall be sealed with the City's seal and signed by the Mayor and the Treasurer.
- (2) Except for the Treasurer's signature certifying the registration of the Debentures in the Securities Register of the City, the signatures in subsection 4(1) may be reproduced by lithographing or printing or any other method of mechanical reproduction.
- (3) The Debentures shall initially be issued in fully registered global form (represented by the Global Debenture) in the name of the nominee of CDS, being CDS & CO., and CDS & CO. shall be noted in the Securities Register of the City as being the registered holder thereof.

Payment of Principal and Interest

5. (1) The Debentures shall be dated the 3rd day of July, 2024, and shall be expressed as payable, both as to principal and interest, in Canadian dollars.
- (2) The Debentures maturing each year (and in the case of the Global Debenture, the annual amount of principal payable thereunder) shall bear interest from the date of the Debenture, at the following rates:
 - (a) debentures maturing or having principal payable in the year 2025 shall bear interest at the rate of Four and Fifty-Five Hundredths percent (4.550%) per annum;
 - (b) debentures maturing or having principal payable in the year 2026 shall bear interest at the rate of Four and Five Hundredths percent (4.050%) per annum;
 - (c) debentures maturing or having principal payable in the year 2027 shall bear interest at the rate of Three and Nine Tenths percent (3.900%) per annum;
 - (d) debentures maturing or having principal payable in the year 2028 shall bear interest at the rate of Three and Eighty-Five Hundredths percent (3.850%) per annum;
 - (e) debentures maturing or having principal payable in the year 2029 shall bear interest at the rate of Three and Eighty-Five Hundredths (3.850%) per annum;
 - (f) debentures maturing or having principal payable in the year 2030 shall bear interest at the rate of Three and Nine Tenths percent (3.900%) per annum;
 - (g) debentures maturing or having principal payable in the year 2031 shall bear interest at the rate of Four percent (4.000%) per annum;
 - (h) debentures maturing or having principal payable in the year 2032 shall bear interest at the rate of Four and Five Hundredths percent (4.050%) per annum;
 - (i) debentures maturing or having principal payable in the year 2033 shall bear interest at the rate of Four and Fifteen Hundredths percent (4.150%) per annum;

- (j) debentures maturing or having principal payable in the year 2034 shall bear interest at the rate of Four and Two Tenths percent (4.200%) per annum.
- (3) The annual amount of principal payable in respect of the Debentures shall be paid on the 3rd day of July in each of the years 2025 to 2034, inclusive, as shown in Schedule "A".
- (4) Interest on the Debentures shall be payable semi-annually on the 3rd day of January and the 3rd day of July in each year of the term of the Debentures commencing on the 3rd day of July, 2025, as shown in Schedule "A", and in each case, to the date of maturity of the respective Debentures and shall be payable both before and after any default.
- (5) Payments of principal and interest in respect of the Global Debenture shall be made by cheque sent through the post to the registered address of the registered holder of the Global Debenture as disclosed in the Securities Register of the City, or if authorized in writing, by electronic transfer.
- (6) If payment of principal or interest is payable on a date that is not a business day in the City of Toronto, Ontario, such payment shall be made on the next following business day in the City of Toronto, Ontario.
- (7) The total annual payment set out in the sixth column of Schedule "A" required to pay the principal and interest on the Debentures as and when they become due, shall be levied and raised for the years 2025 to 2034, inclusive, by a special rate sufficient therefore, over and above all other rates, upon the rateable property of the City at the same time and in the same manner as other rates.

