

LM 8/28/19
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COUNTY OF DAUPHIN
Commonwealth of Pennsylvania

ORDINANCE
NO. 5-2019

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DAUPHIN, PENNSYLVANIA (THE "**COUNTY**") AUTHORIZING, AS PERMITTED BY AND PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA. C. S. § 8001 *ET SEQ.*, AS AMENDED (THE "**DEBT ACT**"), THE INCURRENCE OF NONELECTORAL DEBT EVIDENCED BY ITS (I) GENERAL OBLIGATION NOTE, SERIES A OF 2019 (DAUPHIN COUNTY INFRASTRUCTURE BANK), IN THE PRINCIPAL AMOUNT NOT-TO-EXCEED \$3,625,000 (THE "**SERIES A NOTE**"), AND (II) GENERAL OBLIGATION NOTE, SERIES B OF 2019 (DAUPHIN COUNTY INFRASTRUCTURE BANK), IN THE PRINCIPAL AMOUNT NOT-TO-EXCEED \$700,000 (THE "**SERIES B NOTE**" AND TOGETHER WITH THE SERIES A NOTE, THE "**NOTES**"), FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED FOR AND TOWARD (A) FUNDING ALL OR A PORTION OF THE COSTS OF CERTAIN TRANSPORTATION RELATED CAPITAL PROJECTS, INCLUDING, AS MAY BE APPLICABLE, THE ENGINEERING, PRELIMINARY AND ENVIRONMENTAL STUDIES, SURVEYING, TESTING AND DESIGN WORK RELATING THERETO, AND (B) TO PAY ALL OR A PORTION OF THE COSTS OF ISSUANCE OF THE NOTES (COLLECTIVELY, THE "**PROJECTS**"); DETERMINING THAT THE NOTES SHALL BE SOLD AT INVITED SALE; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE NOTES, AT INVITED SALE, AND AWARDING THE NOTES AND SETTING FORTH RELATED PROVISIONS; FIXING THE MATURITY DATE AND INTEREST RATE OF THE NOTES; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; FIXING THE INTEREST PAYMENT DATES, PLACE OF PAYMENT OF PRINCIPAL AND INTEREST; AUTHORIZING EXECUTION AND ATTESTATION OF THE NOTES; COVENANTING TO PAY DEBT SERVICE AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER FOR THE PAYMENT OF THE NOTES; FIXING THE PREPAYMENT PROVISIONS OF THE NOTES; CREATING SINKING FUNDS IN CONNECTION WITH THE ISSUANCE OF THE NOTES AS REQUIRED BY THE DEBT ACT; APPROPRIATING PROCEEDS OF THE NOTES; DESCRIBING THE PROJECTS FOR WHICH SUCH DEBT IS TO BE INCURRED AND SPECIFYING A REASONABLE ESTIMATE OF THE USEFUL LIVE OF SAID PROJECTS; SETTING FORTH CERTAIN COVENANTS RELATING TO THE NON-ARBITRAGE STATUS OF THE NOTES; RATIFYING PRIOR ADVERTISEMENT AND DIRECTING FURTHER ADVERTISEMENT; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND FILING OF A TRANSCRIPT OF PROCEEDINGS, INCLUDING A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AUTHORIZING AND DIRECTING OFFICERS AND OFFICIALS OF THE COUNTY TO EXECUTE AND DELIVER DOCUMENTS AND TO TAKE ACTION AS MAY BE NECESSARY RELATING TO THE ISSUANCE AND DELIVERY OF THE NOTES; CREATING A CLEARING ACCOUNT AND PROJECT ACCOUNTS; AUTHORIZING THE COUNTY TO PURCHASE A MUNICIPAL NOTE

FROM DAUPHIN BOROUGH AND APPROVING AND AUTHORIZING THE COUNTY TO ENTER INTO A LOAN AGREEMENT, EACH BETWEEN THE COUNTY AND DAUPHIN BOROUGH; AUTHORIZING THE PAYMENT OF EXPENSES; PROVIDING GUIDELINES FOR PERMITTED INVESTMENTS; PROVIDING FOR THE AUTHORIZATION OF OFFICERS; FIXING THE SUBSTANTIAL FORMS OF THE NOTES; RATIFYING AND CONFIRMING ACTIONS ON BEHALF OF THE COUNTY; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING INCONSISTENT ORDINANCES; AND PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.

