



## **CITY OF PRINCE ALBERT**

### **CITY COUNCIL SPECIAL MEETING**

# **AGENDA**

**WEDNESDAY, MARCH 27, 2024, 4:00 PM  
COUNCIL CHAMBER, CITY HALL**

**1. CALL TO ORDER**

**2. PRAYER**

**3. APPROVAL OF AGENDA**

**4. DECLARATION OF CONFLICT OF INTEREST**

**5. REPORTS OF ADMINISTRATION & COMMITTEES**

5.1 Short Term Debt Bylaw No. 1 of 2024 – 3rd Reading (RPT 24-91)

**Page 1**

**6. UNFINISHED BUSINESS**

**7. ADJOURNMENT**



# City of Prince Albert

## **RPT 24-91**

**TITLE:** Short Term Debt Bylaw No. 1 of 2024 – 3rd Reading

**DATE:** **March 25, 2024**

**TO:** City Council-Special

**PUBLIC:** X

**INCAMERA:**

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### **RECOMMENDATION:**

That Bylaw No. 1 of 2024 be given third and final reading.

### **TOPIC & PURPOSE:**

To request third and final reading of Bylaw No. 1 of 2024.

### **BACKGROUND:**

As members of Council are aware, Bylaw No. 1 of 2024, was introduced and given two (2) readings at the March 25, 2024 City Council meeting.

### **PROPOSED APPROACH AND RATIONALE:**

As outlined in RPT 24-70 as attached, in order to approve the Long Term Debt Bylaw, it is necessary to have the Bylaw placed before City Council for consideration of third and final reading.

### **CONSULTATIONS:**

Bylaw No. 1 of 2024 was published in full text on the March 25, 2024 City Council meeting Agenda for review by the public and members of Council.

### **COMMUNICATION AND/OR ANNOUNCEMENT PLAN:**

The Bylaw, once approved, will be executed by the Mayor and City Clerk and then placed on The City's website.

**FINANCIAL IMPLICATIONS:**

The financial implications are outlined within the attached RPT 24-70.

**OTHER CONSIDERATIONS/IMPLICATIONS:**

There are no options to the recommendation, official community plan, policy or privacy implications.

**STRATEGIC PLAN:**

This recommendation aligns with the strategic goals of:

- Economic Diversity and Stability by developing new amenities and infrastructure; and
- Population Growth as the development of the Aquatic and Arenas Recreation Centre will promote Prince Albert’s amenities and attract new residents as well as visitors and events to the City of Prince Albert.

The approval of the financing from MFC and the approval of the Short Term Debt Bylaw is required to assist with the fluctuation of the City’s cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre.

**PUBLIC NOTICE:**

Public Notice is required for consideration of this matter, pursuant to Section 4(c) of Public Notice Bylaw No. 24 of 2015. The following notice was given:

- Notice posted on the City Website: Posted March 9, 2024
- Notice posted on the bulletin board at City Hall: March 9, 2024
- Notice published in the Prince Albert Daily Herald: Published March 9, 2024 (*Appendix B*)

**ATTACHMENTS:**

1. Capital Financing Request for Proposal No. 3 of 2024 (RPT 24-70)
2. Bylaw No. 1 of 2024

Written by: Terri Mercier, City Clerk

Approved by: City Manager



# City of Prince Albert

## **RPT 24-70**

**TITLE:** Capital Financing Request for Proposal No. 3 of 2024

**DATE:** **March 7, 2024**

**TO:** City Council

**PUBLIC:** X

**INCAMERA:**

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### **RECOMMENDATIONS:**

1. That the Capital Financing Request for Proposal No. 3/24 be awarded to the Municipal Financing Corporation of Saskatchewan (MFC) to be payable over a period of 5 years for the creation of debt not payable within the current year in the amount of \$18,000,000 to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre;
2. That the fixed interest rate for the loan will not exceed 5.35%;
3. That the Mayor and City Clerk be authorized to sign all agreements, contracts and documents as necessary; and,
4. That Bylaw No. 1 of 2024, a Bylaw of The City of Prince Albert to provide for the creation of debt not payable within the current year, be introduced and given two (2) readings.

