

ORDINANCE NO. 60
OF THE
COUNTY COMMISSIONERS
OF THE
COUNTY OF BUCKS

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE TO THE FARMERS HOME ADMINISTRATION OF THE UNITED STATES DEPARTMENT OF AGRICULTURE OF A GENERAL OBLIGATION BOND OF THE COUNTY OF BUCKS, PENNSYLVANIA, IN THE MAXIMUM PRINCIPAL AMOUNT OF TWO MILLION ONE HUNDRED THOUSAND (\$2,100,000) FOR THE PURPOSE OF REFUNDING THE COUNTY OF BUCKS GENERAL OBLIGATION TERM LOAN NOTE OF 1980 TO INDUSTRIAL VALLEY BANK AND TRUST COMPANY FOR PROVIDING FINANCING FOR AND TOWARD THE COST OF THE COUNTY OF BUCKS BRIDGE RECONSTRUCTION PROGRAM AND THE COSTS RELATING TO THE ISSUANCE OF SUCH BOND; STATING THE REALISTIC ESTIMATED USEFUL LIFE OF THE BRIDGE RECONSTRUCTION PROJECT; DIRECTING ANY MEMBER OF THE COUNTY COMMISSIONERS AND THE CHIEF CLERK OF THE COUNTY TO PREPARE, VERIFY AND FILE THE REQUIRED DEBT STATEMENT; COVENANTING THAT THE COUNTY SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; PROVIDING FOR A FULLY REGISTERED BOND, DENOMINATION, PRINCIPAL AND INTEREST PAYMENT DATES, AND PROVISION FOR REDEMPTION OF THE BOND; STATING THAT THE BOND SHALL BE PAYABLE WITHOUT DEDUCTION FOR CERTAIN TAXES; PROVIDING FOR THE METHOD OF EXECUTING THE BOND; APPROVING THE FORM OF BOND; AWARDED SUCH BOND AT PRIVATE SALE; CREATING A SINKING FUND; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO CONTRACT WITH A BANK OR BANK AND TRUST COMPANY FOR ITS SERVICES AS SINKING FUND DEPOSITARY AND PAYING AGENT; AUTHORIZING AND DIRECTING THE CHIEF CLERK TO CERTIFY AND TO FILE WITH THE DEPARTMENT OF COMMUNITY AFFAIRS CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; COVENANTING THAT THE PROCEEDS OF THE BOND SHALL NOT BE USED IN SUCH MANNER AS TO CAUSE THE BOND TO BE AN ARBITRAGE BOND UNDER FEDERAL TAX PROVISIONS; AUTHORIZING PROPER OFFICERS OF THE COUNTY TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; AND REPEALING ALL INCONSISTENT ORDINANCES.

WHEREAS, the Board of County Commissioners of the County of Bucks, Pennsylvania (the "County"), has determined that it has been in the best interest of the County that the County complete a certain capital project (the "Project") known as the County of Bucks Bridge Reconstruction Program consisting of extraordinary repairs or rebuilding of bridges located on the following roads: Ivyland Road over Warminster Creek, Schoolhouse Road over West Branch Neshaminy Creek, Kansas Road over Little Neshaminy Creek, Lower Mountain Road over Mill Creek, Hill Road over Deep Run Creek, Uhlerstown Road over Delaware Canal, Orchard Road over Pleasant Springs Creek and East Pumping Station Road over Tohickon Creek; and

WHEREAS, the County has heretofore expended funds and obtained realistic estimates of the remaining costs of the Project in accordance with Section 106 of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act of July 12, 1972, No. 185, as

reenacted, amended and revised by the Act of April 28, 1978, No. 52 (the "Act"), and the total estimated cost of the Project exceeds \$2,100,000; and

WHEREAS, the County now desires to refund the County's General Obligation Term Loan Note of 1980 issued to Industrial Valley Bank and Trust Company for the purpose of originally financing the Project; and

WHEREAS, the existing net non-electoral debt of the County as determined under the provisions of Article II of the Act, including the increase of non-electoral debt authorized hereby, does not in the aggregate exceed the limitations of the Act;

NOW, THEREFORE, the Board of Bucks County Commissioners of the County hereby ordains and enacts that:

Section 1. The corporate authorities of the County do hereby authorize and direct the incurring of non-electoral debt through the issuance to the Farmers Home Administration of the United States Department of Agriculture of a general obligation bond (the "Bond") of the County in the principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000) for the purpose of refunding the County's General Obligation Term Loan Note of 1980 and paying the costs relating to the issuance of the Bond.

