

**BOROUGH OF ORWIGSBURG  
SCHUYLKILL COUNTY, PENNSYLVANIA**

**ORDINANCE NO. 373**

AN ORDINANCE OF THE BOROUGH COUNCIL OF THE BOROUGH OF ORWIGSBURG, SCHUYLKILL COUNTY, PENNSYLVANIA, INCREASING THE INDEBTEDNESS OF THE BOROUGH OF ORWIGSBURG BY THE ISSUANCE A REVENUE NOTE FOR THE PURPOSE OF CONSTRUCTING WATER IMPROVEMENTS, INCLUDING ENLARGEMENT OF THE WATER FILTRATION PLANT AND IMPROVEMENTS TO THE DISTRIBUTION SYSTEM IN THE AMOUNT OF THREE MILLION, THREE HUNDRED THOUSAND (\$3,300,000.00) DOLLARS. .

WHEREAS, it is necessary that the indebtedness of the Borough of Orwigsburg, Schuylkill County, Pennsylvania, (the "Borough") be increased for the following purposes: To obtain interim financing for water treatment improvements, including the enlargement of the water filtration plant and improvements to the water distribution system; and

WHEREAS, the proposed increase in debt will not cause the limitations of the Borough's debt-incurring power, pursuant to constitutional and statutory authority, to be exceeded.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Borough Council of the Borough of Orwigsburg, Schuylkill County, Pennsylvania, and it is hereby ENACTED and ORDAINED by the authority of the same, as follows:

SECTION I. The aggregate principal amount of the indebtedness to be incurred by the Borough of Orwigsburg for interim financing is Three Million, Three Hundred Thousand (\$3,300,000.00) Dollars, to be incurred for the following purposes: Water system improvements, including enlargement of the water filtration plant and improving the water distribution system. The estimate use for life of the project is 20 years.

SECTION 2. The indebtedness shall be evidenced by (1) a Revenue Note and (2) a Letter of Commitment from the Union Bank and Trust Company to the Borough of Orwigsburg in the principal sum of Three Million, Three Hundred Thousand (\$3,300,000.00) Dollars, bearing interest, if required, from the date of the issue of the note based upon the attached interest rate and maturity schedule at a rate of 2.35% fixed through November 30, 2005, and at a rate of 2.53% effective

December 31, 2005, through May 31, 2006. The note will reach maturity on May 31, 2006 or upon receipt of PennVest funding, whichever is earlier.

SECTION 3. The Borough hereby covenants that the Borough shall include the amounts payable with respect to the Revenue Note in each fiscal year in which sums may be payable with respect to the Project for that year in its budget, shall appropriate such amounts for the payment of the debt service; and shall duly and punctually pay and caused to be paid the principal and interest thereon on the dates and places and the manner set forth in the Revenue Note according to the true intent and meaning thereof and for such proper budgeting, appropriation and payment, the full faith and credit and taxing power of the Borough is hereby irrevocably pledged.

SECTION 4. The form of the Revenue Note shall be substantially in the form attached hereto as Exhibit "A".

SECTION 5. The form of the Commitment Letter shall be substantially in the form attached hereto as Exhibit "B".

SECTION 6. The Revenue Note and Commitment Letter shall be executed in the name and under the corporate seal of the Borough by the President of the Borough Council of the Borough of Orwigsburg and attested by the Secretary of the Borough. The President and Secretary of the Orwigsburg Borough Council are authorized and directed to prepare, verify and file the Debt Statement required by Section 410 of the Debt Act, and to take any other necessary action, including, if necessary or desirable, any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt. The prior execution of the Commitment Letter by the President of Borough Council and Secretary be and hereby is authorized and/or ratified.

SECTION 7. The obligation hereunder is evidenced by the Revenue Note and Proposal in the amount of Three Million, Three Hundred Thousand (\$3,300,000.00) Dollars, to be issued to the Union Bank and Trust Company in accordance with the Revenue Note and Proposal provided said Revenue Note is dated that day of delivery; and further provided that the proceedings have been approved by the Department of Community and Economic Development.

SECTION 8. The action of the proper officials in advertising of the summary of this Ordinance as required by law in the *Pottsville Republican* and *Evening Herald* a newspaper of general circulation in the Borough, is authorized, ratified and confirmed. The advertisement in a newspaper of general circulation within the Borough of the enactment of this Ordinance is hereby directed within fifteen (15) days following the date of final enactment.


SECTION 9. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not effect or impair any of the remaining provisions, sections, sentences, clauses or parts of this Ordinance, it being the intent of the Borough that the remainder of the Ordinance shall remain in full force and effect.

SECTION 10. All ordinances and parts of ordinances not in accordance with this Ordinance are hereby repealed insofar as they conflict herewith.

SECTION 11. This Ordinance shall be effective in accordance with Section 103 of the Local Government Unit Debt Act.

DULY ENACTED AND ORDAINED this 13<sup>th</sup> day of July, 2005, by the Council of the Borough of Orwigsburg, Schuylkill County, Pennsylvania, in lawful session duly assembled.

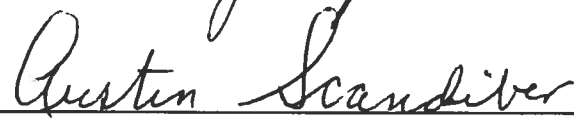
BOROUGH OF ORWIGSBURG  
SCHUYLKILL COUNTY, PENNSYLVANIA

By:   
CHARLES J. STERNER  
COUNCIL PRESIDENT

ATTEST:

  
SHERRY M. EDWARDS  
BOROUGH SECRETARY

EXAMINED and APPROVED this 13<sup>th</sup> day of July, 2005

  
AUSTIN SCANDIBER  
MAYOR OF ORWIGSBURG