### **TOPIC & PURPOSE:**

To approve the awarding of Request for Proposal No. 3/24 for Capital Financing to Municipal Financing Corporation of Saskatchewan (MFC) for the creation of long term debt in the amount of \$18,000,000 to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre.

That Bylaw No. 1 of 2024, a Bylaw of The City of Prince Albert to provide for the creation of debt not payable within the current year, be introduced and given two (2) readings (see [Appendix C](#)).

**BACKGROUND:**

City Council at its meeting of February 12, 2024, approved that Administration proceed with the borrowing of an additional \$18.0 million dollars in Year 2024 to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre.

City Council at its meeting February 12, 2024 approved the revised Funding Model for the Aquatic and Arenas Recreation Centre Project as outlined in Report 24-2.

The motion also approved that a Bylaw to provide for the creation of debt not payable within the current year be forwarded to City Council for consideration and that Administration proceed with Public Notice for the Short Term Debt Bylaw.

**PROPOSED APPROACH AND RATIONALE:**

The Request for Proposal for Capital Financing closed at 2:00 pm on Tuesday, February 27, 2024. The City received proposals from the following six (6) qualified financial institutions:

- The Municipal Financing Corporation of Saskatchewan (MFC)
- Royal Bank of Canada (RBC)
- Affinity Credit Union (Affinity)
- Scotiabank
- The Toronto-Dominion Bank (TD)
- Bank of Montreal (BMO)

Please see [Appendix D](#) for a copy of Request for Proposal No. 3/24.

The City requested that the proponents provide the City with creative proposals that would offer the best value to the City. Proponents were asked to quote spot market rates as of **1:00pm, Saskatchewan Time, Friday, February 23, 2024** in order that a fair comparison could be made as spot market rates are constantly fluctuating.

The proposals submitted to the City included the following financing options:

- Traditional Term Loans
- Fixed Rate Term Loans
- Bankers' Acceptance Loan and Interest Rate Swap Facility

The following criteria was used to evaluate the proposals submitted:

	Maximum Points
Completeness of Proposal	10
Rate structure, structure flexibility, and total financing cost of debt placement, including legal fees	75
Financial strength and capacity of the banking/financial institution	10
Rating based on demonstration of positive customer service to the City of Prince Albert over the previous 5 years, this includes community participation.	5
<b>Total Points</b>	<b>100</b>

Please see [Appendix A](#) for a summary of the Evaluation Matrix.

The Municipal Financing Corporation of Saskatchewan (MFC) scored the highest as per the criteria evaluation matrix. As such, Administration is recommending that the Request for Proposal be awarded to MFC. The loan amortization period recommended is 5 years based on the Updated Funding Model approved at the February 12, 2024 City Council Meeting.

Out of the six RFP responses received, a comparison of the quoted rates indicated that MFC offered the most favorable rate.

Administration is recommending that the interest rate be fixed for 5 years.

#### Interest Rates

Administration is requesting Council approval to contract at a fixed rate not to exceed 5.35%. This is necessary due to the time required after Council approval for administrative and legal processing of the loan and the fluctuation of borrowing cost for the Province of Saskatchewan as it can change daily and hourly.

Administration is recommending that the Request for Proposal be awarded to MFC as it is believed they offer the most cost effective financing solution for the City's borrowing requirements.

#### Request for Proposals – RRP 9/23 and RFP 4/22

In 2022, City Council awarded Capital Financing Request for Proposal No. 4/22 to the Municipal Financing Corporation of Saskatchewan (MFC) for the creation of debt not payable within the current year in the amount of \$40,863,000 to fund the construction of: Aquatic and Arenas Recreation Centre, the Raw Water Pump House, the waste cell for the City's Landfill, the Marquis Road West Extension and the Waste Water Treatment Plant Upgrade. The approved debt financing amount for Request for Proposal No. 4/22 was \$16.0 million dollars for the construction of the Aquatic and Arenas Recreation Centre.

In March of 2023, City Council approved that the Capital Financing Request for Proposal No. 9/23 be awarded to the Municipal Financing Corporation of Saskatchewan (MFC) to be payable over a period of thirty-five (35) years for the creation of debt not payable within the current year in the amount of \$30,000,000 for the construction of the Aquatic and Arenas Recreation Centre. City Administration received the Debenture and the interest rate is fixed for 35 years at the rate of 4.40%.

