

**The Rural Municipality of Morris**

BY-LAW NO. 1573/04

BEING a by-law of the Rural Municipality of Morris to authorize the expenditure and borrowing of money for the completion of the construction of a Diversion Ditch structure around the Community of Lowe Farm as a Local Improvement.

WHEREAS Section 311 of The Municipal Act, S.M. 1996, C.58, provides in part, as follows:

- “If approved by by-law, a municipality may undertake as a Local Improvement for the benefit of all or part of the municipality,
- a) the acquisition, development upgrading or replacement of one or more of the following:
    - (i) sewage collection and treatment facilities;
    - (ii) water supply, treatment and distribution facilities;
    - (iii) waste management facilities;
    - (iv) highways;
    - (v) drainage systems or
  - b) Any other project the cost of which includes a capital component.”

AND WHEREAS subsection 320(1) of The Municipal Act provides as follows:

- “Subject to subsection (2) to (6) and subsection 321(4), a council may by by-law
- a) approve the local improvement or special service as set out in the plan or proposal; and
  - c) authorize the municipality to impose taxes as set out in the plan or proposal.

AND WHEREAS Section 172 of The Municipal Act provides in part as follows:

- “In this Division,”  
“Borrowing” means the borrowing of money, and includes  
(b) borrowing to pay for a local improvement under Division 4 (Local Improvement and Special Services) of Part 10  
(c) issuing of debentures;”

AND WHEREAS subsection 174(1) of The Municipal Act provides as follows:

- “A municipality may make a borrowing only if
- (a) the borrowing is authorized by by-law;
  - (b) subject to subsection (2), the borrowing is set out as a debt obligation in the operating budget or capital budget or it is made to fund an expenditure authorized under subsection 169(5).

AND WHEREAS, the Council of the Rural Municipality of Morris has prepared Local Improvement Plan No. 2/2004 providing for the spending, borrowing authority, and imposition of taxes for the construction and maintenance of a Diversion Ditch for flood protection purposes around the community of Lowe Farm, Manitoba, as a local improvement pursuant to Part 10 of The Municipal Act;

AND WHEREAS, in order to complete such undertaking, it will be necessary to issue debentures of The Rural Municipality of Morris for the sum of Seven Thousand Five Hundred Seventy Dollars and Thirty Three Cents (\$7,570.33) as hereinafter provided, which is the amount of the debt intended to be created by this by-law;

AND WHEREAS the consecutive annual amounts, including principal and interest, required to be raised each year for 1 year, as hereinafter provided, for paying the principal and interest under this by-law are the amount set out in Schedule "A" hereto;

AND WHEREAS the requirements as prescribed in Sections 318, 319 and 320 of The Municipal Act have been complied with;

AND WHEREAS the assessed value of the whole lands chargeable under this by-law according to the latest revised Assessment Roll is \$3,888,410.00.

AND WHEREAS the amount of existing debenture debts of the Rural Municipality of Morris is \$208,2800.04, of which no portion of the principal or of the interest thereon is in arrears;

NOW THEREFORE, the Council of the Rural Municipality of Morris, in regular meeting duly assembled, enacts as follows:

1. That pursuant to subsection 320(1) of The Municipal Act, the Rural Municipality of Morris adopt Local Improvement Plan No. 2/2004 attached hereto as Schedule "B".
2. That the Rural Municipality of Morris may expend up to Seven Thousand Five Hundred Seventy Dollars and Thirty Three Cents (\$7,570.33) for the purpose of completing the construction of a Diversion Ditch around the community of Lowe Farm, Manitoba as a Local Improvement.
3. That for the aforesaid project, the said municipality may borrow up to Seven Thousand Five Hundred Seventy Dollars and Thirty Three Cents (\$7,570.33) by issue and sale of debentures, such debentures shall be issued by the Rural Municipality of Morris in the Province of Manitoba, and shall be payable at the Rosenort Credit Union in Rosenort, Manitoba Canada and shall be dated the 1<sup>st</sup> day of December, AD 2004.
4. That the said debentures shall bear interest at a rate estimated for the time being at 4.75% per annum, and subject in any event to the authorization of The Municipal Board at the time of sale, and shall mature in accordance with the maturities set out in Schedule "A" hereto on the 1<sup>st</sup> day of December in year 2005 inclusive.
5. That each of the debentures shall be signed by the Reeve, or by some other person authorized by by-law to sign same, and by the Chief Administrative Office of the Rural Municipality of Morris and there shall be affixed thereto the corporate seal of the said municipality.
6. That during the currency of the said debentures; namely, in the year 2005, inclusive, there shall be raised annually by a special rate on all the ratable property described in Schedule "C" hereto, an amounts sufficient to meet the requirement of principal and interest.

7. That during the term of the debentures authorized herein, in any year where the debentures remain unissued, the levies be made as if the debentures have been issued; and upon completion of the project authrozied herein, the levies shall be applied in reduction of temporary financing, and when issued, the amount and term of debentures shall be reduced accordingly.

DONE AND PASSED by the Council of the Rural Municipality of Morris in the Province of Manitoba this 14<sup>th</sup> day of July, A.D. 2004.