ENACTED AUGUST 28, 2019

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 a Local Government Unit, as defined in the Local Government Unit Debt Act, 53 Pa.C.S. § 8001 *et seq.*, as amended and supplemented (the “**Debt Act**”); and

WHEREAS, the County desires to assist municipalities located in the County in financing the costs of construction, reconstruction, maintenance and repair of public roads, streets or bridges as well as other permitted projects under the Liquid Fuels Tax Act of 1931, 75 Pa. C.S.A. § 9001 *et seq.*, as amended and supplemented (the “**Liquid Fuels Tax Act**”), through the creation and establishment of the Dauphin County Infrastructure Bank (the “**Infrastructure Bank**”); and

WHEREAS, the County is empowered under Section 1997 of the Act of August 9, 1955, P.L. 323, No. 130, as amended by the Act of September 20, 1961, P.L. 1536 [16 P.S. §1997], known as the County Code to enter into contracts with state and local government agencies for the improvement of transportation operations and facilities within the County; and

WHEREAS, the Borough of Dauphin, Dauphin County, Pennsylvania (“**Dauphin Borough**”), heretofore submitted an application for a loan from the County, through the Infrastructure Bank, in order to finance the planning, designing, permitting, acquiring, constructing and installing of speed tables, ADA-compliant curb ramp upgrades, and stormwater inlet upgrades and replacements at various locations, and resurfacing various roads, including milling and paving of Erie Street, Mountainview Lane, Charles Road, Floral Lane, Lower Erie Road and Edison Road, all located within Dauphin Borough (the “**Dauphin Borough Project**”); and

WHEREAS, pursuant to Resolution No. 11-2019 duly adopted on June 19, 2019, the Board of County Commissioners heretofore approved the Dauphin Borough Project for financing through the Infrastructure Bank and issued a commitment letter to Dauphin Borough (the “**Note Purchase Agreement**”); and

WHEREAS, pursuant to an ordinance enacted by Dauphin Borough on July 2, 2019 (the “**Dauphin Borough Ordinance**”), the Council of Dauphin Borough heretofore approved the Dauphin Borough Project for financing through the Infrastructure Bank and authorized the execution and delivery of a guaranteed revenue note of Dauphin Borough to secure the repayment of the loan from the County; and

WHEREAS, the Board of County Commissioners of the County desires to undertake certain projects consisting of (1) funding a portion of the costs associated with the repair and replacement of county- and municipal-owned bridges located within the County, which are in poor condition or structurally-deficient and identified as a part of the County’s Bridge Bundling Program, as more specifically set forth in Schedule A

attached hereto and made a part hereof (the “**County Project**”); and (2) providing funds to Dauphin Borough to be applied toward (A) the planning, design, purchase, acquisition, construction, installation and equipping of certain transportation related improvements, including, but not limited to the Dauphin Borough Project; (B) the engineering, preliminary and environmental studies, surveying, testing, pre-construction, construction and post construction inspections, and engineering and design work relating thereto; and (C) the costs of issuance of the Notes (hereinafter defined) (the “**Dauphin Borough Project**” and together with the County Project, collectively, the “**Transportation Project**”); and

WHEREAS, the County, with assistance of Dauphin Borough, has obtained estimates of the cost of the Transportation Project from consultants or other persons qualified by experience and has determined that: (1) the estimated cost of the County Project is at least \$3,625,000; and (2) the estimated cost of the Dauphin Borough Project is at least \$700,000; and

WHEREAS, the Board of County Commissioners of the County has determined to incur nonelectoral debt, in accordance with the terms and provisions of this Ordinance and the Debt Act, by the issuance and sale of its (i) General Obligation Note, Series A of 2019 (Dauphin County Infrastructure Bank), in the principal amount not-to-exceed \$3,625,000 (the “**Series A Note**”), for the purpose of providing funds to be used for and toward funding the County Project, and (ii) General Obligation Note, Series B of 2019 (Dauphin County Infrastructure Bank), in the principal amount not-to-exceed \$700,000 (the “**Series B Note**”), for the purpose of providing funds to be used for and toward funding the Dauphin Borough Project (the Series B Note, together with the Series A Note, the “**Notes**”); and

WHEREAS, the County will make the proceeds of the Series B Note available to Dauphin Borough pursuant to a Loan Agreement (the “**Municipal Loan Agreement**”), in order to finance the Dauphin Borough Project; and

WHEREAS, Dauphin Borough will issue a guaranteed revenue note (the “**Municipal Note**”) to the County, in order to secure the debt service payments on the Series B Note; and

WHEREAS, PNC Bank, N.A. (the “**Purchaser**”) has presented to the County a proposal to purchase the Notes (the “**Note Purchase Proposal**”); and

WHEREAS, the County desires to approve and authorize the Transportation Project, issuance of the Notes, acceptance of the Note Purchase Proposal, the forms of the Notes, and to incur nonelectoral debt to be evidenced by the Notes pursuant to the provisions of the Debt Act.