Termination of Book Entry Only Issue

- 6. (1) In the event that CDS is unable to continue to hold the Debentures in book entry only form, or if CDS ceases to be a recognized clearing agency under applicable securities legislation and a successor is not appointed by the City, or if the City desires to replace the Global Debenture with Debentures in definitive form, the City shall:
 - (a) prepare Debentures in definitive form;
 - (b) obtain the Global Debenture from CDS;
 - (c) amend the Securities Register to show that CDS & CO. holdings are nil; and

- (d) issue or cause to be issued, as hereinafter provided, Definitive Debentures in an aggregate principal amount equal to the then outstanding principal amount of the Global Debenture.
- (2) The Definitive Debentures issued in exchange for the Global Debenture shall be registered in the Securities Register of the City in the names of the Participants in accordance with their proportional interest in the Global Debenture as recorded in the book entries maintained by CDS as at the date of issuance of the Definitive Debentures.
- (3) The City shall deliver the Definitive Debentures described in subsection 6(2) to the Participants.
- (4) Payments made with respect to the Definitive Debentures shall be made to the registered holders in accordance with the terms of the Definitive Debentures.

Exchange of Global Debenture

- 7. (1) In the circumstances provided in section 6, and upon surrender of the Global Debenture to the Treasurer, the Global Debenture shall be exchangeable for Definitive Debentures in denominations of One Thousand Dollars (\$1,000.00), in lawful money of Canada, and multiples thereof, provided that there is at least one Definitive Debenture which matures in each of the remaining years of the currency of the Global Debenture.
- (2) The Definitive Debentures described in subsection 7(1) shall, in the aggregate, as compared to the Global Debenture:
 - (a) have the same principal amount as the principal outstanding balance, as at the date of exchange;
 - (b) bear the same interest rates and interest payment dates;
 - (c) have maturity dates corresponding with the principal payment dates of the Global Debenture;
 - (d) bear all unmatured interest obligations; and
 - (e) be substantially the same in every respect, other than as to form.
- (3) In issuing Definitive Debentures, no change shall be made in the amount which would otherwise be payable in each year under the Global Debenture.

- (4) Every Definitive Debenture to be issued under this Bylaw shall contain a provision in the following words:

“This debenture may only be transferred upon presentation for such purpose accompanied by a written instrument of transfer in a form approved by the Treasurer of the City, executed by the registered holder hereof.”

- (5) The Definitive Debentures shall be payable as to principal in Canadian dollars upon presentation and surrender thereof at any specified branch in Canada of the City of Saskatoon’s bank designated in the Debenture and the semi-annual interest payments shall be made by cheque sent through the post to the registered address of the registered holder of each such Debenture as disclosed in the Securities Register of the City, or if authorized in writing, by electronic transfer.

Nature of Obligation

8. The Debentures to be issued under this Bylaw shall be direct, general and unsubordinated obligations of the City, ranking concurrently and equally in respect of the payment of principal and interest with all other unsecured debentures of the City other than obligations granted a preference or priority by laws of general application or prescribed by statute and except for the availability of money in a sinking fund for a particular issue of debentures.

Exchange of Definitive Debentures

9. (1) The registered holder of any Definitive Debenture issued pursuant to this Bylaw may exchange such Definitive Debenture for other fully registered Definitive Debentures at any time prior to maturity.
- (2) Applications for exchange of Definitive Debentures as provided in subsection 9(1) shall be accompanied by a written instrument to that effect in a form approved by the Treasurer, which form shall be executed by the registered holder of the Definitive Debenture or by the holder’s authorized attorney.
- (3) Definitive Debentures issued in substitution for any Definitive Debenture surrendered shall, with respect to the Definitive Debenture surrendered:
- (a) bear the same interest rate;
 - (b) bear the same maturity date;

- (c) bear all unmatured interest obligations; and
 - (d) be the same in every respect except denomination.
- (4) Definitive Debentures will be issued only in denominations of One Thousand Dollars (\$1,000.00), in lawful money of Canada, or authorized multiples thereof.
 - (5) Exchanges of Definitive Debentures will be permitted provided that the sum of the face value of the Definitive Debentures being surrendered equals the sum of the face value of the replacement Definitive Debentures requested.
 - (6) No charge shall be made by the City for exchanges of Definitive Debentures.

