

**TOWNSHIP OF EAST PENNSBORO
CUMBERLAND COUNTY, PENNSYLVANIA**

ORDINANCE NO. 811-2019

AN ORDINANCE

OF THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF EAST PENNSBORO, CUMBERLAND COUNTY, PENNSYLVANIA (THE "TOWNSHIP"), DETERMINING TO INCUR LEASE RENTAL DEBT IN THE MAXIMUM PRINCIPAL AMOUNT OF \$500,000 TO BE EVIDENCED BY A GUARANTEED REVENUE NOTE TO BE ISSUED BY EAST PENNSBORO TOWNSHIP AUTHORITY IN CONNECTION WITH A PROJECT BEING UNDERTAKEN BY THE AUTHORITY TO FINANCE START-UP COSTS TO IMPLEMENT A STORMWATER MANAGEMENT PROGRAM TO SERVE THE TOWNSHIP; AUTHORIZING AND APPROVING A GUARANTY AGREEMENT AMONG THIS TOWNSHIP, AS GUARANTOR, THE AUTHORITY, AND THE PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY; SETTING FORTH THE SUBSTANTIAL FORM OF THE GUARANTY AGREEMENT; PROVIDING THAT THIS TOWNSHIP SHALL GUARANTY PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE; SPECIFYING THE MAXIMUM AMOUNTS OF THE GUARANTY OBLIGATIONS OF THIS TOWNSHIP PURSUANT TO THE GUARANTY AGREEMENT AND THE SOURCE OF PAYMENT OF ITS GUARANTY OBLIGATIONS; PLEDGING THE FULL FAITH, CREDIT, AND TAXING POWER OF THIS TOWNSHIP IN SUPPORT OF ITS GUARANTY OBLIGATIONS; PROVIDING FOR PROPER OFFICERS OF THIS TOWNSHIP TO TAKE ALL REQUIRED OR DESIRABLE RELATED ACTION AND TO EXECUTE ALL OTHER REQUIRED OR DESIRABLE DOCUMENTS; CREATING A SINKING FUND IN CONNECTION WITH SUCH GUARANTY OBLIGATIONS AND APPOINTING A SINKING FUND DEPOSITARY AND PAYING AGENT; AUTHORIZING PROCEEDINGS FOR THE APPROVAL OF SUCH LEASE RENTAL DEBT PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT; PROVIDING FOR THE EFFECTIVENESS OF THIS ORDINANCE; AND REPEALING ALL INCONSISTENT ORDINANCES OR PARTS OF ORDINANCES.

ENACTED NOVEMBER 6, 2019

WHEREAS, this Township is a municipality (a township of the first class) of the Commonwealth of Pennsylvania (the "Commonwealth") and is a "local government unit" under terms of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act"), of the Commonwealth; and

WHEREAS, East Pennsboro Township Authority (the "Authority") is a municipality authority organized by appropriate action of this Township, and exists under the Municipality Authorities Act (53 Pa.C.S. Ch. 56), as amended and supplemented (the "Authorities Act"); and

WHEREAS, the Authority and this Township have determined that the Authority shall finance start-up costs for implementing a stormwater management program to serve the Township (the "Project") by issuance of a guaranteed revenue note (the "Authority Note") to the Pennsylvania Infrastructure Investment Authority ("PennVest"); and

WHEREAS, the Board of Commissioners of this Township has obtained realistic cost estimates with respect to the Project through actual bids or contracts, option agreements or professional estimates from registered architects, professional engineers or other persons qualified by experience and has determined that the costs of the Project are not less than \$500,000; and

WHEREAS, this Township, the Authority, and PennVest have determined to enter into a guaranty agreement (the "Guaranty Agreement"), whereby this Township shall guaranty the payments of the principal of and interest on the Authority Note, as provided for in the Guaranty Agreement

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

SECTION 1. This Township authorizes and requests the Authority to undertake the Project.

SECTION 2. This Township determines that the Authority shall incur debt, which shall be lease rental debt of this Township pursuant to the Debt Act, in connection with the Project.

SECTION 3. Such lease rental debt of this Township shall be in the maximum principal amount of \$500,000, shall be evidenced by the Authority Note, which shall have the benefit of and shall be secured by the guaranty obligations of this Township pursuant to the Guaranty Agreement.

