

**Town of Olds  
BYLAW NO. 2022-10**

**A BYLAW TO AUTHORIZE THE COUNCIL OF THE TOWN OF OLDS TO GUARANTEE A LETTER OF CREDIT IN THE AMOUNT OF \$80,000.00 FOR THE PURPOSE OF MOUNTAIN VIEW POWER PRUDENTIAL. THE LETTER OF CREDIT WILL BE IN THE NAME OF OLDS FIBRE LIMITED THE TOWN OF OLDS WILL GUARANTEE THIS LETTER OF CREDIT.**

**WHEREAS**, pursuant to Section 266 of the *Municipal Government Act*, R.S.A. 2000 c.M-26, as amended, a municipality is permitted to provide a guarantee to one of its controlled corporations;

**AND WHEREAS** the Corporation is a controlled corporation pursuant to Section 75.1 of the *Municipal Government Act* as the Town owns all of the issued shares of the Corporation and appoints all of the directors of the Corporation;

**NOW THEREFORE, THE COUNCIL OF THE TOWN OF OLDS DULY ASSEMBLED, ENACTS AS FOLLOWS:**

1. That for the purpose of Mountain View Power meeting the prudential requirements of the Alberta Electrical Systems Operator a GIC will be held by the Town of Olds which will secure a letter of credit in the sum of EIGHTY THOUSAND DOLLARS (\$80,000.00) that is to be held by Olds Fibre Limited.
2. The proper officers of the Town of Olds are hereby authorized to guarantee on behalf of the Town of Olds a letter of credit for the amount and purpose as authorized by the bylaw, namely Mountain View Power prudential.
3. The minimum rate of interest on the guarantee by the Town to OFL shall be zero (0%) percent.
4. In the event of any draw on the letter of credit, the Town of Olds shall levy and raise municipal taxes sufficient to pay the indebtedness.
5. The guarantee under the bylaw shall be applied only to the project specified by this bylaw.
6. This Bylaw shall come into force and effect as of the third and final reading following advertising in accordance with section 266(3) and section 606 of the *Municipal Government Act*.

Read a first time the 28<sup>th</sup> day of March 2022.

Read a second time this 9<sup>th</sup> day of May 2022.

Read a third and final time this 9<sup>th</sup> day of May 2022.

  
\_\_\_\_\_  
Judy Dahl,  
Mayor

  
\_\_\_\_\_  
Sheena Linderman,  
Interim Chief Administrative Officer

SIGNED by the Chief Elected Official and the Interim Chief Administrative Officer this this 10<sup>th</sup> day of May 2022.