Transfer of Definitive Debentures

- 10. (1) The Definitive Debentures shall be transferable only on presentation for such purpose accompanied by a written instrument of transfer in a form approved by the Treasurer, which instrument shall be executed by the registered holder of the Definitive Debenture or by the holder's authorized attorney.
- (2) Upon receipt of a Definitive Debenture accompanied by a transfer purporting to be signed by the registered holder, and which signature is guaranteed by:
 - (a) a bank or credit union;
 - (b) a member of the Investment Dealer's Association of Canada;
 - (c) a notary public; or,
 - (d) any other guarantor approved by the Saskatchewan Municipal Board;the Treasurer shall register the transfer in accordance with the transfer request.
- (3) Once a transfer has been requested and registered in accordance with this section, neither the City, nor the Treasurer, shall incur any liability to the true owner for any loss caused by the transfer if the transfer was not signed by the owner.

- (4) The Treasurer shall not be required to make any transfer, registration or exchange of any Definitive Debentures for a period of thirty (30) days preceding an interest payment date.
- (5) No charge shall be made by the City for transfers of Definitive Debentures.

Replacement of Definitive Debentures

- 11. A Definitive Debenture that is defaced, lost or destroyed may be replaced by the City upon the registered holder providing the Treasurer with:
 - (a) a sworn affidavit attesting to the defacement, loss or destruction of the Debenture and describing the circumstances under which the Debenture was defaced, lost or destroyed;
 - (b) a bond of indemnity, lost document bond or similar instrument in a form acceptable to the Treasurer; and
 - (c) all costs of replacement of the Debenture, including printing costs.

Should any replaced lost Debenture be found, the registered holder shall immediately deliver such Debenture to the Treasurer; and, any defaced Debenture to be replaced shall be provided to the Treasurer.

Securities Register

- 12. (1) The Treasurer shall keep a Securities Register in which shall be entered:
 - (a) the names and addresses of the holders of the Debentures;
 - (b) the particulars of the Debentures held by the holders;
 - (c) the transfers of Definitive Debentures; and
 - (d) particulars of this Bylaw.
- (2) Every Debenture to be issued under this Bylaw shall have written, printed or stamped thereon a memorandum, completed and signed by the Treasurer, in the following form:

“Registered in the **Securities Register** as
No. _____ under Bylaw No. XX,
this _____ day of _____, 20__.

Treasurer, City of Saskatoon”.

Coming Into Force

13. This Bylaw comes into force on the day of its final passing.

Read a first time this 26th day of June, 2024.

Read a second time this 26th day of June, 2024.

Read a third time and passed this 26th day of June, 2024.

Mayor

City Clerk

Schedule "A"

Principal and Interest Payment Schedule

Year	Principal*	Interest Rate (%)	January 3rd Interest	July 3rd Interest	Total Annual Payment
2025	\$ 4,005,000.00	4.550%	\$ 979,731.25	\$ 979,731.25	\$ 5,964,462.50
2026	\$ 4,187,000.00	4.050%	\$ 888,617.50	\$ 888,617.50	\$ 5,964,235.00
2027	\$ 4,361,000.00	3.900%	\$ 803,830.75	\$ 803,830.75	\$ 5,968,661.50
2028	\$ 4,535,000.00	3.850%	\$ 718,791.25	\$ 718,791.25	\$ 5,972,582.50
2029	\$ 4,714,000.00	3.850%	\$ 631,492.50	\$ 631,492.50	\$ 5,976,985.00
2030	\$ 4,901,000.00	3.900%	\$ 540,748.00	\$ 540,748.00	\$ 5,982,496.00
2031	\$ 5,097,000.00	4.000%	\$ 445,178.50	\$ 445,178.50	\$ 5,987,357.00
2032	\$ 5,306,000.00	4.050%	\$ 343,238.50	\$ 343,238.50	\$ 5,992,477.00
2033	\$ 5,528,000.00	4.150%	\$ 235,792.00	\$ 235,792.00	\$ 5,999,584.00
2034	\$ 5,766,000.00	4.200%	\$ 121,086.00	\$ 121,086.00	\$ 6,008,172.00
Total	\$48,400,000.00		\$5,708,506.25	\$5,708,506.25	\$59,817,012.50

*If payment of principal or interest is payable on a date that is not a business day in the City of Toronto, Ontario, such payment shall be made on the next following business day in the City of Toronto, Ontario.