

BYLAW NO. 849/10

A BYLAW OF THE TOWN OF RIMBEY, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE THE MUNICIPAL COUNCIL TO INCUR AN INDEBTEDNESS ON BEHALF OF THE SAID TOWN TO THE CANADIAN MORTGAGE HOUSING CORPORATION (CMHC) BY THE ISSUANCE OF A DEBENTURE FOR THE PURPOSE OF UPGRADING THE WATER STORAGE / DISTRIBUTION IMPROVEMENTS.

WHEREAS:

The Council of the Town of Rimbey has decided to issue a bylaw pursuant to Section 258 of the Municipal Government Act to authorize the financing and upgrading of the water storage and distribution improvements.

Plans, specifications and estimates for the project have been made by Tagish Engineering which confirms the total cost of said project is \$ 4,545,000.00.

It is estimated by the Council of the Town of Rimbey that the following will be applied to the project:

Canada Alberta Building Canada Fund	\$3,030,000.00
Debenture Funds	1,515,000.00

In order to construct and complete the project, it will be necessary to borrow the sum of \$1,515,000.00, for a period not to exceed 15 years, from the Canadian Mortgage Housing Corporation (CMHC) 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 bylaw is equal to, or in excess of 15 years.

The amount of equalized assessment in the municipality as last determined and fixed by the Assessment Equalization Board is \$327,610,110.00.

The amount of the existing debenture debt of the Town of Rimbey at December 31, 2009 is \$2,241,161.81 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 MUNICIPAL COUNCIL OF THE TOWN OF RIMBEY, DULY ASSEMBLED, ENACTS AS FOLLOWS:


1. That for the purpose of upgrading the water storage and distribution system, the sum of ONE MILLION FIVE HUNDRED FIFTEEN THOUSAND (\$1,515,000) be borrowed from the Canadian Mortgage Housing Corporation (CMHC) by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$1,515,000 is to be paid by the Municipality at large.
2. The Mayor and the Chief Administrative Officer of the Town of Rimbey are hereby authorized to issue debenture(s) on behalf of the Town of Rimbey for the amount and purpose as authorized by this bylaw, namely the upgrading of the water storage and distribution system.
3. The Town of Rimbey shall repay the indebtedness according to the repayment structure in effect, namely semi-annual payments of combined principal and interest installments not to exceed FIFTEEN (15) years calculated at a rate not exceeding the interest rate fixed by the Canadian Mortgage Housing Corporation (CMHC) on the date of the borrowing, and not to exceed TEN (10) percent.
4. The Town of Rimbey shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.

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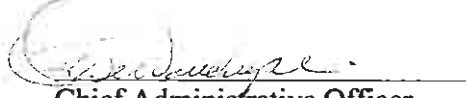
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5. The indebtedness shall be contracted on the credit and security of the Town of Rimbey.
6. The amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw comes into force on the date it is passed.

Read a first time in Council this 9 day of February, 2010



Mayor



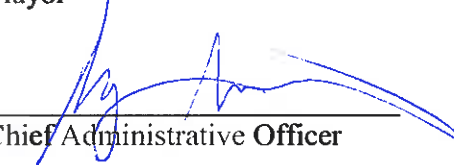
Chief Administrative Officer

Read a second time in Council this 9 day of March, 2010

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Mayor



Chief Administrative Officer