

**RESOLUTION OF
THE BOROUGH OF AVALON**

1044

DECLARATION OF OFFICIAL INTENT TO REIMBURSE GENERAL
FUNDS USED TO CONSTRUCT IMPROVEMENTS TO ITS SEWER
SYSTEM WITH FUNDS RECEIVED FROM THE PENNSYLVANIA
INFRASTRUCTURE INVESTMENT AUTHORITY

WHEREAS, the Borough of Avalon ("Borrower") has determined that construction of improvements to the sewer system located in and serving portions of the Borough of Avalon, Allegheny County, Pennsylvania (the "System"), are necessary; and

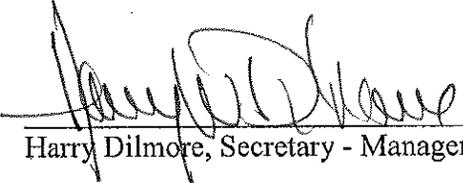
WHEREAS, Borrower desires to initiate construction of the improvements to the System (the "Project") prior to closing on financial assistance approved by the Pennsylvania Infrastructure Investment Authority (the "Authority"); and

WHEREAS, Borrower intends to pay Project costs, on an interim basis, using its General Fund until closing on the Authority's financial assistance occurs;

NOW, THEREFORE, the Board of the Borrower hereby declares as follows:

Pursuant to federal requirements set forth at 26 C.F.R. § 1.150-2, Borrower officially intends to reimburse its General Fund for Project costs incurred by the Borrower with the proceeds of the PENNVEST financial assistance Loan, up to the maximum principal amount of \$2,100,000.00.

ATTEST:


Harry Dilmore, Secretary - Manager


Edward Klicker, Council President

(SEAL)

DATE: 7/15/08