NOW, THEREFORE, BE AND IT HEREBY IS ORDAINED by the Board of County Commissioners of the County of Dauphin that:

SECTION 1. The Transportation Project.

The County hereby combines the Dauphin Borough Project and the County Project for financing purposes, and hereby approves and undertakes as a project the Transportation Project. The description of the Transportation Project contained in the recitals to this Ordinance are hereby incorporated into this Section by reference as if set out at length. The foregoing recitals and all terms defined therein are incorporated herein, and such defined terms may hereafter be used as if set out at length.

SECTION 2. Incurrence of Indebtedness.

For the purpose of providing funds for and toward the payment of costs, as such term is used in the Debt Act, of the Transportation Project, the incurring of nonelectoral debt by the County evidenced by issuance of (i) a general obligation note of the County designated “County of Dauphin, Commonwealth of Pennsylvania, General Obligation Note, Series A of 2019 (Dauphin County Infrastructure Bank)”, in the principal amount not-to exceed \$3,625,000; and (ii) a general obligation note of the County designated “County of Dauphin,

Commonwealth of Pennsylvania, General Obligation Note, Series B of 2019 (Dauphin County Infrastructure Bank)", in the principal amount not-to exceed \$700,000, is hereby authorized.

SECTION 3. Approval of Invited Sale.

After considering the advantages and disadvantages of the various methods of sale of the Notes permitted by the Debt Act and of current market conditions and the structure of the Transportation Project, the Board of County Commissioners hereby determines that an invited sale is in the best financial interest of the County.

SECTION 4. Acceptance of Note Purchase Proposal.

The Board of County Commissioners of the County accepts the Note Purchase Proposal of the Purchaser to purchase the Notes; and (i) the Series A Note is awarded and sold to the Purchaser at a dollar price of \$3,625,000 (100% of the principal amount thereof), and (ii) the Series B Note is awarded and sold to the Purchaser at a dollar price of \$700,000 (100% of the principal amount thereof). The Proper Officers of the County (hereinafter defined) are authorized and directed to execute and deliver an acceptance of the Note Purchase Proposal to the Purchaser. One counterpart of the Note Purchase Proposal shall be filed with the records of the County.

SECTION 5. Maturity Date and Interest Rate.

The Notes shall mature and bear interest as set forth in Schedule B attached hereto.

SECTION 6. Appointment of Paying Agent, Registrar and Sinking Fund Depository.

PNC Bank, N.A. is hereby appointed Paying Agent ("**Paying Agent**") and Registrar ("**Registrar**") for the Notes and Sinking Fund Depository ("**Sinking Fund Depository**") for the 2019 Note Sinking Funds created hereby. The Chairman or the Vice Chairman, or any other Proper Officer of the County designated by either of the foregoing officers, is hereby authorized and directed to contract with PNC Bank, N.A., having an office in Scranton, Pennsylvania, for its services as Sinking Fund Depository, Paying Agent and Registrar at such initial and annual charges as shall be appropriate and reasonable for such services. The County may, by resolution, from time to time appoint a successor Paying Agent, Sinking Fund Depository or Registrar to fill a vacancy or for any other reason.

SECTION 7. Payment Dates.

The Notes shall be fully registerable as to principal and interest and shall be dated as of the date of issuance and delivery thereof. The Notes shall bear interest from the date of issuance thereof at the applicable rate of interest, as specified in Section 5 hereof, payable initially on December 1, 2019 and on each June 1 and December 1 (each, an "**Interest Payment Date**") thereafter through and including on the Maturity Date, from the immediately preceding Interest Payment Date to which interest has been paid, unless: (a) the Notes are registered prior to December 1, 2019, in which event the Notes shall bear interest from the date of issuance; or (b) as shown by the records of the Paying Agent, interest on the Notes shall be in default, in which event the Notes shall bear interest from the date on which interest was last paid, until the principal sum thereof is paid.

Principal on the Notes shall be due in the minimum installments as set forth in Exhibit B attached hereto and incorporated herein on June 1 of each year, commencing on June 1, 2020, unless prepaid as provided herein.

