
**A BYLAW OF THE TOWN OF ONOWAY IN THE PROVINCE OF ALBERTA,
FOR THE PURPOSE OF BORROWING FOR THE COST OF THE 47th AVENUE
ROAD REHABILITATION PROJECT**

WHEREAS under the Authority of the *Municipal Government Act RSA 2000 Chapter M-26*, section 251 and section 258 authorizes Council to pass a bylaw to authorize the borrowing of a sum of Four Hundred Thirty Thousand (\$430,000) Dollars to finance the 47th Avenue Road Rehabilitation Project from Range Road 21 to Range Road 22; and

WHEREAS, plans and specifications have been prepared, all required approvals for the project have been obtained and the project is in compliance with the *Acts and Regulations* of the Province of Alberta; and

WHEREAS, the total cost is estimated not to exceed Four Hundred Thirty Thousand (\$430,000) Dollars to construct the 47th Avenue Road Rehabilitation Project, and it will be necessary for the Town of Onoway to borrow Four Hundred Thirty Thousand (\$430,000) Dollars for a period not to exceed five years (the "Borrowing Period") from an authorized financial institution on the terms and conditions set out in this bylaw: and

WHEREAS, the principal amount of the outstanding debt of the Town of Onoway at December 31 2017 is \$1,716,516.00 and no part of the principal or interest is in arrears:

AND WHEREAS, after the borrowing of the amount hereby authorized to be borrowed, the Town of Onoway will not have exceeded the debt limit established by the Town of Onoway pursuant to the Municipal Government Act:

NOW THEREFORE, the Council of the Town of Onoway, in the Province of Alberta, duly assembled, enacts as follows:

1. BYLAW TITLE

- 1.1 This Bylaw may be cited as "**The Town of Onoway Rehabilitation Borrowing Bylaw**".

2. DEFINITIONS

For the purpose of this Bylaw and in the Schedules attached hereto, unless the context otherwise requires:

- 2.1 "Act" means the *Municipal Government Act, R.S.A., 2000, c. M-26* and amendments thereto;

- 2.2 **“Borrowing or Borrowings”** shall refer to any financial advancement pursuant to this Bylaw;
- 2.3 **“Borrowing Period”** means the term of the loan from the Lender;
- 2.4 **“Council”** means the Municipal Council for the Town of Onoway and the Chief Elected Official;
- 2.5 **“Debt Limit”** refers to the Town’s established debt limit, and/or the Province of Alberta’s Debt Limit Regulation which provides that a municipality’s total debt outstanding cannot exceed 1.5 times its annual operating revenue;
- 2.6 **“Debt Servicing”** means annual required debt repayments including interest and principal.
- 2.7 **“Lender”** means a branch in Alberta of a bank, credit union or a treasury branch from which the Town of Onoway borrows any money pursuant to this bylaw;
- 2.8 **“CAO”** means the Chief Administrative Officer of the Town or his/her designate;
- 2.9 **“Prime Lending Rate”** Means the rate of interest per annum established and reported by the Lender to the Bank of Canada from time to time as the reference rate of interest for the determination of interest rates that the Lender charges to customers of varying degrees of credit worthiness in Canada for Canadian dollar loans made by it in Canada.
- 2.10 **“Street or Streets”** shall include all highways, roads, lanes, alleys, avenues, easements, thoroughfares, utility lots, drives, bridges and ways of public nature, sidewalks, boulevards, parks, public square and other public places unless the contrary is expressed or unless such construction would be consistent with the context of this Bylaw;
- 2.11 **“Town”** means the Town of Onoway or its duly authorized representatives;

3. CONDITIONS OF BORROWING

- 3.1 The money obtained by the Town of Onoway from a borrowing shall be used for the purpose of financing and shall be the total estimated cost of the 47th Avenue Road Rehabilitation Project under the management and control of the CAO;
- 3.2 The total amount borrowed shall not exceed Four Hundred Thirty Thousand (\$430,000) Dollars;

- 3.3 The interest rate shall be 3.2% (Prime minus .25%) for the entire 5-year term from a lender chosen by the Town of Onoway;

4. DEBT SERVICING

- 4.1 The Town of Onoway shall repay the indebtedness according to the repayment structure in effect, namely, monthly, semi-annual or annual payments of combined principal and interest installments not to exceed five (5) years calculated at a rate not exceeding the interest rate fixed by the lender on the date of the borrowing, of an amount not to exceed 3.2%;
- 4.2 The Town of Onoway shall levy and raise revenue in each year from municipal taxes and/or grants and/or reserves sufficient to pay the indebtedness;
- 4.3 The Town of Onoway may make debt repayment on the principal to the lender from annual available grants and/or reserves and/or general revenue as required;
- 4.4 The debt servicing interest costs will be paid to the lender from the Town of Onoway general revenue;
- 3.6 That nothing contained herein shall waive, prejudicially affect or exclude any right, power, benefit or security by statutes, common law or otherwise given to or implied in favor of the said lender.

5. SECURITY

- 5.1 The CAO or the CAO's delegate is hereby authorized to charge or grant security over all the taxes levied or to be levied in any year and all other revenues of the Town of Onoway.
- 5.2 All accounts owing to the Town may be assigned to the Lender and charged as security for the repayment of the borrowing.
- 5.3 Without limiting the generality of the foregoing, the Mayor and CAO, or the CAO's delegate, is hereby authorized to execute and deliver any security, notes or other documentation required by the Lender.

The Council of the Town of Onoway may, by Bylaw or resolution in Council, alter, amend or repeal any or all of the Schedules which form part of the Bylaw.

6. **VALIDITY**

- 6.1 That this Bylaw has been advertised in compliance with the *Municipal Government Act RSA 2000 Chapter M-26* Section 251(3),
- 6.2 That this Bylaw shall take effect on the 21st day of June 2018.

7. **SEVERABILITY**

- 7.1 If any section or sections of this Bylaw or parts thereof are found in any court or law to be illegal or beyond the power of Council to enact, such Section or Sections or parts thereof shall be deemed to be severable and all other Sections or parts of the Bylaw shall be deemed separate and independent therefrom and to be enacted as such.

8. **COMING INTO FORCE**

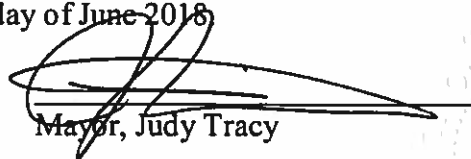
This Bylaw shall come into effect upon the third and final reading and signing of this Bylaw

READ a first time this 21st day of June 2018.

READ a second time this 21st day of June 2018.

UNANIMOUS CONSENT to proceed to third reading 21st day of June 2018.

READ a third and final time this 21st day of June 2018


Mayor, Judy Tracy

SIGNED this 21st day of June 2018


C.A.O., Wendy Wildman

