

The Corporation of the Township of Whitewater Region

By-law Number 18-08-1096

A by-law to authorize certain new capital works of the Corporation of the Township of Whitewater Region (the "municipality"); to authorize the submission of an application to Ontario Infrastructure and Lands Corporation ("OILC") for financing such capital works; to authorize temporary borrowing from OILC to meet expenditures in connection with such works; and to authorize long term borrowing for such works through the issue of debentures to OILC

Whereas, the *Municipal Act, 2001* (Ontario), as amended, (the "Act") provides that a municipal power shall be exercised by by-law unless the municipality is specifically authorized to do otherwise; and

Whereas, it is now deemed to be expedient to authorize for the purposes of the Municipality the new capital work(s) described in column (2) of Schedule "A" (individually a "Capital Work", collectively the "Capital Works", as the case may be) attached hereto and forming part of this By-law ("Schedule "A") in the amount of the respective estimated expenditure set out in column (3) of Schedule "A", subject in each case to approval by OILC of the financing for such Capital Work(s) that will be requested by the Municipality in the Application as hereinafter defined; and

Whereas, in accordance with section 4 of Ontario Regulation 403/02 (the "Regulation"), the Council of the Municipality had its Treasurer calculate an updated limit in respect of its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the "Updated Limit"), and, on the basis of the authorized estimated expenditure for the Capital Work or each Capital Work, as the case may be, as set out in column (3) of Schedule "A" (the "Authorized Expenditure" for any such Capital Work), the Treasurer calculated the estimated annual amount payable in respect of the Capital Work or each Capital Work, as the case may be, (collectively the "Estimated Annual Amount Payable") and determined that the Estimated Annual Amount Payable does not cause the Municipality to exceed the Updated Limit, and accordingly the approval of the Ontario Municipal Board pursuant to the Regulation, is not required before any such Capital Work is authorized by the Council of the Municipality;

Whereas subsection 405(1) of the Act provides, amongst other things, that a municipality may authorize temporary borrowing to meet expenditures made in connection with a work to be financed in whole or in part by the issue of debentures if, the municipality is an upper-tier municipality, a lower-tier municipality in a county or a single-tier municipality and it has approved the issue of debentures for the work; and

Whereas, subsection 401(1) of the Act provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt; and

Whereas, the Act also provides that a municipality shall authorize long term borrowing by the issue of debentures or through another municipality under section 403 or 404 of the Act; and

Whereas, OILC has invited Ontario municipalities desirous of obtaining temporary and long-term debt financing in order to meet capital expenditures incurred on or after January 1, 2013 in connection with eligible capital works to make application to OILC for such financing by completing and submitting an application on the form provided by OILC; and

Whereas, the Municipality has completed and submitted an application to OILC (the "**Application**") to request financing for the Capital Work(s) by way of long term borrowing through the issue of debentures to OILC and by way of temporary borrowing from OILC pending the issue of such debentures; and,

Whereas, OILC has accepted and has approved the Application;

Now therefore Council of the Corporation of the Township of Whitewater Region enacts as follows:

1. The Council of the Municipality hereby confirms, ratifies and approves the execution by the Treasurer or designate of the Application and the submission by such authorized official of the Application, duly executed by such authorized official, to OILC for the financing of the Capital Work(s) in the maximum aggregate principal amount of \$8,714,439.84 substantially in the form of Schedule "B" hereto and forming part of this By-law, with such changes thereon as such authorized official may hereafter approve, such execution and delivery to be conclusive evidence of such approval.
2.
 - (a) The undertaking of the Capital Work or of each Capital Work, as the case may be, in the amount of the respective estimated Authorized Expenditure set out in column (3) of Schedule "A" is hereby approved and authorized;
 - (b) any one or more of the Mayor and the CAO/Clerk-Treasurer are hereby authorized to conclude contracts on behalf of the Municipality for the undertaking of the Capital Work or of each Capital Work, as the case may be, in accordance with the Municipality's usual protocol;
 - (c) where applicable, the Engineer of the Municipality will forthwith make such plans, profiles and specifications and furnish such information as in the opinion of the Engineer are necessary for the undertaking of the Capital Work or of each Capital Work, as the case may be; and
 - (d) where applicable, the undertaking of the Capital Work or of each Capital Work, as the case may be, shall be carried on and executed under the superintendence and according to the direction and orders of such Engineer.
3. The Mayor and the CAO/Clerk-Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the Municipality a financing agreement (a "**Financing Agreement**") with OILC that provides for temporary and long term borrowing from OILC in respect of the Capital Work(s) on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.

