

TOWNSHIP OF HAMILTONBAN,
Adams County, Pennsylvania

ORDINANCE NO. 2015-05

OF THE TOWNSHIP OF HAMILTONBAN AUTHORIZING AND SECURING A \$200,000 GENERAL OBLIGATION NOTE OF THIS TOWNSHIP, TO BE ISSUED TO THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION, PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, TO FINANCE COSTS OF REPLACING REED'S BRIDGE, CONSTRUCTING RELATED IMPROVEMENTS, AND PAYING RELATED COSTS; ACCEPTING THE LOAN PROPOSAL; CONTAINING 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 TOWNSHIP IN SUPPORT OF SUCH NOTE; AND AUTHORIZING RELATED DOCUMENTS AND ACTS.

WHEREAS, The Township of Hamiltonban, Adams County, Pennsylvania (the "Township"), is a political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth"), and is governed by its Board of Supervisors; and

WHEREAS, The Board of Supervisors of the Township, in contemplation of the sale and issuance of a general obligation note, entitled "Promissory Note", in the maximum principal amount of Two Hundred Thousand Dollars (\$200,000), to provide funds for the Project (hereinafter defined), 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 Supervisors of this Township 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 "Debt Act"), for the Project (hereinafter defined) to be financed, and has determined that such costs will be at least \$200,000; and

WHEREAS, A written loan proposal for such general obligation note has been received from the Pennsylvania Department of Transportation ("PennDOT"), pursuant to the Pennsylvania Infrastructure Bank program; and

WHEREAS, The Board of Supervisors of this Township has read and considered such loan proposal; and

WHEREAS, The Board of Supervisors of this Township desires to accept such loan proposal of PennDOT, to award the Note (hereinafter defined) to PennDOT, and to incur nonelectoral debt in the amount of \$200,000, pursuant to the Debt Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Board of Supervisors of this Township, as follows:

SECTION 1. The Board of Supervisors of this Township hereby authorizes and secures the issuance of a general obligation note of this Township, pursuant to this Ordinance, in the maximum principal amount of Two Hundred Thousand Dollars (\$200,000) (the "Note"), in accordance with the Debt Act, to provide funds to replace Reed's Bridge in the Township, construct related improvements, and pay costs of issuance (the "Project"); provided, however, that the purposes of the Project may be changed as provided in the Debt Act.

SECTION 2. The Board of Supervisors of this Township expresses its finding that it is in the best financial interests of this Township 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 Township.

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 six (6) years.

SECTION 4. The Board of Supervisors of this Township accepts the loan proposal of PennDOT, and the Note is awarded to PennDOT in accordance with terms and conditions of its proposal, the original of which is on file with the Secretary of this Township. The negotiated purchase price of the Note is \$200,000 (100% of principal amount), PennDOT having submitted such loan proposal in accordance with the Debt Act.

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

SECTION 6. The Note shall be in the single denomination of \$200,000 principal amount and have a term of 5 years from the date of issue. Interest shall begin to accrue on the outstanding principal balance of the Note beginning when loan funds are initially advanced, at the fixed rate of 1.625%, per annum. Principal and interest on the Note shall be payable in annual amortization installments for a period of 5 years. A schedule setting forth estimated maximum principal and interest payments due on the Note is attached hereto as Exhibit "A" and made a part hereof.

The terms of the Note are more fully set forth in an Infrastructure Bank Loan Agreement between the Township, as borrower, and PennDOT, as lender (the "Loan Agreement"), a draft of which is attached hereto as Exhibit "B".

SECTION 7. The Note shall be subject to prepayment prior to maturity, at the option of this Township, under the terms and conditions described in the Note.

SECTION 8. The form of the Note shall be substantially as set forth in the Loan Agreement, together with appropriate insertions, omissions and variations.

SECTION 9. The Note and Loan Agreement shall be executed in the name of and on behalf of this Township by the Chairman or Vice Chairman of the Board of Supervisors of this Township and the official seal of this Township shall be affixed thereto and attested by the Secretary of this Township. Such officers are authorized to execute and to attest, as applicable, the Note and the Loan Agreement.