Section 2. The Board of County Commissioners hereby confirms the designation of the Project as a capital project for which the said non-electoral debt was originally incurred. The description of the Project set forth in the recitals of this Ordinance is hereby approved and incorporated herein by reference.

Section 3. The realistic estimated useful life of the Project is estimated to be in excess of forty (40) years.

Section 4. Any member of the County Commissioners and the Chief Clerk are hereby authorized and directed to prepare and verify a debt statement required by Section 410 of the Act.

Section 5. It is covenanted with the holders from time to time of the Bond that the County shall include the amount of the debt service for each fiscal year in which sums are payable in its budget for that year, shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid the principal of the Bond and the interest thereon at the dates and places and in the manner stated in the Bond, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, as to the enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights. The County further covenants to apply revenues, received by it from the Commonwealth of Pennsylvania from Liquid Fuel Tax receipts, to the payment of such

principal and interest; and it is anticipated that such revenues will be more than sufficient to pay the entire principal and interest on the Bond.

Section 6. The Bond shall be in fully registered, typewritten form, in the principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000), shall mature in installments through December 1, 2023, shall be dated and shall bear interest from the date of issuance until maturity or prior redemption, payable semi-annually of each year until payment of the Bond in full, at a rate of five percent (5%) per annum on the unpaid and advanced balance thereof. The Bond shall be subject to redemption, at par and accrued interest at the option of the Board of County Commissioners, in whole or in part at any time without premium or penalty upon fifteen (15) days written notice to the registered owner, unless such notice is waived in writing by said owner.

Section 7. The Bond shall be payable as to both principal and interest in lawful money of the United States of America at the principal office of Industrial Valley Bank and Trust Company or at the designated office of any additional or appointed alternate or successor paying agent or agents ("Paying Agent"), without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the County assumes and agrees to pay.

Section 8. The Bond shall be executed by the Chairman of the County Commissioners, and shall have the corporate seal of the County affixed thereto, duly attested by the Chief Clerk of said County, and the said officers are hereby authorized to execute the Bond in such manner. The Chairman is authorized and directed to deliver, or cause to be delivered, the Bond to the purchaser thereof against the full payment of the purchase price.

Section 9. The form of the Bond shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BUCKS
GENERAL OBLIGATION BOND OF 1983

FOR VALUE RECEIVED, County of Bucks, Pennsylvania (the "County"), acknowledges itself indebted and promises to pay to the Farmers Home Administration of the United States Department of Agriculture ("Payee") the sum of Two Million One Hundred Thousand Dollars (\$2,100,000) on or before December 1, 2023, as hereinafter set forth, unless this Bond shall have been called for earlier redemption and payment, with interest at the rate of five percent (5%) per annum on the advanced and unpaid balance hereof, payable from the date hereof semi-annually until payment of this Bond in full.

This Bond shall be subject to redemption at par and accrued interest, at the option of the Board of County Commissioners in whole or in part at any time without premium or penalty upon at least fifteen (15) days prior written notice to the registered owner hereof, unless such notice is waived by such registered owner.

Both principal of, and interest on, this Bond are payable at the principal office of the Farmers Home Administration of the United States Department of Agriculture, Harrisburg, Pennsylvania without deduction for any tax or taxes, except gift, succession franchise, excise or inheritance taxes, now or hereafter levied or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except

as above provided, the County assumes and agrees to pay.

This Bond is issued in accordance with the provisions of the Act of the General Assembly of the Commonwealth of Pennsylvania, approved July 12, 1972, P.L. 781, as amended (the "Act"), and by virtue of an ordinance of the County Commissioners duly enacted on November 23, 1983 (the "Ordinance") and the sworn statement of the duly authorized officers of the County as appears of record in the office of the Pennsylvania Department of Community Affairs in Harrisburg, PA.

