

WS 3/4/2020  
PAM

COUNTY OF DAUPHIN,  
Commonwealth of Pennsylvania

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ORDINANCE NO. 3-2020

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AN ORDINANCE

OF THE BOARD OF COMMISSIONERS OF THIS COUNTY AUTHORIZING A GENERAL OBLIGATION NOTE OF THIS COUNTY IN THE PRINCIPAL AMOUNT OF \$5,822,550, TO BE ISSUED TO THE COMMONWEALTH OF PENNSYLVANIA, ACTING BY AND THROUGH THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION, PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, TO DESIGN AND CONSTRUCT TRANSPORTATION-RELATED IMPROVEMENTS WITHIN THE COUNTY AND PAY RELATED EXPENSES; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH NOTE; SETTING FORTH THE SUBSTANTIAL FORM AND TERMS OF SUCH NOTE; CREATING A SINKING FUND AND APPOINTING A SINKING FUND DEPOSITORY FOR SUCH NOTE; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS COUNTY IN SUPPORT OF SUCH NOTE; AND AUTHORIZING RELATED DOCUMENTS AND ACTS.

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WHEREAS, the County of Dauphin, Commonwealth of Pennsylvania (the "County"), is a county of the third class existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), and is governed by its Board of Commissioners; and

WHEREAS, the Board of Commissioners of the County, in contemplation of the sale and issuance of a general obligation note, in the principal amount of Five Million Eight Hundred Twenty-Two Thousand Five Hundred Fifty Dollars (\$5,822,550), to provide funds for the Project (hereinafter defined), has determined that such general obligation note: (a) should be

offered for sale at private sale by negotiation; and (b) should be offered for sale at a price of not less than 100% of principal amount thereof; and

**WHEREAS**, the Board of Commissioners of this County has obtained cost estimates, as such costs are defined in the Act of the General Assembly of the Commonwealth known as the Local Government Unit Debt Act (the "Act"), for the Project (hereinafter defined) to be financed, and has determined that such costs will be at least \$5,822,550; and

**WHEREAS**, a written proposal for purchase of such general obligation note has been received from the Commonwealth of Pennsylvania, acting by and through the Pennsylvania Department of Transportation and the Pennsylvania Infrastructure Bank ("PennDOT"); and

**WHEREAS**, the Board of Commissioners of this County has read and considered such proposal; and

**WHEREAS**, the Board of Commissioners of this County desires to accept such proposal of PennDOT, to award the Note (hereinafter defined) to PennDOT, and to incur nonelectoral debt in the amount of \$5,822,550, pursuant to the Act.

**NOW, THEREFORE, BE IT ENACTED AND ORDAINED**, by the Board of Commissioners of this County, as follows:

**SECTION 1.** The Board of Commissioners of this County hereby authorizes and directs the issuance of a general obligation note of this County, pursuant to this Ordinance, in the principal amount of Five Million Eight Hundred Twenty-Two Thousand Five Hundred Fifty Dollars (\$5,822,550) (the "Note"), in accordance with the Act, to (a) construct transportation-related improvements in order to enhance safety and traffic capacity on Linglestown Road, Progress Avenue and Paxton Church Road, all located within the County, (b) create more efficient

and effective public transportation infrastructure supporting economic development within the County, and (c) pay related expenses (the "Project").

**SECTION 2.** The Board of Commissioners of this County expresses its finding that it is in the best financial interests of this County to sell the Note at private sale by negotiation and determines that the debt, of which the Note shall be evidence, to be incurred pursuant to this Ordinance shall be nonelectoral debt of this County.

**SECTION 3.** A brief description of the Project for which debt, of which the Note shall be evidence, is to be incurred is set forth in Section 1; the estimated useful life of the Project is at least twenty-five (25) years.

**SECTION 4.** The Board of Commissioners of this County shall and does accept the proposal of PennDOT dated February 3, 2020, for purchase of the Note (the "Proposal"); and the Note is awarded to PennDOT in accordance with terms and conditions of the Proposal, the original of which is on file with the Chief Clerk of this County, at private sale, at a dollar price of \$5,822,550 (100% of principal amount), PennDOT having submitted the Proposal in accordance with the Act.

**SECTION 5.** The Note, when issued, will be a general obligation note of this County.

**SECTION 6.** The Note shall be in the single denomination of \$5,822,550 principal amount and shall have a term of approximately ten (10) years from the date of issue. The Note shall bear interest at the fixed rate of 2.75% per annum, and interest shall begin to accrue on the Note when the proceeds of sale of the Note are paid by PennDOT to this County. Principal and interest on the Note shall be payable in ten (10) approximately equal, consecutive, annual installments, with the first such annual installment being due and payable approximately one (1)

year following the date on which the proceeds of sale of the Note shall be paid by PennDOT to this County. A schedule setting forth the estimated principal and interest payment schedule with respect to the Note is attached hereto as Exhibit "A" and made a part hereof; the final payment schedule shall be such as is provided by PennDOT to this County based on the date of PennDOT's actual disbursement of the proceeds of sale of the Note to this County.

