



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 070047
(As Amended, 2/20/07)

Introduced February 1, 2007

Councilmember Tasco
(By Request)*

Referred to the
Committee on Finance

AN ORDINANCE

Amending Bill No. 051138 (approved December 22, 2005), entitled "Authorizing, generally, the continued issuance and sale by the City of Philadelphia of Gas Works Revenue Notes of the City, prescribing the forms of notes and providing for their execution and payment, pledging certain revenues of the Gas Works as security, adopting a rate covenant and directing the imposition and collection of rates and charges sufficient to comply therewith, prescribing the conditions precedent to the issuance of specific series of notes, including a resolution passed by the Bond Committee providing for establishment of credit support for notes, providing for designation of a fiscal agent and sinking fund depository, providing for establishment of a sinking fund and its management, providing remedies upon default, and providing for amendments and modifications," to increase the aggregate principal amount of Gas Works Revenue Notes that may be outstanding at any one time; and authorizing an amendment to the Agreement between the City of Philadelphia and the Philadelphia Facilities Management Corporation for the Management and Operation of the Philadelphia Gas Works.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Bill No.051138 (approved December 22, 2005) is hereby amended to read as follows (matter deleted by amendment is in ~~striketrough~~; matter added by amendment is in **bold**):

ARTICLE I

*Information on file in Room 402 City Hall

City of Philadelphia

BILL NO. 070047, as amended continued

AUTHORIZATION, SCOPE AND PURPOSE - SHORT TITLE

This Ordinance is enacted pursuant to the provisions of The City of Philadelphia Municipal Utility Inventory and Receivables Financing Act (Act No. 231, approved December 7, 1982) (the "Act") for the purpose of authorizing the issuance from time to time of Gas Works Revenue Notes of the City to be secured by a pledge of certain revenues of the Gas Works as security, in an aggregate principal amount not exceeding ~~one hundred fifty million dollars (\$150,000,000)~~ **two hundred million dollars (\$200,000,000)** at any one time outstanding, as shall from time to time be authorized by resolution of the Bond Committee (or any two of them as provided by the Act) as more particularly hereinafter set forth. This Ordinance is intended to continue the authority for issuance of Gas Works Revenue Notes contained in the General Inventory and Receivables Gas Works Revenue Note Ordinance of 2002, Bill No. 020245, approved May 29, 2002 (the "2002 Ordinance"), subject to the terms and conditions hereof. At such time as Gas Works Revenue Notes are issued pursuant to the authority contained in this Ordinance, no additional Gas Works Revenue Notes shall be issued under the 2002 Ordinance. For so long as any Gas Works Revenue Notes are outstanding under the 2002 Ordinance, the principal amount thereof shall be included for purposes of calculating the maximum principal amount of Gas Works Revenue Notes that may be issued and outstanding under this Ordinance. This Ordinance shall be known as the General Inventory and Receivables Gas Works Revenue Note Ordinance of 2005 (**the "2005 Ordinance"**).

* * *

City of Philadelphia

BILL NO. 070047, as amended continued

ARTICLE III

CONCERNING THE NOTES

* * *

SECTION 3.02. General Form and Content of Notes.

(a) Notes shall be generally designated as Gas Works Revenue Notes of the City and shall be issued in such series and within such series in such sub-series as may from time to time be determined by or in the manner prescribed by a Resolution. The aggregate principal amount of Notes which may be issued, authenticated and delivered under this Ordinance may not exceed **(i) one hundred fifty million dollars (\$150,000,000) until the Stated Maturity of the Installment (the "Latest Installment") currently Outstanding under the 2005 Ordinance, and (ii) two hundred million dollars (\$200,000,000) after the Maturity Date of the Latest Installment, at any one time Outstanding**, and prior to issuance of each series of Notes, the Bond Committee shall adopt a Resolution authorizing such series. For the purpose of calculating the maximum principal amount of Notes which may be issued and Outstanding hereunder, the aggregate principal amount of any outstanding 2002 Notes shall be deemed to be Outstanding hereunder.

* * *

ARTICLE VIII

MISCELLANEOUS

* * *

Section 8.03. Amendment of Management Agreement. City Council hereby authorizes the amendment of that certain Agreement Between The City of Philadelphia and the Philadelphia Facilities Management Corporation for the Management and Operation of the Philadelphia Gas Works, originally dated December 29, 1972, authorized pursuant to an Ordinance of City Council, approved December 29, 1972 (Bill No. 455), as further amended as authorized by Ordinance on numerous other occasions, as follows:

City of Philadelphia

BILL NO. 070047, as amended continued

To revise Paragraph 3 of Sections IV (Accounting Methods) to read as follows, with new text double-underlined in italics and deleted text with ~~double strikethrough~~:

3. Temporary Financing

* * *

In addition to the foregoing authorized borrowings, loans not exceeding ~~one hundred million dollars~~ (i) one hundred fifty million dollars (\$150,000,000) until the Stated Maturity of the Installment (the "Latest Installment") currently Outstanding under the 2005 Ordinance, and (ii) two hundred million dollars (\$200,000,000) after the Maturity Date of the Latest Installment, at any one time Outstanding, in aggregate principal amount at any time outstanding may be incurred for financing accounts receivable and the purchase of inventory for the Gas Works, as authorized by applicable law. If such loans are required, plans therefor shall be submitted to the Gas Commission and the Director of Finance for approval of the aggregate principal amount of such loans which may be outstanding at any single time. Such aggregate principal amount shall also be subject to approval by resolution or by ordinance of City Council. Capitalized terms not otherwise defined in this paragraph have the same meaning as ascribed to them in the 2005 Ordinance.