

**BOROUGH OF ORWIGSBURG
SCHUYLKILL COUNTY, PENNSYLVANIA**

ORDINANCE NO. 376

AN ORDINANCE OF THE BOROUGH COUNCIL OF THE BOROUGH OF ORWIGSBURG, SCHUYLKILL COUNTY, PENNSYLVANIA, AMENDING ORDINANCE NO. 375, AUTHORIZING INCREASING THE INDEBTEDNESS OF THE BOROUGH OF ORWIGSBURG BY THE ISSUANCE A REVENUE BOND FOR THE PURPOSE OF CONSTRUCTING WATER FILTRATION IMPROVEMENTS, INCLUDING ENLARGEMENT OF THE WATER FILTRATION PLANT AND IMPROVEMENTS IN THE DISTRIBUTION SYSTEM IN THE AMOUNT OF FOUR MILLION (\$4,000,000.00) DOLLARS.

WHEREAS, the Borough Council of the Borough of Orwigsburg adopted Ordinance No. 375 authorizing the increasing of the indebtedness of the Borough of Orwigsburg by the issuance of a Revenue Bond for the for the purpose of constructing water improvements, including enlargement of the water filtration plant and improvements in the distribution system in the amount of Four Million (\$4,000,000.00) Dollars.

WHEREAS, Ordinance No. 375 authorized the issuance of a Revenue Bond in accordance with the Letter of Commitment of the Union Bank & Trust Company of the Borough of Orwigsburg in the principal sum of Four Million (\$4,000,000.00), bearing interest, if required, from the date of the issue of the Bond based upon interest at a rate of 2.53% fixed through May 31, 2006 and at a rate of 3.33% effective June 1, 2006, until maturity.

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 that Ordinance No. 375 is amended by adding the following:

SECTION 1. The indebtedness authorized by Ordinance No. 375 shall be incurred as non-electoral debt.

SECTION 2. The indebtedness shall be incurred by the issuance of a Bond pursuant to Commitment Letter issued by the Union Bank & Trust Company pursuant to private sale by negotiation. The Borough Council finds that to so award the Bond is in the best financial interest of the Borough.

SECTION 3. There is hereby established a Sinking Fund to be known as "Sinking Fund, Borough of Orwigsburg, Revenue Bond Series of 2006" into which the Borough covenants to deposit an amount sufficient to pay the principal and/or interest due under the Debt Service Schedule. The President of Borough Council and Borough Secretary are

authorized to contract for the services of the Union Bank & Trust Company as Sinking Fund depository.

SECTION 4. The Revenue Bond is intended as interim financing pending settlement with the Pennsylvania Infrastructure Investment Authority. Assuming payment of the principal May 31, 2006 and at maturity, the repayment schedule is as follows:

Month	Drawdown	Bank Advance	Repayment	Loan Balance
Feb-06	\$42,500.00	\$42,500.00	\$0.00	\$42,500.00
Mar-06	\$493,927.00	\$493,927.00		\$536,427.00
Apr-06	\$787,213.00	\$787,213.00		\$1,323,640.00
May-06	\$787,213.00	\$787,213.00	\$2,110,853.00	\$0.00
Jun-06	\$744,713.00	\$744,713.00		\$744,713.00
Jul-06	\$744,713.00	\$744,713.00		\$1,489,426.00
Aug-06	\$744,713.00	\$744,713.00		\$2,234,139.00
Sep-06	\$668,713.00	\$668,713.00	\$2,902,852.00	\$0.00


SECTION 5. In the event any provision, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any of the remaining provisions, sections, sentences, clauses or parts of this Ordinance, it being the intent of the Borough Council that the remainder of the Ordinance shall remain in full force and effect.

SECTION 6. Ordinance No. 375 in all other respects shall remain in full force and effect.

SECTION 7. This Ordinance shall be effective in accordance with the Local Government Unit Debt Act, 53 Pa. C.S.A. § 8003.

DULY ENACTED AND ORDAINED this 11 day January, 2006, by the Council of the Borough of Orwigsburg, Schuylkill County, Pennsylvania, in lawful session duly assembled.

BOROUGH OF ORWIGSBURG
SCHUYLKILL COUNTY, PENNSYLVANIA

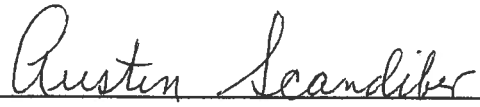
By: 

CHARLES J. STERNER
COUNCIL PRESIDENT

ATTEST:


SHERRY M. EDWARDS
BOROUGH SECRETARY

EXAMINED and APPROVED this 12 day of January, 2006.



AUSTIN SCANDIBER
MAYOR OF ORWIGSBURG