The principal of and interest on the Notes shall be payable in lawful moneys of the United States of America to the registered owner at the office of PNC Bank, N.A., in Scranton, Pennsylvania, or such other office from time to time designated by written notice to the then registered owner.

If the date for payment of the principal of or interest on this Notes shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next

succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the date fixed for such payment.

SECTION 8. Execution of Notes. The Notes shall be executed in the name of and in behalf of the County by the manual signatures of the Chairperson or Vice Chairperson of Board of County Commissioners of the County and the official seal of the County shall be affixed thereunto and the manual signature of the Chief Clerk of the County shall be affixed thereunto in attestation thereof; and said officers are authorized to execute and to attest, as applicable, the Notes.

SECTION 9. General Obligation Covenant.

The Notes are hereby declared to be a general obligation of the County. The County hereby covenants with the registered owners from time to time of the Notes outstanding pursuant to this Ordinance that it will include the amount of the debt service for each fiscal year in which such sums are payable, in its budget for that year, will appropriate such amounts for such payments and will duly and punctually pay or cause to be paid the principal of the Notes and the interest thereon on the dates, at the places and in the manner stated therein, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County does hereby pledge its full faith, credit and taxing power. The amount of the debt service, which the County hereby covenants to pay on the Notes in each year, is shown on Schedule B which is attached hereto and incorporated herein by reference as if set out here at length. As provided in the Debt Act, the foregoing covenants are specifically enforceable.

SECTION 10. Prepayments. The Notes shall be subject to prepayment prior to maturity, at the option of the County, as a whole, or, from time to time, in part, at any time upon payment of the principal amount thereof, together with accrued interest to the date fixed for prepayment and such other amounts due subject to the prepayment indemnity provisions as further set forth in the Note Purchase Proposal and the respective forms of the Notes.

SECTION 11. Creation of Sinking Funds.

There hereby is established, pursuant to Section 8221 of the Debt Act, (i) a sinking fund for the Series A Note, to be known as "County of Dauphin – 2019A General Obligation Note Sinking Fund" (the "**Series A Sinking Fund**"), and (ii) a sinking fund for the Series B Note, to be known as "County of Dauphin – 2019B General Obligation Note Sinking Fund" (the "**Series B Sinking Fund**"), and together with the Series A Sinking Fund, the "**2019 Note Sinking Funds**"), into which funds shall be deposited for prompt and full payment of all obligations of the respective Notes when due. The 2019 Note Sinking Funds shall be administered by the Sinking Fund Depository in accordance with applicable provisions of the Debt Act.

SECTION 12. Disposition of Proceeds.

(a) **Clearing Account.** All proceeds of the Notes derived from the sale of the Notes and delivered to the Paying Agent shall be deposited in the Clearing Account created pursuant to Section 20 hereof and shall be and hereby are appropriated substantially to payment of the cost of the Transportation Project, including but not limited to, payment of the costs and expenses of issuing the Notes, and shall not be used for any other purposes, except as to any insubstantial amounts of money which may remain after fulfilling the purposes set forth herein, which minor amounts of remaining moneys shall promptly upon their determination be deposited in the 2019 Note Sinking Funds and used for the payment of interest on the Notes.

(b) **Use of Proceeds.** Notwithstanding any other provision of this Section, proceeds of the Notes may be used for purposes other than those enumerated in this Ordinance; provided that, the County shall have first complied with the applicable provisions of the Debt Act and the Code (as hereinafter defined), respectively, regarding a change in the use of proceeds.

SECTION 13. Cost and Realistic Useful Life.

(a) Reasonable cost estimates have been obtained for each component of the Transportation Project from advisers and professional consultants, each of whom is qualified by education, training and experience to provide such estimates. The cost of the County Project has been estimated to be at least \$3,625,000 and the cost of the Dauphin Borough Project has been estimated to be at least \$700,000.

(b) The Board of County Commissioners of the County hereby determines that the combined useful lives of the components of the Transportation Project are at least thirty (30) years. Therefore, the respective principal installments of the Notes are in accordance with § 8142(a)(2) of the Debt Act.

(c) In accordance with Section 8142(b)(1) of the Debt Act, the respective principal installments of the Notes have been fixed so as to amortize each of the Notes on at least an approximately level annual debt service plan during the terms of the Notes, respectively.

SECTION 14. Internal Revenue Code Covenants.