  
\_\_\_\_\_  
Reeve

  
\_\_\_\_\_  
CAO

Read a first time this 19<sup>th</sup> day of April, A.D. 2004  
Read a second time this 14<sup>th</sup> day of July, A.D. 2004  
Read a third time this 14<sup>th</sup> day of July, A.D. 2004

THE MUNICIPAL BOARD OF MANITOBA  
**DECISION AND ORDER**

**DECISION DATE:** June 15, 2004

Order No. E-04-056  
File No. 04E8-0016

**PANEL:** Ms. L. A. Lavoie, Acting Chair  
Ms. M. Walder, Member

**RURAL MUNICIPALITY OF MORRIS - BY-LAW NO. 1573/04**

The Rural Municipality of Morris applies under Section 320(4) of *The Municipal Act*, S.M. 1996 c. 58 for approval of By-law No. 1573/04 attached as Appendix "A" authorizing the construction of a diversion ditch structure around the community of Lowe Farm as a Local Improvement and the borrowing of \$7,570.33.

Upon considering the proposed By-law, **THE BOARD ORDERS THAT:**

1. Rural Municipality of Morris By-law No. 1573/04 **BE APPROVED** subject to the following amendment:
  - (a) In the tenth "Whereas" Clause, second line, delete "\$322,208.44" and replace with "\$208,800.04".
2. A filing fee of \$50.00 be paid by the Rural Municipality of Morris.

FOR THE MUNICIPAL BOARD

June 15, 2004  
Date

Lori A. Lavoie  
Lori A. Lavoie, Acting Chair

Rose Gibbons  
Rose Gibbons, Secretary

**RURAL MUNICIPALITY OF MORRIS**

Sold To:

SCHEDULE - A TO BYLAW 1573/04

**Local Improvement Debenture Issue**

<b>Term (Yrs):</b> 1	<b>Amount:</b> 7,570.33
<b>Date:</b> December 1, 2004	<b>Rate (%):</b> 4.7500
<b>Payable:</b> December 1, 2005	<b>Annual Payment:</b> 7,929.92
	<b>First Year's Payment:</b> 7,929.92
	<b>Last Year's Payment:</b> 7,929.92

**MATURITY SCHEDULE**

Year	Interest	Principal	Balance
2005	359.59	7,570.33	0.00
<b>TOTALS</b>	<b>359.59</b>	<b>7,570.33</b>	

05-Apr-04

**RURAL MUNICIPALITY OF MORRIS**

**LOCAL IMPROVEMENT PLAN  
2/2004**

**LOWE FARM**

**DIVERSION DITCH CONSTRUCTION  
PROJECT**

**Page 1**  
**Local Improvement Plan 2/2004**  
**Lowe Farm Diversion Ditch Project**

Following the 1997 Flood in the Red River Valley, it was the consensus of the Federal Government and the Provincial Government and concurred by local Municipalities that certain communities in the Red River Valley be provided with flood protection. The flood protection was done through the construction of a Diversion Ditch around the community in question.

Within the Rural Municipality of Morris, the Community of Lowe Farm was in need of flood protection. This protection was provided by the construction of a diversion ditch around the Community of Lowe Farm.

The Province of Manitoba engaged the engineering firm KGS Group to conduct the permanent diversion ditch study for Lowe Farm. They also undertook the necessary engineering work for the design and construction requirements of this diversion structure.

The Federal Government and the Provincial Government have directed that the Municipality will be responsible for 10% of the cost of the project. The Council of the Rural Municipality of Morris has decided that the properties inside the diversion protection shall be responsible for this 10% of the dyke capital cost, amounting to \$7570.33.

The decision of the Council of the Rural Municipality of Morris was that this 10% cost of the diversion would be recovered by the property assessments for the protected properties within the Lowe Farm Community Diversion Ditch. A 1 year debenture would be issued for their share of this cost and the annual debenture payment would be recovered from all properties within the Lowe Farm diversion ditch.

The Community of Lowe Farm diversion project includes all land descriptions within the following properties:

All of Section 6-4-1 WPM  
NE Section 1-5-2 WPM  
SE Section 1-5-2 WPM  
NE 36-4-2 WPM  
NE 31-4-1 WPM

**Page 2**  
**Local Improvement Plan 2/2004**  
**Low Farm Diversion Ditch Project**

According to the 2004 Assessment Roll of the Rural Municipality of Morris, the assessment for properties within the Lowe Farm diversion is estimated to be \$3,888,410.00. Most properties can be calculated exactly, however, for properties that have the diversion going through the midst of their property, an estimate was taken on the amount of assessment that would be inside the structure.

Based on information available at this time, a 1 year debenture for \$7,570.33 would require \$7959.92 in annual payments (based on an interest rate of 4.75%) to retire this debenture. With an estimated assessment of \$3,888,410.00, a mill rate of 2.05 mills would be required from that area within the diversion area to repay this debenture debt. This mill rate would of course be altered by the anticipated future growth of the area and an increase in the Assessment inside the Community Diversion.

The annual operation and maintenance of this diversion is expected to be minimal and will be funded by the Rural Municipality of Morris, either as a special levy on the district or by the Municipality at large.