4. The Mayor and/or the CAO/Clerk-Treasurer are hereby authorized, pending the substantial completion the Capital Work or each Capital Work, as the case may be, or as otherwise agreed with OILC, to make temporary borrowings pursuant to section 405 of the Act in respect of the Capital Work or of each Capital Work, as the case may be, on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree, and to sign such evidence of indebtedness as OILC may require (the "**Note**") and to deliver the Note to OILC, such execution and delivery to be conclusive evidence of such agreement; and the Treasurer is authorized to sign such certifications as OILC may require in connection with such borrowings in respect of the Capital Work(s); provided that the amount of borrowings allocated to the Capital Work or to each Capital Work, as the case may be, does not exceed the Authorized Expenditure for such Capital Work and does not exceed the related loan amount set out in column (4) of Schedule "A" in respect of such Capital Work.
5. Subject to the terms and conditions of the Financing Agreement and such other terms and conditions as OILC may otherwise require, the Mayor and the CAO/Clerk-Treasurer are hereby authorized to long term borrow for the Capital Work(s) and to issue debentures to OILC on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree (the "**Debentures**"); provided that the principal amount of the Debentures issued in respect of the Capital Work or of each Capital Work, as the case may be, does not exceed the Authorized Expenditure for such Capital Work and does not exceed the related loan amount set out in column (4) of Schedule "A" in respect of such Capital Work.
6. In accordance with the provisions of section 25 of the *Ontario Infrastructure and Lands Corporation Act, 2011*, as amended from time to time hereafter, as security for the payment by the Municipality of the indebtedness of the Municipality to OILC under the Note and/or the Debentures, as the case may be (the "Obligations"), the Municipality is hereby authorized to agree in writing with OILC that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding the amounts that the Municipality fails to pay OILC on account of the Obligations and to pay such amounts to OILC from the Consolidated Revenue Fund.
7. For the purposes of meeting the Obligations, the Municipality shall provide for raising in each year as part of the general levy, the amounts of principal and interest payable in each year under the Note and/or any outstanding Debenture, to the extent that the amounts have not been provided for by any other available source including other taxes or fees or charges imposed on persons or property by a by-law of any municipality.
8. (a) The Mayor and/or the CAO/Clerk-Treasurer are hereby authorized to execute and deliver the Note, the Mayor and the CAO/Clerk-Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement, and to issue the Debentures, one or more of the Clerk and the Treasurer are hereby authorized to generally do all things and to execute all other documents and papers in the name of the Municipality in

Schedule "A"
to By-law Number 18-08-1096
(New Capital Works)

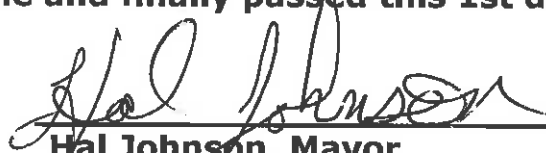
(1) <u>Capital Work Number</u>	(2) <u>Description of Capital Work</u>	(3) <u>Estimated Expenditure</u>	(4) <u>Loan Amount</u>
2018-13	Road Reconstruction: Truelove Street (Crawford Street to Algonquin Trail); John Street (Main Street to Truelove Street); Crawford Street (Bromley Street to Cowley Street); Main Street (Highway 17 to Algonquin Trail)	\$ 1,600,000.00	\$1,600,000.00
2018-04	2018 John Deere 310SL Backhoe	\$ 126,497.94	\$ 126,497.94
2018-32	Cobden Wastewater Treatment Plant Upgrades	\$12,057,109.06	\$6,000,000.00
2018-27	2019 Rosenbaur Mini Rescue Fire Truck	\$ 189,093.74	\$ 189,093.74
2018-11	2018 Rosenbaur RXT Pumper Fire Truck	\$ 314,438.62	\$ 314,438.62
2018-01	2018 Freightliner SD114 Tandem Truck	\$ 253,920.95	\$ 253,920.95
2018-09	Road Reconstruction: Anderson Drive & Watchorn Drive	\$ 230,488.59	\$ 230,488.59

order to perform the Obligations of the Municipality under the Financing Agreement and to execute and deliver the Note and to issue the Debentures, and the Treasurer is authorized to affix the Municipality's municipal seal to any such documents and papers.

- (b) The money realized in respect of the Note and the Debentures, including any premium, and any earnings derived from the investment of that money, after providing for the expenses related to the execution and delivery of the Note and to the issue of the Debentures, if any, shall be apportioned and applied to the respective Capital Work and to no other purpose except as permitted by the Act.

9. That this by-law shall come into force and take effect upon being passed by Council.

Read a first, second and third time and finally passed this 1st day of August, 2018.



Hal Johnson, Mayor



Robert H.A. Tremblay, Clerk