



BYLAW NO. 02-2011 TOWN OF VEGREVILLE

THIS BYLAW BEING BYLAW NO. 02-2011 OF THE TOWN OF VEGREVILLE, IN THE PROVINCE OF ALBERTA FOR THE PURPOSE OF AUTHORIZING THE MUNICIPAL COUNCIL OF THE TOWN OF VEGREVILLE TO INCUR AN INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES TO THE ALBERTA CAPITAL FINANCE AUTHORITY FOR FINANCING THE PURCHASE AND RETROFITS OF PLAN 7620332 BLOCK B [KNOWN AS TRANS CANADA MAINTENANCE FACILITY] LOCATED AT 6620 HIGHWAY 16A WEST.

WHEREAS The Council of the Town of Vegreville deems it expedient to issue a Bylaw pursuant to Section 258 of the Municipal Government Act to authorize the financing of the Purchase and Retrofits of Plan 7620332 Block B [known as Trans Canada Maintenance Facility] located at 6620 Highway 16A West.

AND WHEREAS The plans, specifications and estimates for the project confirm the total cost of the said project as:

Land and Building Purchase	\$4,000,000
Retrofits	<u>\$3,000,000</u>
Total Project Cost	<u>\$7,000,000</u>

AND WHEREAS The Council of the Town of Vegreville has estimated the following contribution will be received or applied to the Project.

Debenture – Town of Vegreville	\$7,000,000
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AND WHEREAS In order to construct and complete the said project, it will be necessary for the Town of Vegreville to borrow the sum of \$7,000,000 on the terms and conditions referred to in this Bylaw.

AND WHEREAS The Town of Vegreville will repay the indebtedness over a period of twenty five (25) years in semi-annual or annual instalments, with interest not exceeding ten percent (10%), or the interest rate fixed from time to time by the Alberta Capital Finance Authority.

AND WHEREAS The amount of existing debenture debt of the Town of Vegreville as of December 31, 2010 is \$3,387,756 principal, no part of which is in arrears.

AND WHEREAS The estimated lifetime of the project financed under this Bylaw is equal to or in excess of forty (40) years.


AND WHEREAS The Council of the Town of Vegreville has been advised that 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 VEGREVILLE DULY ASSEMBLED ENACTS AS FOLLOWS:

1. That for the purpose of the purchase and retrofits of Plan 7620332 Block B [known as Trans Canada Maintenance Facility] located at 6620 Highway 16A West, the sum of Seven Million Dollars (\$7,000,000) be borrowed from Alberta Capital Finance Authority by way of debenture on the credit and security of the Town of Vegreville at large, of which the sum of \$7,000,000 is to be paid by the Town of Vegreville at large.

2. The debenture to be issued under this Bylaw shall not exceed the sum of Seven Million Dollars (\$7,000,000), and may be in any denomination not exceeding the amount authorized by this Bylaw and shall be dated having regard to the date of the borrowing.
3. The debenture shall bear interest during the currency of the debenture, at a rate not exceeding ten percent (10%), or the interest rate fixed from time to time by the Alberta Capital Finance Authority, per annum, payable semi-annually or annually.
4. The debenture shall be issued in such manner that the principal and interest will be combined and be made payable in, as nearly as possible, equal semi-annually or annual instalments over a period of twenty five (25) years.
5. The debenture shall be payable in lawful money of Canada at the Bank of Montreal in the Town of Vegreville or at such other bank or financial institution as the Council may authorize as its banking agency during the currency of the debenture.
6. The Mayor and Town Manager of the Town of Vegreville shall authorize such bank or financial institution to make payments to the holder of the debenture, on such date and in such amounts as specified in the repayment schedule forming part of the debenture.
7. The debenture shall be signed by the Mayor and the Town Manager of the Town of Vegreville and the Town Manager shall affix the corporate seal of the municipality to the debenture.
8. The municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
9. The said indebtedness is contracted on the credit and security of the Town of Vegreville at large.
10. The net amount realized by the issue and sale of debentures issued under this Bylaw shall be applied only for the purpose for which the indebtedness was created.
11. This Bylaw shall take effect on the day of the final passing thereof.

READ for a first time this **28th** day of **March** **2011** A.D.
 READ for a second time this **16th** day of **May** **2011** A.D.
 READ for a third time this **16th** day of **May** **2011** A.D.



 RICHARD N. COLEMAN, Mayor


 JODY QUICKSTAD, Town Manager