Both the \$16.0 and \$30.0 million loans for the construction of the Aquatic and Arenas Recreation Centre are being financed with the Municipal Financing Corporation of Saskatchewan.

This report is recommending that the Municipal Financing Corporation of Saskatchewan be also awarded the Request for Proposal for Capital Financing of \$18.0 million to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre.

With that approval, all debt financing borrowed for the Aquatic and Arenas Recreation Centre will be financed by the Municipal Financing Corporation of Saskatchewan.

#### Short Term Debt Bylaw No. 1 of 2024

The Short Term Debt Bylaw is to provide for the creation of debt not payable within the current year. The Bylaw is required to be updated to reflect the \$18.0 million borrowing, as provided in Section 134 of The Cities Act.

The Short Term Debt Bylaw includes that the fixed interest rate for the loan be approved up to a maximum of five point thirty-five percent (5.35%).

Please see [Appendix B](#) for a summary of the Evaluation Matrix.

#### **CONSULTATIONS:**

The City requested proposals from qualified financial institutions to provide the City with financing options to meet the borrowing needs discussed in this report. The RFP was sent to qualified financial institutions identified by the City and was also posted on Sasktenders and the City's Vendor Panel software. The City also had discussions with an accounting firm experienced with debt offerings to get advice on financing options available that could be considered.

#### **COMMUNICATION AND/OR ANNOUNCEMENT PLAN:**

Once City Council awards the Request for Proposal, Administration will communicate the decision to all of the proponents that provided a proposal. In addition, once City Council approves the related Short Term Debt Bylaw, it will be posted to the City's website.

**FINANCIAL IMPLICATIONS:**

The City has an authorized debt limit of \$120,000,000 approved by the Saskatchewan Municipal Board.

The City's debt at December 31, 2023 is estimated to be \$85.6 million, **unaudited**:

**Outstanding Debt ending December 31, 2023**

Project Name	Outstanding Debt Amount	Debt Due (Year)
Transit Buses	\$1,111,000	2027
Irrigation at Cooke Municipal Golf Course	\$1,837,000	2042
West Hill Development	\$983,000	2027
Aquatic and Arenas Recreation Centre (\$16M)	\$15,757,649	2057
Aquatic and Arenas Recreation Centre (\$30M)	\$30,000,000	2058
New Raw Water Pump House	\$12,609,074	2057
Marquis Road West Extension - Roadway Construction	\$3,312,126	2047
Landfill Expansion	\$5,715,193	2032
Waste Water Treatment Plant Upgrade - Detailed Design	\$2,363,647	2057
Water Reservoir on River Street	\$5,822,000	2042
Upgrades to Water Reservoirs on 2nd Avenue West and Marquis Road	\$5,448,000	2042
Upgrades at the Water Treatment Plant	\$691,020	2024
<b>Unaudited Outstanding Debt ending Dec 31, 2022</b>	<b>\$85,649,709</b>	

The City's line of credit of \$12,000,000 is also factored into the debt limit, whether drawn on or not, which would bring total potential debt to \$97,649,709.

The accessible debt limit available after consideration of the existing long term debt and line of credit is estimated to be \$22.4 million.

Debt Limit	\$	120.0	M
Line of Credit	\$	(12.0)	M
Loan Balance December 31, 2023	\$	(85.6)	M
Accessible Funds	\$	<u>22.4</u>	M



### Recreation Centre Reserve

During 2024 Budget Deliberations, Council approved the Recreation Centre Reserve for the funding of the Prince Albert Recreation Centre Project.

Council also approved that the following recommendations:

*“That the Recreation Centre Reserve be credited with the following:*

- a. Annual revenue collected from the Civic Facilities Levy;*
- b. Building Permit revenue generated annually from The Yard District;*
- c. Applicable Taxation revenue generated annually from The Yard District;*
- d. Development Levy revenue generated annually from The Yard District;  
and*
- e. All Fundraising revenue collected for the Prince Albert Recreation Centre Project.*

*That the Recreation Centre Reserve fund the annual debt financing payments for the borrowing related to the Aquatic and Arenas Recreation Centre.”*

If the City proceeds with additional borrowing of \$18.0 million in Year 2024 to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre, **the fundraising and taxation generated from the Yard District will fund the annual loan payments as provided in the updated Funding Model.**

Other funds that will provide additional funding includes:

- Additional building permit revenue;
- Development levy revenue based on development;
- Revenue from the Canada Community Building Program (former gas tax funding); and
- Taxation from the Yard District.