SECTION 4. This Township specifies that the estimated useful life of the Project is at least five years.

SECTION 5. This Township, as guarantor, shall enter into the Guaranty Agreement, substantially in the form to be prepared by PennVest, under terms and provisions of the Guaranty Agreement this Township shall guaranty, unconditionally, for the benefit of the holder, from time to time, of the Authority Note, full and prompt payment of Debt Service, as such phrase is defined in the Guaranty Agreement, to the extent provided in the Guaranty Agreement, as such shall be due and payable with respect to the Authority Note.

The Guaranty Agreement shall be for the life of the Authority Note and shall set forth certain terms, conditions, provisions, covenants, and agreements to be observed by this Township, the Authority and PennVest in relation to the Project and the Note.

SECTION 6. The President or Vice President of the Board of Commissioners and the Secretary or Assistant Secretary of this Township, respectively, are authorized and directed to prepare, to certify, and to file

the debt statement, as such phrase is defined in the Debt Act, required by the Debt Act, on behalf of this Township, and to prepare and to file any statements required by the Debt Act that are necessary to qualify all or any portion of the debt of this Township for exclusion from the appropriate debt limit as self-liquidating or subsidized debt, as appropriate.

The President or Vice President of the Board of Commissioners and the Secretary or Assistant Secretary of this Township are authorized and directed to prepare and to execute, or to authorize the auditors of this Township to prepare and to execute, an appropriate borrowing base certificate for filing with the Department of Community and Economic Development (the "Department") of the Commonwealth, as required by the Debt Act.

SECTION 7. The President or Vice President of the Board of Commissioners and the Secretary or Assistant Secretary of this Township, as applicable, are authorized and directed to execute, to attest, to acknowledge and to deliver the Guaranty Agreement, on behalf of this Township.

SECTION 8. The President or Vice President of the Board of Commissioners and the Secretary or Assistant Secretary of this Township are authorized and directed to make application to the Department for approval with respect to the Guaranty Agreement, as required by the Debt Act, and for approval with respect to the exclusion of such lease rental debt as self-liquidating debt and any other existing lease rental debt, as may be appropriate; and in connection with such application, this Township shall pay to the Department the filing fee as required by the Debt Act, the payment of which filing fee is authorized and approved.

SECTION 9. The guaranty obligations of this Township with respect to the Note, as set forth in the Guaranty Agreement, shall be as are set forth in **Exhibit A** which is attached hereto and made part hereof.

SECTION 10. The guaranty obligations of this Township, as set forth in Section 9, shall be payable from the tax and other general revenues of this Township.

SECTION 11. This Township shall covenant in the Guaranty Agreement and does hereby covenant to and with PennVest and the Authority that this Township: (1) shall include the Debt Service, as such phrase is defined in the Guaranty Agreement, payable in respect of its guaranty pursuant to the Guaranty Agreement, for each Fiscal Year, as such phrase is defined in the Guaranty Agreement, in which such sums are payable in its budget for that Fiscal Year; (2) shall appropriate such amounts from its tax or other general revenues for payment to PennVest of its obligations under the Guaranty Agreement; and (3) shall duly and punctually pay or cause to be paid from its sinking fund (hereinafter referred to) or any other of its revenues or funds the amount payable in respect of such guaranty, at the dates and place and in the manner provided in the Guaranty Agreement, according to the true intent and meaning thereof; and for such budgeting, appropriation and payment in respect of such guaranty, this Township shall and does pledge, irrevocably, its full faith, credit, and taxing power. The foregoing covenants of this Township shall be enforceable specifically.

For the purposes of complying with the foregoing covenant, this Township covenants that it shall budget the amounts set forth in **Exhibit A** which is attached hereto and made part hereof, such amounts being such Debt Service with respect to the Authority Note for the Fiscal Years in which such amounts are payable, and shall appropriate and shall pay over to PennVest such amounts; subject, however, to provisions of the

Guaranty Agreement with respect to credit for certain sums that shall be available for such Debt Service, all as more fully set forth in the Guaranty Agreement.

