

CORPORATION OF THE VILLAGE OF COBDEN

BY-LAW # 1991-20

Being a By-Law authorizing the improvement and extension of works for the Cobden Hydro Commission and authorizing a debenture for said improvement and extension in the amount of \$160,000. for a twenty year period.

WHEREAS the Corporation of the Village of Cobden is authorized by Section 210(51)(a) of the Municipal Act, R.S.O. 1980 to undertake the improvement and extension of works for the Cobden Hydro Commission:

AND WHEREAS a municipality is authorized to issue debentures on behalf of its public utility;

AND WHEREAS Section 35 of the Public Utility Act, R.S.O. 1980, a municipality is empowered to direct the said Cobden Hydro Commission to provide for the annual cost of the said debenture including interest thereon.

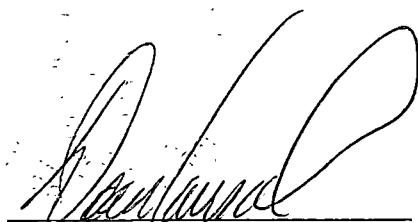
NOW THEREFORE, the Council of the Corporation of the Village of Cobden enacts as follows:

1. That gross expenditure in the amount of \$160,000. be and are hereby authorized for this improvement and extension of works.
2. That for the use of the Cobden Hydro Commission, a municipal debenture or bank loan in the amount of \$160,000. be issued for the cost of such works and shall bear interest at such works and shall bear interest at such rate prevailing from time to time during the ten (10) year period.
3. That pending permanent financing, the Clerk-Treasurer may agree with the bank to obtain temporary advances of monies to meet the cost of the work.
4. That the Municipal Clerk-Treasurer is hereby authorized and directed to prepare and submit an application to the Ontario Municipal Board for debenture approval for construction an extension of works for the Cobden Hydro Commission.
5. That this By-Law shall come into force and take effect upon the approval of the Ontario Municipal Board.

Read a first, second and passed upon the third reading this 23 day of July, 1991k



REEVE--ACTING



CLERK-TREASURER

Cobden Hydro Commission
P.O. Box 40
Cobden, Ont.
K0J 1K0

July 22, 1991

Corporation of the Village of Cobden
P.O. Box 40
Cobden, Ontario
K0J 1K0

Dear Reeve Stewart

Confirming recent discussions with Council of the Village of Cobden, the Cobden Hydro Commission has expressed significant interest in purchasing as constructed hydro upgrades. It would also be interested in purchasing any future as constructed upgrades as they become available.

It is understood that the purchase as described above would be net of any and all grants the Village has realized in the construction of said hydro related upgrades.

The completed works consists of removal of all secondary and primary services, including transformers off Main Street and buried underground in back lots. The area covered is from Highway #17 to Ross Street all along Main Street. All existing overhead wires have been removed along Main Street. Six existing street lights were removed and replaced with new cement poles with upgraded lighting and underground connections.

The net costs related to the "as constructed facilities" are outlined in Schedule "A" attached in the amount of \$126,052.74.

The future as constructed facilities to be purchased is described in "Schedule B" attached in the amount of \$26350.00.

Considering that Schedule B cost estimates are year old estimates and construction overruns are a distinct possibility it is felt that \$160,000.00 would be a more realistic figure as a total net cost.

Trusting this is to your entire satisfaction.

Yours truly



Orland Hawkins
Project Manager