

to pledge and apply available revenues from the water works of said City to the payment of said bonds and the interest thereon and to levy and collect taxes upon all the assessable property in said City to pay the principal and interest requirements of said bonds in the event of insufficient water revenues for that purpose.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That the Mayor and Councilmen of Frostburg, Allegany County, Maryland, be and they are hereby, authorized and empowered to issue and sell bonds designated, "Frostburg Water Improvement and Refunding Bonds of 1947" to an amount not exceeding Sixty Thousand Dollars (\$60,000.00). Said bonds shall be issued in such form and denominations, shall become due and payable in such manner and time, not exceeding twenty (20) years from the date of issue, and shall bear such rate of interest, not exceeding four (4) per cent per annum, as the Mayor and Councilmen shall determine by ordinance; said bonds shall be forever exempt from all State, County, and Municipal Taxes and shall be signed by the Mayor of said City and attested by its City Clerk, with the Corporate Seal of said City affixed thereto. Interest on said Bonds shall be evidenced by coupons attached thereto.

SEC. 2. *And be it further enacted*, That said Mayor and Councilmen of Frostburg shall, by ordinance, cause advertisement to be made setting the time and place, where bids, conditioned as may be required by said ordinance, will be opened for the sale of all or any part of said Bonds, reserving unto itself the right to reject any and all bids and the right to re-advertise the sale of all or any part of said bonds, together with such certified checks as may be required, if any; said bids shall be filed with the City Clerk and at the time and place advertised, shall be opened by him in the presence of the Mayor and Councilmen of Frostburg and if said bids, or any of them, be satisfactory to the Mayor and Councilmen of Frostburg, it shall sell said bonds or any part thereof, to the highest bidder of whose ability to comply with the terms of sale, the said Mayor and Councilmen, in its discretion, is satisfied.

SEC. 3. *And be it further enacted*, That upon the sale of said Bonds, the proceeds thereof to an amount not exceeding Twenty Thousand Dollars (\$20,000.00), shall be used by the Mayor and Councilmen of Frostburg, together with such part of the Sinking Funds of said City as may be designated by the Mayor and Councilmen of Frostburg, for the purpose of redeeming the Water Improvement Bonds of 1923 due August 1, 1948, in the amount of Fifty-five Thousand Dollars