The prime rate in Canada as of March 7, 2024, is currently 7.2%. The prime rate, also known as the prime lending rate, is the annual interest rate Canada's major banks and financial institutions use to set interest rates for variable loans and lines of credit, including variable-rate mortgages.

Administration believes that a fixed rate for 5 years is still prudent for the following reasons:

- Discussions with industry experts indicated that a forecasted decrease in prime rates is factored into the long term rates offered by the proponents.
- Fixing the rate for the 5 year amortization period assists greatly in the development of Updated Funding Models for the Aquatic and Arenas Recreational Centre, annual operating and capital budgeting, as well as cash flow forecasting which assists in managing risk exposure.

Interest rates are not possible to predict as they are influenced by many factors. Administration is recommending that the City lock in a fixed rate for the 5 year term of the loan.

As interest rates fluctuate, this chart illustrates the impact of interest rates for the borrowing of \$18.0 million:

<b>Capital Financing of \$18.0 million</b>	<b>Annual Interest &amp; Principal Payment</b>
Interest Rates - Range	
5 years - Interest Rate 4.30%	\$4,077,425
5 years - Interest Rate 5.00%	\$4,157,546

The borrowing of an additional \$18.0 million is available within the City's current Debt Limit as shown above.

#### **OTHER CONSIDERATIONS/IMPLICATIONS:**

There are no privacy, policy or official community plan implications at this time.

#### **STRATEGIC PLAN:**

This recommendation aligns with the strategic goals of:

- Economic Diversity and Stability by developing new amenities and infrastructure; and
- Population Growth as the development of the Aquatic and Arenas Recreation Centre will promote Prince Albert's amenities and attract new residents as well as visitors and events to the City of Prince Albert.

The approval of the financing from MFC and the approval of the Short Term Debt Bylaw is required to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre.

**OPTIONS TO RECOMMENDATION:**

A potential alternative is borrowing funds with a CORRA loan combined with an interest rate swap to provide rates. That is not being recommended as based on the submitted proposals for the RFP, the fixed interest rate provided by Municipal Financing Corporation of Saskatchewan is the most favourable to the City. A fixed rate assists with forecasting and budgeting of the annual loan payments for the Aquatic and Arenas Recreation Centre Funding Model.

**PUBLIC NOTICE:**

Public Notice is required for consideration of this matter, pursuant to Section 4(c) of Public Notice Bylaw No. 24 of 2015. The following notice was given:

- Notice posted on the City Website: Posted March 9, 2024
- Notice posted on the bulletin board at City Hall: March 9, 2024
- Notice published in the Prince Albert Daily Herald: Published March 9, 2024

Appendix B is a copy of the public notification that was published in the Prince Albert Herald on March 9, 2024.

**ATTACHMENTS:**

1. Appendix A – RFP Evaluation Matrix
2. Appendix B – Public Notice
3. Appendix C – Bylaw No. 1 of 2024
4. Appendix D – Request for Proposal No. 3 of 2024 – Capital Financing.

Written by: Melodie Boulet, Finance Manager

Approved by: Senior Accounting Manager, Director of Financial Services and City Manager

**Request for Proposal No. 3 of 2024 - Capital Financing - Borrowing of \$18.0**

**APPENDIX A**

	Maximum Points	Municipal Financing Corporation	Affinity Credit Union	BMO	RBC	Scotiabank	TD Commercial Banking
Completeness of Proposal	10	7	10	7	10	10	10
Rate structure, structure flexibility, and total financing cost of debt placement, including legal fees	75	74	68	61	65	65	70
Financial strength and capacity of the banking/financial institution	10	10	8	8	10	10	8
Rating based on demonstration of positive customer service to the City of Prince Albert over the previous 5 years, this includes community participation.	5	3	5	4	5	4	3
<b>Total Points</b>	<b>100</b>	<b>94</b>	<b>91</b>	<b>80</b>	<b>90</b>	<b>89</b>	<b>91</b>



City of  
**Prince Albert**

## **Public Notice**

### **Short Term Debt Bylaw No. 1 of 2024**

The City of Prince Albert hereby gives notice, pursuant to Section 4(c) of The City of Prince Albert Public Notice Bylaw No. 24 of 2015, of its intention to pass a Short-Term Debt Bylaw.