This Township also shall covenant in the Guaranty Agreement and does hereby covenant that, to the extent sufficient money shall not be available in its then current budget at any time when payments are required under the Guaranty Agreement, and if it shall be unable to incur debt lawfully in the current year for the purpose or to issue tax anticipation notes or otherwise to satisfy its obligations under the Guaranty Agreement, it shall include any amounts so payable by it in its budget for the next succeeding Fiscal Year and shall appropriate such amounts to the payment of such obligations and duly and punctually shall pay or shall cause to be paid its obligations incurred under the Guaranty Agreement, in the manner therein stated, according to the true intent and meaning thereof.

This Township hereby establishes a “sinking fund,” as such phrase is defined or applied in the Debt Act, as amended and supplemented from time to time, with respect to its obligations under the Guaranty Agreement with respect to such guaranty, and First National Bank, located in Enola, Pennsylvania, is hereby appointed “sinking fund depository” and “paying agent,” as such phrases are defined or applied in the Debt Act, to the extent necessary with respect to obligations of this Township under the Guaranty Agreement with respect to such guaranty.

SECTION 12. Proper officers of this Township are authorized and directed to execute all documents and to do all other acts as may be necessary and proper to carry out the intent and purpose of this Ordinance and the undertakings of this Township under the Guaranty Agreement.

SECTION 13. Reference in this Ordinance to specified officers of this Township shall include and shall be construed to include, if and as applicable, their respective successors in office.

SECTION 14. This Ordinance shall become effective in accordance with provisions of 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 other ordinances or parts of ordinances which are inconsistent herewith shall be and the same expressly are repealed.

ENACTED by the Board of Commissioners of the Township of East Pennsboro, in lawful session assembled, this 6th day of November, 2019.

ATTEST:

TOWNSHIP OF EAST PENNSBORO
Cumberland County, Pennsylvania



Secretary

By: 

~~(Vice)~~ President of the Board of Commissioners

(SEAL)

TOWNSHIP OF EAST PENNSBORO,
Cumberland County, Pennsylvania

EXHIBIT A

Debt Service, as such phrase is defined in the Guaranty Agreement referred to in the Ordinance to which this is attached, with respect to the Note, as such phrase is defined in such Ordinance (in the maximum stated principal amount of \$500,000), to be issued by the East Pennsboro Township Authority, is as follows:

[See Following Page]

East Pennsboro Township Authority 2020 PennVest Loan

Compounding Period: Monthly

Nominal Annual Rate: 1.743%

Cash Flow Data - Loans and Payments

Event	Date	Amount	Number	Period	End Date
1 Loan	01/07/2020	500,000.00	1		
2 Payment	02/07/2020	Interest Only	59	Monthly	12/07/2024
3 Payment	01/07/2025	500,726.25	1		

TValue Amortization Schedule - Normal, 365 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	01/07/2020				500,000.00
1	02/07/2020	726.25	726.25	0.00	500,000.00
2	03/07/2020	726.25	726.25	0.00	500,000.00
3	04/07/2020	726.25	726.25	0.00	500,000.00
4	05/07/2020	726.25	726.25	0.00	500,000.00
5	06/07/2020	726.25	726.25	0.00	500,000.00
6	07/07/2020	726.25	726.25	0.00	500,000.00
7	08/07/2020	726.25	726.25	0.00	500,000.00
8	09/07/2020	726.25	726.25	0.00	500,000.00
9	10/07/2020	726.25	726.25	0.00	500,000.00
10	11/07/2020	726.25	726.25	0.00	500,000.00
11	12/07/2020	726.25	726.25	0.00	500,000.00
2020 Totals		7,988.75	7,988.75	0.00	
12	01/07/2021	726.25	726.25	0.00	500,000.00
13	02/07/2021	726.25	726.25	0.00	500,000.00
14	03/07/2021	726.25	726.25	0.00	500,000.00
15	04/07/2021	726.25	726.25	0.00	500,000.00
16	05/07/2021	726.25	726.25	0.00	500,000.00
17	06/07/2021	726.25	726.25	0.00	500,000.00
18	07/07/2021	726.25	726.25	0.00	500,000.00
19	08/07/2021	726.25	726.25	0.00	500,000.00
20	09/07/2021	726.25	726.25	0.00	500,000.00
21	10/07/2021	726.25	726.25	0.00	500,000.00
22	11/07/2021	726.25	726.25	0.00	500,000.00
23	12/07/2021	726.25	726.25	0.00	500,000.00

