

**BOROUGH OF SEVEN VALLEYS
YORK COUNTY, PENNSYLVANIA**

**NOTICE OF ENACTMENT
OF ORDINANCE NO. 2011-04 TO
AUTHORIZE THE ISSUANCE OF LEASE RENTAL DEBT AND THE
AWARD OF A QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT**

NOTICE IS HEREBY GIVEN that the Borough Council of the Borough of Seven Valleys, York County, Pennsylvania (the "Borough"), at a public meeting held on Monday, December 5, 2011, at 7:00 P.M., in the Tri-County Ambulance Building, 11 Main Street, Seven Valleys, Pennsylvania 17360, enacted an Ordinance, authorizing the incurrence of lease rental debt in the aggregate principal amount of \$1,103,619 pursuant to the execution of an Intergovernmental Guaranty Agreement (the "Intergovernmental Guaranty") related to the issuance of the Guaranteed Sewer Revenue Notes, 2011 Series (collectively, the "Participant Note"), in the aggregate principal amount of \$9,465,000, by the Springfield Township, York County, Sewer Authority (the "Participant") and the award of the related Qualified Interest Rate Management Agreement. The Participant Note would fund certain projects (collectively, the "2011 Refunding Project") consisting of (i) the current refunding of the Guaranteed Sewer Revenue Bonds, 2006 Series and (ii) the payment of the costs of issuance of the Participant Note.

The provisions of the proposed Ordinance are summarized as follows:

Section 1. Approves the 2011 Refunding Project and authorizes the incurrence of lease rental debt aggregating \$1,103,619.

Section 2. States the determination that a private sale by negotiation is in the best interest of the Participant and Borough; approves the Loan Commitment submitted by the Delaware Valley Regional Finance Authority ("DelVal") to purchase the Participant Note for \$9,465,000 and to assess to the Participant DelVal's costs of origination in amount not to exceed \$37,860.

Section 3. Approves the substantial forms of the Loan Documents and authorizes the execution and delivery of the Intergovernmental Guaranty and all necessary documents.

Section 4. Sets forth the range of the annual lease payments, at the maximum interest rate of 15%, from \$0 to \$219,068.08.

Section 5. Authorizes and awards a Qualified Interest Rate Management Agreement relating to the Participant Note and Intergovernmental Guaranty and directs the filing of documents to the Department of Community and Economic Development.

Section 6. In the event of a deficiency by the Participant, pledges the full faith, credit, and taxing power of the Borough to guarantee the timely payment of all scheduled payments due under the Qualified Interest Rate Management Agreement.

Section 7. In the event of a deficiency by the Participant, pledges the full faith, credit, and taxing power of the Borough to guarantee the timely payment of all amounts due and payable under the Participant Note related to the Intergovernmental Guaranty.

Section 8. In the event of a deficiency by the Participant, sets forth covenants for the payment of Termination Charges.

Section 9. Authorizes and directs filing the application for the approval of the lease rental debt to the Department of Community and Economic Development.

Section 10. Authorizes and directs the advertisement of the enactment of the Ordinance.

Section 11. Repeals conflicting prior Ordinances.

During final passage of Ordinance No. 2011-04, the Borough Council did not change the Ordinance previously on file in the office of the Secretary. A copy of the full text of the Ordinance, as enacted and summarized above, may be examined by any citizen by appointment at the Borough Office, 57 Church Street, Seven Valleys, Pennsylvania 17360, by contacting the Borough Secretary, Cheryl D. Bahn, at 792-1261, Monday through Friday between the hours of 9:00 A.M. and 5:00 P.M. A copy of the full text of the Ordinance may also be examined by any citizen on the Borough's website, <http://www.SevenValleysBorough.com>.

CHERYL D. BAHN, SECRETARY
BOROUGH OF SEVEN VALLEYS