**Reason for Notice:** City Council will consider passing Short-Term Debt Bylaw No. 1 of 2024 for a total amount of Eighteen Million Dollars (\$18.0 Million), to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre.

Particulars of the bylaw will be considered at the following City Council meeting:

**Monday, March 25, 2024 at 5:00 p.m.**

**Council Chamber, City Hall, 1084 Central Avenue,  
Prince Albert SK**

If any person wishes to appear before City Council regarding this matter, please provide your submission to the City Clerk by 4:45 p.m. on Tuesday, March 19, 2024. Please visit [www.citypa.ca](http://www.citypa.ca) or call the City Clerk's Office at 306-953-4305 for further information on the requirements to appear.

For further information regarding the proposed bylaw please contact the Financial Services Department at 306-953-4303.

Issued at the City of Prince Albert this 9th day of March, 2024.  
Terri Mercier, City Clerk

Daily Herald  
March 9, 2024



# City of Prince Albert

## Request for Proposal #3/24

### Capital Financing

## 1 Objective(s)

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The City of Prince Albert is requesting Proposals from qualified financial institutions to provide the City with financing options to meet our borrowing requirement as indicated in this Request for Proposal (RFP).

## 2 Instructions to Bidders

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Proposals must be received by **2:00pm, Saskatchewan Time, Tuesday, February 27, 2024.**

Your Proposal must be submitted in two (2) clearly marked files with Company Name and RFP number indicated in the title.

File “A” will contain your Cover Letter, Company Profile, Project Team, Company Experience, Proposed Scope of Work | Project Approach, and References.

File “B” will contain pricing being offered and all financial considerations.

The two (2) files must be submitted through the VendorPanel software or by email.

File “A” will be opened by the Purchasing Department and a *List of Proposers* recorded.

File “B” with File “A” will be forwarded to the selection committee for evaluation.

## 3 Inquiries

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Inquiries, interpretations, and questions regarding this RFP are to be directed through the VendorPanel software.

They can also be emailed to [purchasing@citypa.com](mailto:purchasing@citypa.com) or to Briane Folmer, Senior Accounting Manager, at [bfolmer@citypa.com](mailto:bfolmer@citypa.com).

## 4 RFP Process

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Request for Proposals received by the Purchasing Department **after 2:00pm, Saskatchewan Time, Tuesday, February 27, 2024** will not be considered.

Upon closing, the City of Prince Albert will review all proposals for completeness and compliance to the requirements of this RFP.

## 5 Schedule

Below is an outline of Request for Proposal (RFP) milestones:

**RFP Release Date:** Tuesday, January 30, 2024.

**RFP Closing Date:** Tuesday, February 27, 2024.

**Approval by City Council:** Monday, March 25, 2024.

**Intention to Award Proposal:** Tuesday, March 26, 2024.

## 6 Background

The City's annual budgeted operating revenue for 2024 is approximately \$108 million.

The City had debt outstanding at December 31<sup>st</sup>, 2022 of \$58.4 million as per the audited financial statements. (*The audited financial statements for the City of Prince Albert are available on the City's website at <http://citypa.ca>.*)

In Year 2023, City Council approved additional borrowing for the Aquatic and Arenas Recreation Centre in the amount of \$30.0 million.