The County shall make payments of principal and interest to the holder of this Bond semi-annually in eighty installments, each in the amount of \$60,963 every six months from the date hereof.

It is covenanted with the holders from time to time of this Bond that the County shall include the amount of the debt service for each fiscal year in which sums are payable in its budget for that year, shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid the principal of this Bond and the interest thereon at the date and places and in the manner stated in this Bond according to the true intent and meaning hereof, and for such budgeting, appropriation and payment, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, as to the enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights.

The County may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest hereon, and for all other purposes. The County shall not be affect by any notice to the contrary.

This Bond is transferable by the registered owner hereof in person or by his attorney, duly authorized in writing, at the principal office of the Payee, but such transfer shall not be valid unless registered on the Registry Book of the County to be kept for that purpose at such office of the Payee and such registration is noted hereon by the Payee; provided, however, that in lieu of such notation hereon, and upon surrender hereof, for cancellation, a new fully registered Bond of like date and number, and then outstanding principal amount, shall be issued to the transferee, at his sole expense, in exchange herefore.

IN WITNESS WHEREOF, the County of Bucks, Pennsylvania has caused this Bond to be signed by the County Commissioners and its corporate seal to be hereunto affixed, duly attested by the Chief Clerk of the County, and to be dated the 23rd day of November, 1983.

COUNTY OF BUCKS


Vice-Chairman, County Commissioners

(SEAL)

Attest:


County Chief Clerk

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto the within Bond, and all rights thereunder, and hereby irrevocably constitutes and appoints its attorney to transfer said Bond on the books of the County of Bucks, with full power of substitution in the premises.

Dated:

NOTICE: The nature of the Assignor as it appears in the signature on this assignment must correspond with the name as it appears upon the fact of the within Bond in every particular, without alteration or enlargement or any change whatever.

(FORM OF REGISTRATION)

NOTHING TO BE WRITTEN HERE EXCEPT BY AN OFFICER OF PAYING AGENT

<u>Date of Registry</u>	<u>In Whose Name Registered</u>	<u>Registrar</u>
:	:	:
:	:	:
:	:	:

The Bond shall be executed in substantially the form as hereinabove set forth with such appropriate changes, additions or deletions as may be approved by the officers executing the Bond in the manner provided in Section 8 hereof; such execution shall constitute approval by such officers on behalf of the County.

Section 10. The County Commissioners hereby accept the bid for the Bond submitted by, and awards the Bond at private sale to, the Farmers Home Administration of the United States Department of Agriculture, at a price of par and accrued interest to the date of delivery, upon the terms set forth in its proposal, a copy of which is attached hereto and made a part hereof. As set forth in such proposal, the Bond shall bear interest at the rate of five percent (5%) per annum on the advanced and unpaid principal amount thereof.

Section 11. There is hereby established a separate sinking fund for the County to be known as "Sinking Fund - General Obligation Bonds of 1983" and into said Sinking Fund there shall be paid all moneys necessary to pay the debt service on the Bond when and as the same are collected, and said Sinking Fund shall be applied exclusively to the payment of the interest covenanted to be paid upon the Bond and to the principal thereof at maturity or prior redemption and to no other purpose whatsoever, except as may be authorized by law, until the same shall have been fully paid.

In each of the County's fiscal years commencing on January 1, 1984 through the fiscal year commencing January 1, 2023, the amount of \$121,926 per year is hereby appropriated to the Sinking Fund for the payment of principal and interest on the Bond.

Section 12. The County hereby appoints Industrial Valley Bank and Trust Company as

Sinking Fund Depository and Paying Agent with respect to the Bond. The proper officers of the County are hereby authorized to execute a contract with such Sinking Fund Depository and Paying Agent for its services.

