

ORDINANCE #2

Adopted at a Special Meeting of the Lackawanna County Commissioners held on February 11, 1977.

APPROVING THE REPORT REQUIRED BY SECTION 206 OF THE LOCAL GOVERNMENT UNIT DEBT ACT; DIRECTING THE FILING OF SUCH REPORT WITH THE DEPARTMENT OF COMMUNITY AFFAIRS TO QUALIFY THAT PORTION OF THE GROSS NONELECTORAL DEBT OF THE COUNTY SECURING BONDS PROPOSED TO BE ISSUED WHICH MAY BE EXCLUDED FROM SUCH GROSS NONELECTORAL DEBT AS SELF-LIQUIDATING DEBT FOR THE PURPOSE OF ESTABLISHING THE NET NONELECTORAL DEBT OF THE COUNTY AND DETERMINING ITS DEBT LIMIT AND REPEALING ALL INCONSISTENT ORDINANCE OR RESOLUTIONS.

WHEREAS, the Lackawanna River Basin Sewer Authority (the "Authority") was organized by the Board of County Commissioners (the "Board") of the County of Lackawanna, Pennsylvania (the "County") under provisions of the Pennsylvania Municipality Authorities Act of 1945, P.L. 382, as amended; and,

WHEREAS, the Authority has undertaken as a project the refunding of the presently outstanding amount of its Sewer Revenue Bonds, 1970 Series and Sewer Revenue Bonds (1970 \$100 Term Bonds) (the "Project"); and,

WHEREAS, the County has authorized by Ordinance dated February 11, 1977 (the "Debt Authorization Ordinance ") the incurring of self-liquidating nonelectoral debt to secure the payment of principal and interest on the guaranteed sewer revenue refunding bonds to be issued by the Authority in the amount of \$18,085,000 to provide funds for and toward the costs of the Project; and,

WHEREAS, the Authority has received a proposal from Elkins, Stroud, Supplee & Co. (the "Investment Bankers") for the purchase of its guaranteed sewer revenue refunding bonds in the aggregate principal amount of \$18,085,000; and

WHEREAS, the Authority's consulting engineer has prepared a report meeting the requirements of Section 206 of the Local Government Unit Debt Act, Act of July 12, 1972, No. 185 of the 1972 General Assembly of the Commonwealth of Pennsylvania, as amended (the "Debt Act"), entitled "Consulting Engineers Certificate for Lackawanna River Basin Sewer Authority" (the "Report") said Report setting forth, inter alia, the estimated net revenues of the existing sewer facilities and the estimated amount of the annual debt service; and,

WHEREAS, the County has authorized and directed, by the Debt Authorization Ordinance, the Chairman and the Chief Clerk of the Board, or their duly appointed successors to file, upon enactment of this Ordinance with the Department of Community Affairs and the Recorder of Deeds in Lackawanna County any statement required by Section 206 of the Debt Act; and,

WHEREAS, the Debt Act requires certain actions as a prerequisite to establishing the net nonelectoral debt,

NOW, THEREFORE, the Board of County Commissioners of the County of Lackawanna Pennsylvania, hereby ORDAINS and ENACTS that:

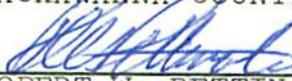
Section 1. The Report presented to this meeting is hereby approved.

Section 2. The County hereby directs that the Report be included as a part of the Exclusion Proceedings to be filed by the proper officers with the Department of Community Affairs in order to qualify that portion of the gross nonelectoral debt of the County securing the payment of principal and interest on the guaranteed revenue bonds to be issued by the Authority which may be excluded from such gross nonelectoral debt as self-liquidating debt for the purpose of establishing the net nonelectoral debt of the County and determining its debt limit.

Section 3. All prior Ordinances or resolutions or parts thereof inconsistent herewith are hereby repealed.

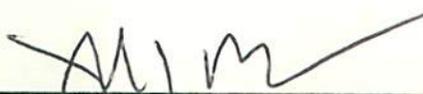
This Ordinance shall become effective Tuesday, February 22, 1977.

LACKAWANNA COUNTY COMMISSIONERS:

  
ROBERT W. PETTINATO

  
CHARLES LUGER

ATTEST:

  
JEFFREY J. BRUNDAGE  
ADMINISTRATIVE DIRECTOR

EDWARD I. ZIRAV