The City's debt at December 31, 2023 is estimated to be \$85.6 million, **unaudited**:

### Outstanding Debt ending December 31, 2023

Project Name	Outstanding Debt Amount	Debt Due (Year)
Transit Buses	\$1,111,000	2027
Irrigation at Cooke Municipal Golf Course	\$1,837,000	2042
West Hill Development	\$983,000	2027
Aquatic and Arenas Recreation Centre (\$16M)	\$15,757,649	2057
Aquatic and Arenas Recreation Centre (\$30M)	\$30,000,000	2058
New Raw Water Pump House	\$12,609,074	2057
Marquis Road West Extension - Roadway Construction	\$3,312,126	2047
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Waste Water Treatment Plant Upgrade - Detailed Design	\$2,363,647	2057
Water Reservoir on River Street	\$5,822,000	2042
Upgrades to Water Reservoirs on 2nd Avenue West and Marquis Road	\$5,448,000	2042
Upgrades at the Water Treatment Plant	\$691,020	2024
<b>Unaudited Outstanding Debt ending Dec 31, 2022</b>	<b>\$85,649,709</b>	

## Secured Debt

The City's Royal Bank of Canada (RBC) Loans outstanding at December 31, 2023 total \$15.2 million and are secured by all taxes levied by the City. The RBC loans are subordinated to the extent of debt owing on the City's line of credit with Affinity Credit Union. The City's general bank account is covered by a \$12.0 million revolving line of credit that is secured by all taxes levied by the City to the extent of indebtedness. The balance at December 31, 2022 and December 31, 2023 is nil.

## City's Debt Limit

The Province of Saskatchewan, through the Saskatchewan Municipal Board, has authorized a debt limit of **\$120,000,000 for the City.**

## Capital Financing Request

The City intends to borrow an additional **\$18,000,000** to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre.

Further details for the project are identified below.

## Aquatic and Arenas Recreation Centre

The City of Prince Albert has been approved through the Canada Infrastructure Program to construct a new City of Prince Albert Aquatic and Arenas Recreation Centre. The facility is a 150,000 ft<sup>2</sup> Aquatic Centre with twin pad hockey rinks.

A new aquatic facility will provide recreational opportunities such as:

- Swimming lessons - basic and advanced for all ages
- Fitness activities - lane swimming, aquasize, etc.
- Competitive swimming - swim and triathlon clubs
- Aqua therapy and wellness
- Lifeguard training
- Public Swimming Sessions
- Special Event Rentals - children's parties, staff parties, etc.
- Event hosting

In June 2022, City Council awarded the Contract of Construction for the Aquatic and Arenas Recreation Centre to Graham Construction LP in the amount of \$104,811,000 plus applicable Goods and Services Tax and Provincial Sales Tax.



## 7 Requirements | Scope of Work

### 7.1 Project Goal

The request is **\$18,000,000** for this project. The City would like to consider financing options for debt repayable over five (5) years.

The City has made every effort to include enough information within this RFP for a banking or financial institution to prepare a responsive Proposal. The City encourages Bidders to submit a Proposal that is comprehensive, clear and concise.

A cover letter must be included, dated and signed by an official authorized to negotiate and make commitments and provide any clarifications with respect to the Proposal on behalf of the Bidder. The cover letter should include an understanding of the RFP, and any indication of deviations or exceptions to the information outlined in this RFP document, including *Schedule* milestones.

#### Presentation of Financing Options

The City would like to consider, but is not limited to, the following financing options. The financing will be secured by the full faith and credit of the City.

The City is interested in a financing option with a **fixed interest rate** over the term of the financing with the full financing amount to be provided up front.

Fixed Rate Term Loan Rate (Cost of Funds Term)	Amortization	All-In-Rate
5 years	5 years	x.xx%

As mentioned, the City is looking for creative proposals that will provide the best value to the City. Please feel free to present additional financing options that may provide value to the City.

Please provide the following details in the Proposal:

1. Effective annual interest rate and specified compounding factor for each financing option. Bidders should confirm what period the rate is fixed for;
2. Indicate the type of financing (i.e. interest rate swap, fixed rate loan, etc.);
3. Indicate whether the all-in rates quoted are based on monthly, quarterly, or annual blended payments of principal and interest;
4. Please provide details of any Terms and Conditions that your financial institution would require on early redemption, prepayment terms and/or penalties;
5. An indication as to whether the financing will be required to be secured.
6. The City requires that all transaction charges (legal or otherwise) are included in the fixed interest charge over the amortization period;
7. The City requests, where possible, that quarterly/annual repayments of principal and interest follow the fiscal period. If this can be accommodated please factor into the financing options provided and clearly identify this; and

8. The City requires that the Bidder indicate for each financing option the length of time that the proposed interest rate is valid.
9. Proposals for the existing debt would be considered with options clearly identifying the differentiation for both new and existing debt.
10. Any other Terms and/or Conditions.