**SECTION 7.** The Note shall be subject to prepayment prior to maturity, at the option of this County, as a whole or, from time to time, in part, on any date, upon payment of the principal amount being prepaid, together with accrued interest to the date fixed for prepayment, and without premium or penalty; *provided, however*, that any partial prepayment shall be in the aggregate principal amount of \$1,000 or an integral multiple thereof and each partial prepayment shall be applied to the principal installments due and payable on the Note in inverse order of their maturities.

**SECTION 8.** The form of the Note shall be substantially as set forth in Exhibit "B" attached hereto and made part hereof, with appropriate insertions, omissions and variations.

**SECTION 9.** The Note shall be executed in the name of and on behalf of this County by the manual signature of the Chairman or Vice Chairman of the Board of Commissioners of this County and the official seal of this County shall be affixed thereto and the manual signature of the Chief Clerk of this County shall be affixed thereto in attestation thereof; and said officers are authorized to execute and to attest, as applicable, the Note, as aforesaid.

**SECTION 10.** This County covenants to and with PennDOT, and any subsequent holder of the Note, that this County: (i) shall include the amount of the debt service for the Note, for each fiscal year of this County in which such sums are payable, in its budget for that fiscal year, (ii) shall appropriate such amounts from its general revenues for the payment of such

debt service, and (iii) shall duly and punctually pay or cause to be paid from the sinking fund created pursuant to Section 11 hereof or any other of its revenues or funds the principal of the Note and the interest thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this County shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of this County shall be enforceable specifically.

**SECTION 11.** There is created, pursuant to Section 8221 of the Act, a sinking fund for the Note which shall be administered in accordance with applicable provisions of the Act.

**SECTION 12.** This County appoints First National Bank of Pennsylvania (the "Bank"), having an office in Harrisburg, Pennsylvania, as the sinking fund depository with respect to the sinking fund created pursuant to Section 11. The Chairman or Vice Chairman of the Board of Commissioners or the Chief Clerk, respectively, of this County are authorized and directed to contract with the Bank for its services as sinking fund depository in connection with the sinking fund created pursuant to Section 12.

**SECTION 13.** This County covenants to make payments out of the sinking fund created pursuant to Section 11 or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Note when due.

**SECTION 14.** The Chairman or Vice Chairman of the Board of Commissioners and the Chief Clerk, respectively, of this County, which shall include their duly qualified successors in office, if applicable, are authorized and directed: (a) to prepare, to certify and to file with the Department of Community and Economic Development (the "Department") of the Commonwealth the debt statement required by the Act; (b) to prepare and to file the application

with the Department, together with a complete and accurate transcript of the proceedings relating to the incurring of debt, of which debt the Note, upon issue, will be evidence, as required by the Act; (c) to prepare and to file, if applicable, any statements required by the Act that are necessary to qualify all or any portion of nonelectoral and/or lease rental debt of this County that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit as self-liquidating or subsidized debt; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

Said officers of this County are authorized and directed to prepare an appropriate borrowing base certificate to be appended to the debt statement authorized herein.

**SECTION 15.** The Note has been sold, as set forth in this Ordinance, at private sale by negotiation, as permitted by the Act.

**SECTION 16.** It is declared that the debt to be incurred hereby, together with any other indebtedness of this County, is not in excess of any applicable limitation imposed by the Act upon the incurring of debt by this County, which is evidenced by the Note.

**SECTION 17.** The Chief Clerk of this County is authorized and directed to deliver the Note, after execution and attestation thereof as provided for herein, to PennDOT, as provided in the accepted Proposal, but only after the Department has certified its approval pursuant to the Act.

**SECTION 18.** The Board of Commissioners does hereby authorize and direct proper officers of the Board of Commissioners and the Chief Clerk and Treasurer of this County to take such actions, and to authorize such actions to be taken, in the name of and on behalf of this County, as shall be necessary or appropriate to comply with the terms and conditions of the

accepted Proposal, including the execution and delivery of the loan agreement and the establishment of a separate project bank account of this County, as required by such Proposal.


**SECTION 19.** 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 County that such remainder shall be and shall remain in full force and effect.

**SECTION 20.** All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

**SECTION 21.** This Ordinance shall be effective in accordance with the Act.

**DULY ENACTED AND ORDAINED**, by the Board of Commissioners of the  
County of Dauphin, Commonwealth of Pennsylvania, in lawful session duly assembled, this 4<sup>th</sup>  
day of March, 2020.

COUNTY OF DAUPHIN  
Commonwealth of Pennsylvania

  
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Chairman, Board of Commissioners

ATTEST:

  
\_\_\_\_\_  
Chief Clerk

  
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Vice Chairman, Board of Commissioners

(SEAL)

  
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Secretary, Board of Commissioners