



# TOWN OF CORNWALL

## RESOLUTION

**DATE: October 23, 2024**

**DEPARTMENT: Committee of Council**

**MOTION NUMBER: COC-39-2024 Utility Demand Loan Renewal**

**MOTION CARRIED** 15-0

**MOTION LOST** \_\_\_\_\_

**MOTION WITHDRAWN** \_\_\_\_\_

**Moved by Councillor** Judy Herlihy **Judy Herlihy**

**Seconded by Councillor** Elaine Barnes **Elaine Barnes**

**Whereas:** The Town of Cornwall Water and Sewer Utility has a demand loan with the National Bank of Canada, which has been used as bridge financing for various utility projects such as the NR Lagoon Berm Repair, the Main Street Water Main Upsizing project and the New Wellfield project;

**And Whereas:** The original authorized amount of the loan was \$2,614,244 and the current balance is \$1,766,800 and the interest rate on the loan is the National Bank of Canada Prime less 0.75%;

**And Whereas:** The Utility is currently undertaking the New Water Tower project at a cost of \$4,061,227 which is 73% funded through the Investing in Canada Infrastructure Program (ICIP) but will require bridge financing and it is anticipated that the Utility will be undertaking service installation initiatives in the next construction season under various funding programs which will also require bridge financing;

**And Whereas:** It is desirable to renew and increase the overall limit of this credit facility to \$3,000,000 ensure these project requirements can be met, and such increase will not cause Cornwall to exceed its statutory debt limit, and The National Bank of Canada has offered to renew the demand loan and facilitate the increased amount authorized under the loan at the rate of National Bank of Canada Prime less 0.75%;

**Therefore, be it Resolved:** That the Town Cornwall renew the existing demand loan and increase the overall amount available under it to \$3,000,000.