If Bidders include interest rate swap arrangements in their response, they are still encouraged (but not required) to include proposals for fixed term loans. Proposals for interest rate swap arrangements must clearly and separately indicate the swap rate and credit spread / stamping fee built into the all-in rate for each of the indicated term options. Given that interest rates will fluctuate as time goes on and in order to form a fair basis of comparison, the City is requesting that all rates be quoted as of **1:00pm, Saskatchewan Time, Friday, February 23, 2024.**

## 7.2 Experience

- It is important that the successful Bidder has established experience and the staff available to carry out the requirements of the RFP within the given timeframe. The successful Bidder must be able to demonstrate their ability to provide deliverable requirements.

## 8 Proposal Response Guidelines

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To ensure your Proposal is considered for evaluation you are required to submit via VendorPanel or by email to [purchasing@citypa.com](mailto:purchasing@citypa.com) two (2) files as outlined in *Instructions to Bidders* and below.

### 8.1 File “A”

#### Cover Letter

A cover letter, dated and signed by an official authorized to negotiate and make commitments and provide any clarifications with respect to the Proposal on behalf of the Bidder. The cover letter should include an understanding of the RFP, and any indication of deviations or exceptions to the information outlined in this RFP document, including *Schedule* milestones.

### 8.2 File “B”

#### Pricing

File “B” will contain pricing being offered and all financial considerations.

## 9 Evaluation

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It is the intent of the City to select the most qualified proposer to provide the best value to the City. Best value is based not only on cost, but also includes the ability to provide quality services and support.

After the closing date, City Administration will begin evaluation of all proposals submitted. The selected Bidder may be requested to conduct an oral presentation of their proposal. These Bidders may be notified to arrange an oral review meeting.

There is no obligation for the City to reimburse respondents for any expenses incurred in preparing the proposal/oral presentations in response to this request.

During the evaluation process the City reserves the right, where it may serve the City's interest, to request additional information or clarification from the respondents, or to permit corrections, errors or omissions, regarding the submitted proposals.

The City will accept the proposal, which it, in its sole discretion, determines to be most favorable to the interests of the City.

The RFP Evaluation Committee will evaluate each proposal for completeness based on the following criteria:

	Maximum Points
Completeness of Proposal	10
Rate structure, structure flexibility, and total financing cost of debt placement, including legal fees	75
Financial strength and capacity of the banking/financial institution	10
Rating based on demonstration of positive customer service to the City of Prince Albert over the previous 5 years, this includes community participation.	5
<b>Total Points</b>	<b>100</b>

## 10 Terms and Conditions

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1. The Request for Proposal (RFP) provides for the **Receipt of Proposals for: Capital Financing No. 3/24** standard features included in the pricing. Separate pricing for all optional features listed must be provided in accordance with the Terms and Conditions of this Request for Proposal.
2. Financial considerations, including fees and pricing, must be submitted in File “B”. However, in extenuating circumstances Proposals will be received via email submission. Only the Purchasing Manager or their Appointee may approve and accept the email submission. All unit prices must be clearly indicated.

The Proposal must not be restricted by any statement added or by a covering letter. Adjustments to a Proposal already submitted will not be considered.

3. Prices quoted are to be net prices and are to remain firm during the effective dates of this Request for Proposal. All pricing provided to be quoted in **Canadian Funds** inclusive of all applicable taxes, duties and fees at the time of closing, where applicable and shall be F.O.B. any point in the City of Prince Albert.
4. The City of Prince Albert reserves the right to accept all or part of this Proposal.
5. The City of Prince Albert reserves the right to cancel any order or Proposal if the goods or services are unsatisfactory.
6. The obligations and rights of the Bidder shall be those expressed herein. No terms, either implied or verbally expressed shall affect, restrict, or in any way vary the written Terms and Conditions of this RFP. Not to limit the generality of the foregoing, no terms may be implied by virtue of custom or usage.
7. The rights of the parties shall be governed by and the contractual terms shall be interpreted in accordance with the laws of the Province of Saskatchewan.
8. Any Bidders not responding to this RFP may be removed from the Bidder’s list only for the specific product/service covered in this RFP.

