

BY-LAW 40-2002
PARKLAND VILLAGE WATERMAIN
"External Borrowing By-law"
OF PARKLAND COUNTY
IN THE PROVINCE OF ALBERTA

THIS BY-LAW AUTHORIZES THE COUNCIL OF PARKLAND COUNTY TO INCUR AN INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES TO THE ALBERTA MUNICIPAL FINANCING CORPORATION (A.M.F.C.) FOR THE PURPOSE OF THE PARKLAND VILLAGE WATERMAIN CONSTRUCTION.

WHEREAS:

The Council of Parkland County has decided to issue a by-law pursuant to Section 263 of the *Municipal Government Act* to authorize the financing, undertaking, and completing of the Parkland Village Watermain.

Plans, specifications and estimates for the project have been made and Council as represented by the General Manager, Operations Services, confirms the total estimated cost of the said project is One Million Dollars (\$1,000,000).

The Council of Parkland County has estimated the following grants and contributions will be received or applied to the project.

50% of project costs or Five Hundred Thousand Dollars (\$500,000) – Parkbridge Inc. contribution, through a local improvement.

In order to construct and complete the said project, it will be necessary for Parkland County to borrow the sum of Five Hundred Thousand Dollars (\$500,000) (the "indebtedness") or 50% of project costs on the terms and conditions referred to in this By-Law.

Parkland County will repay the indebtedness over a period of twenty (20) years in annual installments, with interest not exceeding (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 Parkland County at December 31, 2001, is **Five Million Seven Hundred and Forty-one Thousand and Thirty-two Dollars (\$5,741,032)**, no part of which is in arrears.

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

The proposed construction will ultimately serve eight hundred (800) lots within Parkland Village Modular Home Park.

All required approvals for the project have been obtained and the project is in compliance with applicable acts and regulations of the Province of Alberta.

The Council of Parkland County has given proper notice of intention to undertake and complete the construction of watermain, the costs or a portion of the costs thereof to be against abutting (or benefiting) owners in Parkland Village as owned by Parkbridge Communities Inc. and no sufficiently signed and valid petition against the said proposal has been received by the Council.

THEREFORE, THE COUNCIL OF PARKLAND COUNTY DULY ASSEMBLED ENACTS AS FOLLOWS:

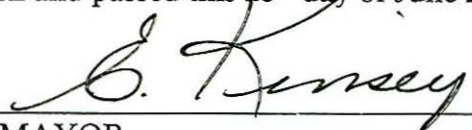
1. That for the purpose of construction of a watermain from the City of Spruce Grove to Parkland Village the sum of Five Hundred Thousand Dollars (\$500,000) or 50% of projects costs will be borrowed from the A.M.F.C. by way of debenture on the credit and security of Parkland County at large, of which amount the sum of Five Hundred Thousand Dollars (\$500,000) or 50% of project costs is to be collected by way of a local improvement tax from the owner of Parkland Village, Alberta.

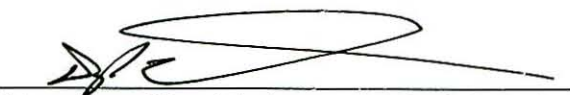
2. The debentures to be issued under this by-law shall not exceed the sum of Five Hundred Thousand Dollars (\$500,000) or 50% of project costs, and may be in any denomination not exceeding the amount authorized by this by-law and shall be dated having regard to the date of the borrowing.
3. The debentures shall bear interest during the currency of the debentures, at a rate not exceeding ten percent (10%), or the interest rate fixed from time to time by the A.M.F.C., per annum, payable annually.
4. The debentures shall be issued in such a 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 (Capital City Savings) in the City of Spruce Grove, or at such other bank or financial institution as the Council of Parkland County may authorize as its banking agency during the currency of the debenture.
6. The Chief Elected Official and Chief Administrative Officer of Parkland County shall authorize such bank or financial institution to make payments to the holder of the debentures, on such date and in such amounts as specified in the repayment schedule forming part of each debentures.
7. The debentures shall be signed by the Chief Elected Official and the Chief Administrative Officer of Parkland County, and the Chief Administrative Officer shall affix the corporate seal of Parkland County to the debentures.
8. There shall be levied and raised in each year of the currency of the debentures through the local improvement for the owner of Parkland Village sufficient funding to pay the principle and interest falling due in such year on such debentures. There is hereby imposed on the North East quarter of section fifteen (15), Township fifty-three (53), Range twenty-seven (27), West of the fourth meridian containing 64.7 hectares (160 acres) more or less, a local improvement sufficient to cover the County's annual debenture payment for the cost of the said work and the interest thereon payable at the unit rate or rates set forth.
9. The indebtedness is contracted on the credit and security of Parkland 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 take effect on the day of the final passing thereof.

READ a first time in Council this 25th day of June 2002.

READ a second time in Council this 25th day of June 2002.

READ a third time in Council and passed this 25th day of June 2002.


MAYOR


Manager of Legislative and Administrative Services