(a) General. The County hereby covenants with the registered owners, from time to time, of the Notes that no part of the proceeds of the Notes will be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Notes, would have caused either of the Notes to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended ("**Code**") and the Regulations thereunder proposed or in effect at the time of such use and applicable to the Notes, and that it will comply with the requirements of Section 148 of the Code and the Regulations throughout the term of the Notes.

(b) Rebate. The County covenants, if it is not eligible for any rebate exception under the Code, that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Notes in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Notes at a yield not in excess of the yield on the Notes.

(c) Filing. The County will file IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the Notes to be excluded from gross income for federal income tax purposes.

SECTION 15. Advertising.

The action of the officers and officials of the County in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. The officers and officials of the County or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the County within fifteen (15) days after final enactment. The Chief Clerk is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

SECTION 16. Filing with Department of Community and Economic Development.

The Chairman of the Board of County Commissioners and the Chief Clerk are hereby authorized and directed to prepare, verify and file with the Department of Community and Economic Development (the "Department"), in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the Notes including the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Debt Act, and to take other necessary action, and to prepare and file all necessary documents with the Department including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Notes from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 19. General Authorization.

Proper Officers and, as directed by Proper Officers, officials of the County are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the Notes, all in accordance with this Ordinance.

SECTION 20. Clearing Account and Dauphin Borough Project Account.

(a) Clearing Account. The County hereby creates with the Paying Agent a special fund to be known as the County of Dauphin 2019 Notes Clearing Account (the "**Clearing Account**"), which shall be held as a trust fund for the benefit of the County until disbursed in accordance with the following provisions hereof: The County shall deliver the net proceeds (including accrued interest, if any) derived from the sale of the Notes to the Paying Agent for deposit to the Clearing Account. Upon written direction from the County signed by the Chairman or Vice Chairman of the Board of County Commissioners of the County, the Paying Agent shall, out of the Clearing Account, pay from the proceeds of the Series B Note, the costs and expenses of the issuance of the Notes, transfer and deposit specified amounts of the Series A Note to the County Project Account and specified amounts of the Series B Note to the Dauphin Borough Project Account, each as described in subsections (b) and (c) below, respectively, and deposit the balances remaining, if any, to the respective 2019 Note Sinking Funds. The written direction from the County shall state the names of the respective payees, the purpose for which the expenditure has been incurred, or the purpose of the transfer, whichever is applicable, and shall contain a certification that each item of expense for which payment has been requested has been properly incurred and is then unpaid, and that each transfer which is requested is in accordance with the provisions of this Ordinance.

(b) County Project Account. The County hereby authorizes the transfer of a portion of the Series Note proceeds from the Clearing Account to the County Project Account created hereinafter in the amounts necessary to undertake the County Project in accordance with the Debt Act and as set forth in this Ordinance.

The County hereby creates a special account to be known as the County of Dauphin 2019 Project Account (the "**County Project Account**"), established in the name of the County with one or more banks or financial or investment institutions designated from time to time by the County, or otherwise as established by law, as a depository of the 2019 Project Account (a "2019 Project Account Depository"), subject to clearance or collection, moneys, checks, drafts, notes, bills of exchange, acceptances, or other orders for the payment of moneys which may at any time come into its possession, with or without endorsement thereof by the County, payment thereof being hereby guaranteed. Any 2019 Project Account Depository is authorized and directed to honor and pay, and to charge to the account of the County, all checks, drafts, bills of exchange, acceptances, notes or orders for the payment of money when drawn on or addressed to said 2019 Project Account Depository and signed and countersigned on behalf of the County by the following: (i) Chairman or the Vice Chairman of the Board of County Commissioners; and (ii) Chief Clerk of the County, whether the same be payable to the order of, or in favor of the officer or person signing or countersigning them, or to any of said officers in his individual capacity, or otherwise; and whether the same be deposited to the individual credit of the officer or person signing or countersigning or to the individual credit of any other officer or person or otherwise.

(c) Dauphin Borough Project Account. The County hereby authorizes the transfer of a portion of the Series B Note proceeds from the Clearing Account to the Dauphin Borough Project Account created hereinafter in the amounts necessary to undertake the Dauphin Borough Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County, a Municipal Loan Agreement with Dauphin Borough, in the form hereinafter approved (the "**Dauphin Borough Loan Agreement**") providing for, *inter alia*, the establishment of a special account to be

known as the Dauphin Borough Project Account (the “**Dauphin Borough Project Account**”) and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the Dauphin Borough Project as contemplated by this Ordinance. The Dauphin Borough Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Bond Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

SECTION 21. Purchase of the Municipal Note.