9. With respect to Tendering or Bids, Request for Proposals and Multi-year Contracts, in all cases where it does not contravene Federal or Provincial Legislation governing the City, the City reserves the right to refuse any or all Tenders, Bids or Proposals where the City deems it to be in the best interest of the City to do so having regard, but not limited to questions of quality, supply and service, timelines, performance trustworthiness, solvency, monies owing or due to the City and the existence or potential of legal disputes or conflicts with the City of Prince Albert.
10. The City of Prince Albert is governed by *The Cities Act* and designated as a Local Authority pursuant to *The Local Authority Freedom of Information and Protection of Privacy Act (LAFOIP)*. Therefore, all information collected during the *Request for Proposal* process, including executed Contracts and Agreements may be subject to inspection through a Freedom of Information and Access Request in accordance with those regulations.

Section 91(1)(a) of the Cities Act states the following:

*“91(1) Any person is entitled at any time during regular business hours to inspect and obtain copies of:*

*(a) Any contract approved by the council, any bylaw or resolution and any account paid by the Council relating to the City”*

11. The Proposal shall be open and irrevocable for forty-five (45) calendar days from the Proposal closing time and date.
12. The City of Prince Albert reserves the right to delete any portion of the work from the Agreement should it be deemed in the interest of the City to do so.
13. Any Proposal is not necessarily accepted.
14. The City reserves the right to give preference to the Bidder whose Proposal includes any material, specifications, or methods of execution that are deemed by the City of Prince Albert to be superior to those of any other Bidder.
15. City determination of the successful Proposal shall be final.
16. The conditions outlined herein shall be part of the RFP.

17. The City of Prince Albert publishes Proposal opportunities on Sasktenders. Once awarded after the closing time and date the published opportunity will be updated.
  18. Should a dispute arise from the Terms and Conditions of this RFP regarding meaning, intent or ambiguity, the decision of the City of Prince Albert shall be final.
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# CITY OF PRINCE ALBERT BYLAW NO. 1 OF 2024

*A Bylaw of The City of Prince Albert to provide for the creation of debt not payable within the current year.*

WHEREAS the Council of The City of Prince Albert deems it desirable and necessary to create debt not payable within the current year, in the amount of Eighteen Million dollars (\$18,000,000), to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years for the Aquatic and Arenas Recreation Centre.

AND WEREAS the amount of existing unaudited long term debt of The City of Prince Albert as at December 31, 2023 is the sum of Eighty-Five Million, Six Hundred and Forty-Nine Thousand, Seven Hundred and Nine dollars (\$85,649,709), no part of which is in arrears;

AND WHEREAS The City of Prince Albert has an approved debt limit of One Hundred and Twenty Million dollars (\$120,000,000).

NOW THEREFORE THE COUNCIL OF THE CITY OF PRINCE ALBERT IN OPEN MEETING ASSEMBLED ENACTS AS FOLLOWS:

1. This Bylaw may be cited as "Short Term Debt Bylaw No. 1 of 2024".
2. That pursuant to Section 134 of The Cities Act, a debt not payable within the current year shall be created in the amount of Eighteen Million dollars (\$18,000,000).

3. That the amount of said debt shall be payable as follows:
  - a. Eighteen Million dollars (\$18,000,000) to assist with the fluctuation of the City's cash flow between the project cost payments and the receipt of funding/revenue over the next five (5) years to be payable in annual or semi-annual payments of principal and interest over a period of five (5) years from the General Fund.
4. That the funds are authorized to be borrowed from the Municipal Financing Corporation of Saskatchewan via a loan document.
5. That the fixed interest rate for the loan will not exceed 5.35%.
6. That Mayor and City Clerk be authorized to sign all agreements, contracts and documents necessary to carry out the transaction.
7. This Bylaw shall come into force and take effect on, from and after the final passing thereof.

INTRODUCED AND READ A FIRST TIME THIS 25<sup>th</sup> DAY OF March , AD 2024.  
 READ A SECOND TIME THIS 25<sup>th</sup> DAY OF March , AD 2024.  
 READ A THIRD TIME AND PASSED THIS DAY OF , AD 2024.

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 MAYOR

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 CITY CLERK