2021 Totals	8,715.00	8,715.00	0.00	
24 01/07/2022	726.25	726.25	0.00	500,000.00
25 02/07/2022	726.25	726.25	0.00	500,000.00
26 03/07/2022	726.25	726.25	0.00	500,000.00
27 04/07/2022	726.25	726.25	0.00	500,000.00
28 05/07/2022	726.25	726.25	0.00	500,000.00
29 06/07/2022	726.25	726.25	0.00	500,000.00
30 07/07/2022	726.25	726.25	0.00	500,000.00
31 08/07/2022	726.25	726.25	0.00	500,000.00
32 09/07/2022	726.25	726.25	0.00	500,000.00
33 10/07/2022	726.25	726.25	0.00	500,000.00
34 11/07/2022	726.25	726.25	0.00	500,000.00
35 12/07/2022	726.25	726.25	0.00	500,000.00
2022 Totals	8,715.00	8,715.00	0.00	
36 01/07/2023	726.25	726.25	0.00	500,000.00
37 02/07/2023	726.25	726.25	0.00	500,000.00
38 03/07/2023	726.25	726.25	0.00	500,000.00
39 04/07/2023	726.25	726.25	0.00	500,000.00
40 05/07/2023	726.25	726.25	0.00	500,000.00
41 06/07/2023	726.25	726.25	0.00	500,000.00
42 07/07/2023	726.25	726.25	0.00	500,000.00
43 08/07/2023	726.25	726.25	0.00	500,000.00
44 09/07/2023	726.25	726.25	0.00	500,000.00
45 10/07/2023	726.25	726.25	0.00	500,000.00
46 11/07/2023	726.25	726.25	0.00	500,000.00
47 12/07/2023	726.25	726.25	0.00	500,000.00
2023 Totals	8,715.00	8,715.00	0.00	
48 01/07/2024	726.25	726.25	0.00	500,000.00
49 02/07/2024	726.25	726.25	0.00	500,000.00
50 03/07/2024	726.25	726.25	0.00	500,000.00
51 04/07/2024	726.25	726.25	0.00	500,000.00
52 05/07/2024	726.25	726.25	0.00	500,000.00
53 06/07/2024	726.25	726.25	0.00	500,000.00
54 07/07/2024	726.25	726.25	0.00	500,000.00
55 08/07/2024	726.25	726.25	0.00	500,000.00
56 09/07/2024	726.25	726.25	0.00	500,000.00
57 10/07/2024	726.25	726.25	0.00	500,000.00
58 11/07/2024	726.25	726.25	0.00	500,000.00
59 12/07/2024	726.25	726.25	0.00	500,000.00
2024 Totals	8,715.00	8,715.00	0.00	


60 01/07/2025	500,726.25	726.25	500,000.00	0.00
2025 Totals	500,726.25	726.25	500,000.00	
Grand Totals	543,575.00	43,575.00	500,000.00	

CERTIFICATE

I, the undersigned, Secretary of the Township of East Pennsboro, Cumberland County, Pennsylvania (the "**Township**"), certify that: the foregoing Ordinance was enacted by the affirmative vote of a majority of the entire Board of Commissioners of the Township at a meeting convened and held according to law on November 6, 2019; said Ordinance was enacted by an aye and nay vote; said Ordinance and the vote thereon has been recorded in the minutes of said meeting; and said Ordinance remains in effect, unaltered and unamended, as of the date of this Certificate.

I further certify that the meeting at which the Board of Commissioners of the Township enacted said Ordinance was a public meeting duly held after giving public notice of the date, time and place of such meeting by posting, publishing and mailing such notice at the time and in the manner required by the Sunshine Act, 65 Pa. C.S. § 701 *et seq.*, as amended.

IN WITNESS WHEREOF, I affix my hand and the official seal of the Township, this 6th day of November, 2019.



Secretary

(SEAL)