

**THE CORPORATION OF THE TOWNSHIP OF MCGARRY**

**BY-LAW 2005-33**

**Being a By-law to authorize certain Capital Works of the Corporation of the Township of McGarry (The "Municipality"); to authorize a temporary Demand Operating Loan of \$800,000 from the Royal Bank to meet expenditures in connection with such works; being the new Sanitary Sewer System Upgrades Project**

**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 municipal purposes of the Municipality the new capital works described in column (2) of Schedule "A" (individually a "Project", collectively the "Projects", attached hereto and forming part of this By-law (Schedule "A") in the amount of the estimated expenditure set out in column (6) of Schedule "A".

**AND WHEREAS** in accordance with Section 4 of Ontario Regulation 403/02, the Council of the Municipality has had its Treasurer update its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the "Update Limit"), and, on the basis of the authorized expenditure for each Project as set out in column (6) of Schedule "a" ("Authorized Expenditure"), the Treasurer has calculated the estimated annual amount payable in respect of each Project (collectively the "Project Limits") and has determined that the aggregate of the Project Limits does not exceed the Updated Limit, and accordingly the approval of the Ontario Municipal Board under the *Ontario Municipal Board Act* (Ontario), as amended, is not required before any such Project is authorized by Council;

**AND WHEREAS** subsection 405(4) of the Act provides that a municipality may delegate the power set out in subsection 405(1) to the head of council, to the treasurer, or to both of them;

**AND WHEREAS** subsection 401(1) of the Act provides that a municipality may incur a debt for municipality purposes, whether by borrowing money or in any other way, enter prescribed financial agreements for or in relation to the debt;

**AND WHEREAS** the Municipality has submitted to The Royal Bank a request for A Temporary Demand Operating Loan for \$800,000.

**AND WHEREAS** The Royal Bank has accepted and approved the municipality's submission;

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF MCGARRY HEREBY ENACTS AS FOLLOWS:**

1. The Council of the Municipality hereby confirms, ratifies and approves the completion by the Treasurer of an Application and the submission by such authorized official of an Application, duly executed by such authorized official, to The Royal Bank for the short term financing of the Projects in the Maximum aggregate principal amount of \$ 800,000 substantially in the form of Schedule "A" hereto and forming part of this By-law, with such changes thereon as such authorize official approved.
2. (a) Construction of each Project in the amount of the respective estimated Authorized Expenditure set out in column (6) of Schedule "A" is hereby approved and authorized;
- b) The Reeve and the Treasurer are hereby authorized to conclude contracts on behalf of the Municipality for the construction of the Projects in accordance with the Municipality's usual protocol;

- c) Where applicable, the Engineer of the Municipality will forth with make such plans, profiles and specifications and furnish such information as in the opinion of the Engineer is necessary for the construction of the Projects; and
  - d) Where applicable, the construction of the Projects shall be carried on and executed under the superintendence and according to the direction and orders of such Engineer.
3. The Reeve and the 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 the Royal Bank that provides the temporary borrowing from The Royal Bank in respect of the Projects on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.
4. This By-law takes effect on the day of Passing;

By-law read a first and second time on this 11<sup>th</sup> day of October , 2005

By-law read a third time and finally passed on October 11<sup>th</sup>, 2005

  
REEVE

  
CLERK-TREASURER