As security for the repayment of the debt service due on the Series B Note, Dauphin Borough will issue a guaranteed revenue note to the County pursuant to which Dauphin Borough will pledge their full faith, credit and taxing power, their road tax, as further described in the Dauphin Borough Ordinance and their Liquid Fuels Tax, as required by the County and in accordance with the provisions of the Debt Act. Proper Officers of the County are authorized and directed to execute and deliver, on behalf of the County, a Confirmation of the Note Purchase Agreement in the form hereinafter approved, to provide for the final purchase price, interest rates, annual mandatory sinking fund installments of the principal amount of the Municipal Note, redemption provisions (optional and mandatory), and any other appropriate terms and conditions applicable to the Municipal Note (the “**Confirmation**”). The Confirmation shall contain such provisions as shall be in substance and form satisfactory to Bond Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved. The Municipal Note will bear interest at such rates and pay principal on such dates as provided in the Confirmation, which shall be sufficient to pay debt service on the Series B Note.

SECTION 22. Payment of Expenses.

All expenses incurred in connection with issuance of the Notes shall be paid out of the proceeds derived from the issuance of the Series B Note and deposited in the Clearing Account. Proper Officers of the County and officials are authorized to sign and deliver requests for payment of such expenses.

SECTION 23. Investment.

Any moneys in the County Project Account or the Dauphin Borough Project Account may be invested or deposited as permitted by applicable law for funds of the County, Dauphin Borough or as permitted under the Debt Act, as applicable. As to the County Project Account, Proper Officers or other authorized officers of the County shall designate such investments in such combination as to provide safety of principal, liquidity to any Transportation Project and maximum investment income. As to the Dauphin Borough Project Account, respectively, Proper Officers or other authorized officers of the County shall designate, in conjunction with Dauphin Borough, such investments in such combination as to provide safety of principal, liquidity to any the Dauphin Borough Project and maximum investment income.

Any moneys in the 2019 Note Sinking Funds not required for prompt expenditure, at the direction of the County, may be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time account or certificates of deposit or other interest bearing account of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that the Federal Deposit Insurance Corporation or similar Federal agency insures such deposits, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds in accordance with the Debt Act. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the registered owners of the Notes.

SECTION 24. Authorization of Officers.

Any authorization granted to, power conferred on, or direction given to the Chairman or Chief Clerk, shall be deemed to run to the Vice Chairman or the Deputy or Assistant Chief Clerk, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power

or gives such direction, each of whom, together with any other member of the Board of County Commissioners authorized by this Ordinance, shall constitute Proper Officers of the County, and each being a Proper Officer of the County.

SECTION 25. Forms of Notes.

The Notes shall be substantially in the forms set forth in Schedule C, which is attached hereto and made a part hereof as though fully set forth herein, with such changes thereto as shall hereafter be made upon the advice of the County's solicitor and Bond Counsel, approval of such changes being evidenced by the execution and attestation of the Notes by Proper Officers of the County.

SECTION 26. Financial Reports.

The County covenants that it shall provide the following information to the Purchaser annually, so long as the Note is outstanding:

1. Audited annual financial statements of the County within 270 days of the close of the County's fiscal year; and
2. Such other financial information of the County as reasonably requested by the Purchaser.

SECTION 27. Ratification.

The County hereby ratifies and confirms authorization to the Solicitor to the County, Joseph A. Curcillo, III, Esquire, Bond Counsel, Eckert Seamans Cherin & Mellott, LLC, Harrisburg, Pennsylvania, the Financial Advisor to the County, Susquehanna Group Advisors, Inc. and the Purchaser to undertake the necessary steps or to take necessary action relating to the marketing and issuance of the Notes, including but not limited to the preparation and distribution of the Preliminary Official Statement.

SECTION 28. Severability.

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 29. Repealer.

Any resolutions or ordinances, or parts thereof, not in accordance with this Ordinance are hereby repealed insofar as they conflict with this Ordinance.

SECTION 30. Effective Date. This Ordinance shall become effective in accordance with Section 8003 of the Debt Act.

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ENACTED by the Board of Commissioners of the County of Dauphin, in lawful session assembled, this 28th day of August, 2019.


COUNTY OF DAUPHIN

ATTEST:



Chief Clerk

[SEAL]



Chairman, Board of Commissioners



Vice Chairman, Board of Commissioners



Member, Board of Commissioners