

**BY-LAW NO. 2-01**

**LEDUC COUNTY**

**A BY-LAW OF LEDUC COUNTY, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE BORROWING FROM THE ALBERTA MUNICIPAL FINANCING CORPORATION FOR NISKU WATER SYSTEM UPGRADE**

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This by-law authorizes the Council of Leduc County to incur an indebtedness by the issuance of debentures (the "debentures") to the Alberta Municipal Financing Corporation for the purpose of upgrading the Nisku Water System.

**WHEREAS** Leduc County has decided to issue a by-law pursuant to Section 251 of the Municipal Government Act to authorize the financing, undertaking and completing of a Nisku Water System (Pipeline) Upgrade from the Nisku Pump House, South on 4<sup>th</sup> Street, East on 22<sup>nd</sup> Avenue, South on 5<sup>th</sup> Street, West on 18<sup>th</sup> Avenue to 4<sup>th</sup> Street, (approximately 2500 meters within the Nisku Industrial Business Park).

UMA Engineering Ltd. of Edmonton, AB made plans, specifications and estimates for the project and confirms the total cost of the said project is \$1,513,000.

The Council of Leduc County has estimated the following funding will be applied to the project:

1. Offsite Levies Fund of \$376,000 based on UMA Engineering Ltd.'s determination of incremental cost to upgrade the water distribution system water main from 300 mm to 450 mm diameter, and
2. General Nisku Water System Reserve Fund of \$412,000.

In order to construct and complete the said project, it will be necessary for Leduc County to borrow the sum of \$725,000 (the "indebtedness") on the terms and conditions referred to in this by-law.

Leduc County will repay the indebtedness over a period of twenty (20) years in annual installments, with interest not exceeding ten per cent (10%), or the interest rate fixed from time to time by the Alberta Municipal Financing Corporation, per annum, payable annually.

The amount of the existing debenture debt of Leduc County on January 1, 2001 is \$391,863.98 no part of which is in arrears.

The estimated lifetime of the project is fifty (50) years.

**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 Leduc County, duly assembled, enacts as follows:

- 1) That for the purpose of upgrading the Nisku Water System the sum of Seven Hundred and Twenty Five Thousand Dollars (\$725,000) be borrowed from AMFC by way of debenture on the credit and security of Leduc County at large, of which amount the sum of Seven Hundred and Twenty Five Thousand Dollars (\$725,000) is to be paid through the Nisku Water System user rates.
- 2) The debentures to be issued under this by-law shall not exceed the sum of Seven Hundred and Twenty Five Thousand Dollars (\$725,000), and may be in any denomination not exceeding the amount authorized by this by-law and shall be dated having regard to the date of the borrowing.
- 3) The debentures shall bear interest during the currency of the debentures, at a rate not exceeding ten per cent (10%), or the interest rate fixed from time to time by the Alberta Municipal Financing Corporation, per annum, payable annually.

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- 4) The debentures shall be issued in such manner that the principal and interest will be combined and be made payable in, as nearly as possible, equal annual installments over a period of twenty (20) years, in accordance with the schedule attached and forming a part of each debenture.
- 5) The debentures shall be payable in lawful money of Canada at the Royal Bank in the Branch of City of Leduc or at such other bank or financial institution as the Council of Leduc County may authorize as its banking agency during the currency of the debenture.
- 6) The Chief Elected Official and Chief Administrative Officer of Leduc County shall authorize such bank or financial institution to make payment to the holder of the debentures, on such date and in such amounts as specified in the repayment schedule forming part of each debenture.
- 7) The debentures shall be signed by the Chief Elected Official and Chief Administrative Officer of Leduc County and affix the corporate seal of Leduc County to the debentures.
- 8) There shall be levied and raised in each year of the currency of the debentures through the Nisku Water System User Rates sufficient funding to pay the principal and interest falling due in such year on such debentures. In the event, the Nisku Water System User Rates are insufficient to meet the payment there shall be levied and raised in each year of the currency of the debentures a rate or rates on the assessed value of all lands and improvements shown on the assessment roll, sufficient to provide an annual tax adequate to pay the principal and interest falling due in such year on such debentures by the County at large. The said rates and taxes are collectible at the same time and in the same manner as other rates and taxes.
- 9) The indebtedness is contracted on the credit and security of Leduc County at large.
- 10) The net amount realized by the issue and sale of debentures authorized under this by-law shall be applied only for the purposes for which the indebtedness was created.
- 11) This by-law shall come into effect upon final reading.

Read a first time this 16<sup>th</sup> day of January, 2001.

*Ed Ahubocha*

REEVE

SEAL

*Kevin Ajzslu*

COUNTY MANAGER

Read a second time this 15<sup>th</sup> day of February, 2001.

Read a third time this 15<sup>th</sup> day of February, 2001.

*Ed Ahubocha*

REEVE

SEAL

*Kevin Ajzslu*

COUNTY MANAGER