

CORPORATION OF THE VILLAGE OF BARNWELL
(hereinafter referred to as "the Municipality")
IN THE
PROVINCE OF ALBERTA

BYLAW NO. 5-06

This bylaw authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) in the amount of \$585,000 for the purpose of the construction of a water treatment plant.

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 258 of the Municipal Government Act to authorize the financing, undertaking and completion of the water treatment plant.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$3,833,015.28 and the Municipality estimates the following grants and contributions will be applied to the project:

Capital Reserves	\$212,253.82
Provincial Grants	\$3,035,761.46
Debenture(s)	\$585,000.00
Total Cost	\$3,833,015.28

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$585,000 for a period not to exceed 25 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures and 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 25 years.

The principal amount of the outstanding debt of the Municipality at August 31, 2006 is \$0.00.

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 VILLAGE OF BARNWELL DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of constructing the new water treatment plant the sum of FIVE HUNDRED AND EIGHTY FIVE THOUSAND DOLLARS (\$585,000) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution

by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$585,000 is to be paid by the Municipality at large.

2. The proper officers of the Municipality are hereby authorized to issue debenture(s) on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the Construction of a water treatment plant.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest instalments not to exceed TWENTY FIVE (25) years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing, and not to exceed (7.5) percent.
4. The Municipality shall levy and raise in each year MUNICIPAL UTILITY FEES and municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.
7. This by-law comes into force on the date it is passed.

READ a **first** time this 4^m day of September, 2006.

David Nelson
Mayor – David Nelson

W. Bateman
Municipal Administrator – Wendy Bateman

READ a **second** time this 27^m day of September, 2006.

READ a **third** time and finally PASSED this 27^m day of September, 2006.

David Nelson
Mayor – David Nelson

W. Bateman
Municipal Administrator – Wendy Bateman