

TOWN OF ONOWAY
Bylaw 678-08

A BYLAW OF THE TOWN OF ONOWAY IN THE PROVINCE OF ALBERTA, TO AUTHORIZE THE MUNICIPAL COUNCIL OF THE TOWN OF ONOWAY TO INCUR INDEBTEDNESS BY THE ISSUANCE OF SHORT-TERM BORROWING IN THE AMOUNT OF TWO MILLION TWO HUNDRED AND FIFTY THOUSAND (\$2,250,000.00) DOLLARS FOR THE PURPOSE OF INSTALLING A NEW WATER LINE ON 52 STREET FROM WATER TREATMENT PLANT TO LAC STE. ANNE TRAIL SOUTH, UPGRADE THE FIRE PUMP AT THE WATER TREATMENT PLANT, AND INSTALL A NEW SEWER TRUNK LINE ON 50 STREET FROM 49 AVENUE TO INDUSTRIAL AVENUE

WHEREAS:

The Council of the Town of Onoway (hereinafter called the "Municipality") has decided to issue a by-law pursuant to Section 259 of the *Municipal Government Act* to authorize interim financing of the sewer trunk line, fire pump upgrade, 52 Street waterline and water distribution system upgrade projects.

The Council of the Town of Onoway has previously passed bylaw 677-08 to authorize the financing, undertaking and completion of the projects pursuant to Section 258 of the *Municipal Government Act*.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$4,400,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants	2,150,000
Debenture(s)	<u>2,250,000</u>
Total Cost	\$4,400,000

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$2,250,000, for a period not to exceed 5 years from an authorized financial institution on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this by-law is equal to, or in excess of 30 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2007 is \$296,945 and no part of the principal or interest is in arrears.

All required approvals for the project have been obtained and the project is in compliance with all *Acts* and *Regulations* of the Province of Alberta.

NOW, THEREFORE, THE COUNCIL OF THE TOWN OF ONOWAY DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of constructing the new 52 Street Water Line, Water Distribution System Upgrades, Water Treatment Plant Fire Pump Upgrades and Sewer Trunk Line upgrades a sum not exceeding TWO MILLION TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$2,250,000) be borrowed from time to time from the CIBC, Onoway Branch, on the credit and security of the Municipality at large, of which amount the full sum of \$2,250,000 is to be paid by the Municipality at large.
2. The term of the borrowing shall not extend beyond the date on which the project is finally completed, and grants, contributions and debenture financing received.
3. The Municipality shall repay the indebtedness according to the terms and at the rates set from time to time by the authorized financial institution on the date of the borrowing(s).

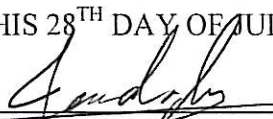
4. Debenture proceeds from the Alberta Capital Finance Corporation will be used to fully repay interim financing received from the CIBC.
5. The proper officers of the Municipality are hereby authorized to issue debt on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the construction of the new 52 Street waterline, water distribution system upgrades, new water treatment plant fire pump and new sewer trunk line.
6. The Municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
7. The indebtedness shall be contracted on the credit and security of the Municipality.
8. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.
9. That Bylaw 678-08 comes into full force and effect upon third reading.

READ A FIRST TIME THIS 28th DAY OF JULY 2008.

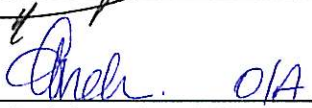
READ A SECOND TIME THIS 28TH DAY OF JULY 2008.

UNANIMOUS CONSENT RECEIVED TO PROCEED TO THIRD READING THIS 28TH DAY OF JULY 2008.

READ A THIRD TIME AND PASSED THIS 28TH DAY OF JULY 2008.



Mayor



Chief Administrative Officer

Date of bylaw signing, July 28, 2008.