Section 13. The Chief Clerk of the County is hereby authorized to certify to and file with the Department of Community Affairs, in accordance with Section 411 of the Act, a complete and accurate copy of the proceedings taken in connection with the increase of the debt authorized hereunder, including the debt statement hereinabove referred to and to pay the filing fees necessary in connection therewith.

Section 14. The County hereby covenants with the holder from time to time of the Bond that it will not make or permit any use of the proceeds of the Bond which, if such use had been reasonably expected on the date of issue of such Bond, would have caused such Bond to be an "arbitrage bond" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and the regulations and rulings thereunder, and that it will comply with the requirements of said section and regulations throughout the term of the Bond. No official of the County shall make or permit any investment inconsistent with the foregoing covenants. The proper officers of the County are hereby authorized and directed to execute and deliver a certificate setting forth their reasonable expectation regarding the use of "proceeds" of the Bond (as that term is defined in Section 103(c) of the Internal Revenue Code of 1954, as amended, and the regulations and rulings thereunder), and the facts and estimates upon which such expectations are based.

Section 15. The proper officers of the County are hereby authorized and empowered on behalf of the County to execute any and all papers and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of this Ordinance.

Section 16. All ordinances or parts thereof inconsistent herewith be and the same hereby are repealed.

Section 17. The Loan Resolution attached hereto is hereby adopted.

ENACTED AND ORDAINED this 23rd day of November A.D., 1983.

COUNTY OF BUCKS

Chairman



Attest:



County Chief Clerk
(SEAL)



USDA-FmHA
Form FmHA 442-47
(Rev. 2-5-81)

LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE COMMISSIONERS
OF THE COUNTY OF BUCKS
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PRO-
VIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR
EXTENDING ITS BRIDGE RECONSTRUCTION PROGRAM
FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the County Commissioners
(Public Body)

(herein after called association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of Two Million One Hundred Thousand (\$2,100,000)

pursuant to the provisions of the Ordinance dated November 23, 1983

WHEREAS, the association intends to obtain assistance from the Farmers Home Administration, United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and to purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the association:

NOW THEREFORE, in consideration of the premises the association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds and containing such items and in such forms as are required by STATE statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form FmHA 400-4, "Nondiscrimination Agreement"; and Form FmHA 400-1, "Equal Opportunity Agreement", including an "Equal Opportunity Clause", which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government, at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the association (payable from the source of funds pledged to pay the bonds or any other legally permissible source) incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this Resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, not permit others to do so, without the prior written consent of the Government.
7. Not to borrow any money from any source, enter into any contract or agreement, or incur any other liabilities in connection with making enlargements, improvements or extensions to, or for any other purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account, in a bank, and in a manner approved by the Government.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. No free service or use of the facility will be permitted.
11. To acquire and maintain such insurance coverage including fidelity bonds as may be required by the Government.

12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof in such a manner as may be required by the Government, to provide the Government without its request, a copy of each such audit, and to make and forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain FmHA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the association or public body.
15. In the case of a grant in the sum not to exceed \$ 2,100,000 , the association

hereby accepts the grant under the terms as offered by the Government and that ~~xxx~~ any Commissioner and the County Clerk of the association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant and the association hereby resolves to operate the facility under the terms as offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instruments, shall be binding upon the association as long as the bonds are held or insured by the Government. The provisions of sections 6 through 13 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling as between the association and the Government.

The vote was: Yeas _____; Nays _____; Absent _____

IN WITNESS WHEREOF, the _____ Commissioners of the _____ County of Bucks have ~~xxx~~ duly adopted this Resolution and caused

it to be executed by the officers below in duplicate on this 23rd day of November, 19 83.

(SEAL)

X [Signature]
By X [Signature]
Title _____ Commissioner

Attest:

[Signature]
Title _____ County Clerk

CERTIFICATION

I, the undersigned, as Clerk of the County of Bucks hereby certify that the Board of County Commissioners of such Association is composed of three members, of whom two, constituting a quorum, were present at a meeting thereof duly called and held on the 23rd day of November, 19 83; that the foregoing resolution was adopted at such meeting by the vote shown above; and that said resolution has not been rescinded or amended in any way.

Dated, this 23rd day of November, 19 83.