

ORDINANCE NO. 120

AN ORDINANCE OF THE COUNCIL OF THE BOROUGH OF NEW MILFORD, SUSQUEHANNA COUNTY, PENNSYLVANIA, AUTHORIZING AND APPROVING AS AGREEMENT OF LEASE, DATED AS OF JANUARY 1, 1972, BETWEEN THIS BOROUGH AND SAID AUTHORITY, UNDER WHICH THIS BOROUGH ENGAGES SAID AUTHORITY TO MANAGE SAID WATER SYSTEM; AUTHORIZING AND DIRECTING EXECUTION, ACKNOWLEDGMENT AND DELIVERY OF SAID AGREEMENT OF LEASE AND SAID MANAGEMENT AGREEMENT IN BEHALF OF THIS BOROUGH; AND AUTHORIZING AND DIRECTING OTHER NECESSARY AND PROPER ACTION.

The Council of the Borough of New Milford, Susquehanna County, Pennsylvania, enacts and ordains as follows:

SECTION 1. The Borough of New Milford, Susquehanna County, Pennsylvania (the Borough), as lessee, shall enter into an Agreement of Lease, dated as of January 1, 1972 (the "Lease"), with New Milford Municipal Authority (the "Authority"), as lessor, substantially in the form referred to in Section 2 of this Ordinance, with respect to the Water System, as such phrase is defined in the Lease, of the Authority, under terms of which Lease such Water System will be leased to this Borough for operation and use. The Lease is for an initial term of 20 years and sets forth terms, conditions, provisions, covenants and agreements to be observed by the Authority and this Borough in relation to such Water System.

SECTION 2. The Lease shall be substantially in the form presented to this meeting, which form is approved; and a copy of the Lease, in the form so presented to this meeting and so approved, shall be filed with the Secretary of this Borough and shall be made available for inspection at reasonable times by interested persons requesting such inspection.

SECTION 3. The Borough shall enter into a Management Agreement, dated as of January 1, 1972, (the "Management Agreement") with the Authority, substantially in the form referred to in Section 4 of this Ordinance, under which the Borough engages the Authority to manage the Water System, as such phrase is defined in the Lease.

SECTION 4. The Management Agreement shall be substantially in the form presented to this meeting, which form is approved; and a copy of the Management Agreement, in the form so presented to this meeting and so approved, shall be filed with the Secretary of this Borough and shall be made available for inspection at reasonable times by interested persons requesting such inspection.

SECTION 5. The President or Vice President of Council, Mayor and Secretary or Assistant Secretary of this Borough, as applicable, are authorized and directed to execute, acknowledge and deliver the Lease and the Management Agreement, in behalf of this Borough, substantially in the forms approved in Section 2 and Section 4 respectively.

SECTION 6. Proper officers of this Borough are authorized and directed to execute all documents and do all other acts as may be necessary and proper to carry out this Ordinance and the undertakings of this Borough in the Lease and the Management Agreement.

SECTION 7. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this ordinance, it being the intent of this Borough that such remainder shall be and shall remain in full force and effect.

ORDINANCE NO. 120 (cont'd)

SECTION 8. It is declared that enactment of this Ordinance is necessary for the protection, benefit and preservation of the health, safety and welfare of inhabitants of this Borough.

SECTION 9. All ordinances or parts of ordinances inconsistent herewith expressly are repealed.

SECTION 10. This Ordinance shall become effective immediately.

Duly enacted and ordained, this 17th day of January, 1972, by the Council of the Borough of New Milford, Susquehanna County, Pennsylvania, in lawful session duly assembled.

Carlton C. Bailey President

Paul R. Walworth Mayor

Agnes M. Jones Secretary