SECTION 10. This Township covenants to and with PennDOT, and any other holder of the Note, that this Township: (i) shall include the amount of the debt service for the Note, for each fiscal year of this Township 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 (hereinafter defined) 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 Township shall and does pledge, irrevocably, its full faith, credit, and taxing power. As provided in the Debt Act, the foregoing covenant of this Township shall be enforceable specifically.

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

This Township appoints Farmers & Merchants Trust Company (the "Bank"), having an office in Chambersburg, Pennsylvania, as the sinking fund depository with respect to the Sinking Fund. The Chairman or Vice Chairman of the Board of Supervisors or the Secretary, respectively, of this Township are authorized and directed to contract with the Bank for its services as sinking fund depository in connection with the Sinking Fund.

This Township covenants to make payments out of the Sinking Fund 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 12. The Chairman or Vice Chairman of the Board of Supervisors and the Secretary, respectively, of this Township, 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 Debt 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 Debt Act; (c) to prepare and to file, if applicable, any statements required by the Debt Act that are necessary to qualify all or any portion of nonelectoral or lease rental debt of this Township 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 Debt Act in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

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

SECTION 13. The debt to be incurred hereby, together with any other indebtedness of this Township, is not in excess of any applicable limitation imposed by the Debt Act upon the incurring of debt by this Township, which is evidenced by the Note.

SECTION 14. The Secretary of this Township is authorized and directed to deliver the Note, after execution and attestation thereof as provided for herein, to PennDOT, as provided in the proposal for acceptance of the Note, but only after the Department has certified its approval pursuant to the Debt Act.

SECTION 15. 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 Township that such remainder shall be and shall remain in full force and effect.

SECTION 16. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

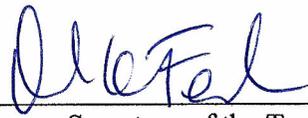
SECTION 17. This Ordinance shall be effective in accordance with the Debt Act.

DULY ENACTED AND ORDAINED, by the Board of Supervisors of the Township of Hamiltonban, Adams County, Pennsylvania, in lawful session duly assembled, this 4th day of November, 2015.

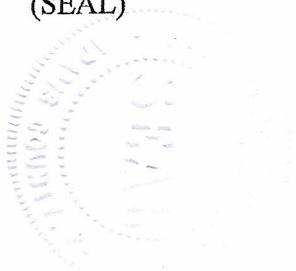
TOWNSHIP OF HAMILTONBAN,
Adams County, Pennsylvania

By: 
~~(Vice)~~ Chairman of the Board of
Supervisors

ATTEST:


Secretary of the Township

(SEAL)



CERTIFICATE

I, the undersigned, Secretary of the Township of Hamiltonban, Adams County, Pennsylvania (the "Township"), certify that: the foregoing is a true and correct copy of an Ordinance which duly was enacted by the Board of Supervisors of the Township, in accordance with law, at a meeting duly held on November 4, 2015; said Ordinance has been certified and recorded by me, as (Assistant) Secretary of the Township, in the book provided for the purpose of such recording; said Ordinance, upon enactment, as aforesaid, was assigned Ordinance No. 2015-05; the total number of members of the Board of Supervisors of the Township is five (5); the vote of members of the Board of Supervisors of the Township, upon enactment of said Ordinance, the yeas and nays having been called, duly was recorded by me, as (Assistant) Secretary, as follows:

Robert L. Gordon	-	Yea
Coleen N. Reamer	-	Yea
LuAnn Dille	-	Yea
J. Edward Deardorff	-	Yea
Douglas Woerner	-	Yea

;

and said Ordinance has not been amended, altered or repealed, as of the date of this Certificate.

I further certify that the Board of Supervisors of the Township met the advance notice requirements of the Sunshine Act, 65 Pa.C.S. Ch. 7, as amended, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at said meeting.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Township, this 4th day of November, 2015.



Secretary of the Township

(SEAL)