

WILMERDING BOROUGH

ORDINANCE NO. 1029

AN ORDINANCE INCREASING THE INDEBTEDNESS OF WILMERDING BOROUGH, ALLEGHENY COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE AMOUNT OF \$200,000.00 FOR UPGRADING AND REPAIRING BOROUGH STREETS; FIXING THE FORM, NUMBER, DATE, INTEREST, AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE NOTE; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENTATION; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND DEPOSITORY FOR THE NOTE; AND AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF.

WHEREAS, it is necessary that the indebtedness of the Borough of Wilmerding, Allegheny County, Pennsylvania, be increased for the following purpose: milling and repaving municipal streets; and

WHEREAS, Wilmerding has determined to properly and adequately improve the public streets as more fully described in Exhibit "B" by milling and repairing, which project requires the sum of \$200,000.00; and

WHEREAS, the proposed increase of debt, together with its non-electoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of Wilmerding Borough debt incurring power, pursuant to constitutional and statutory authority to be exceeded; and

WHEREAS, this Ordinance is enacted pursuant to the Local Government Unit Debt Act.

NOW, THEREFORE, it is hereby ORDAINED and ENACTED by the Borough of Wilmerding, Allegheny County, Pennsylvania, and it is hereby ordained and enacted by the authority of same as follows:

SECTION 1. That the aggregate principal amount of the Note of the Borough of Wilmerding, Allegheny County, Pennsylvania, proposed to be issued is \$200,000.00, same to be issued for the foregoing purposes and same to be incurred as non-electoral debt. Attached as Exhibit "A" is the Bank Loan Agreement submitted by the lender, the Pennsylvania Department of Transportation; the same is approved.

SECTION 2. The period of useful life of the Improvements for which this obligation is to be issued is estimated to be in excess of ten (10) years. Attached as Exhibit "B" is a description of the project prepared by and certified by the Borough Engineer.

SECTION 3. Said indebtedness shall be evidenced by one general obligation Note, attached as Exhibit "C", in fully registered form, to the Commonwealth of Pennsylvania, Department of Transportation, in the sum of \$200,000.00, dated and bearing interest from the earliest date of possible issue of said Note under the statutory time requirements as set forth in the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978, being Act 52 of 1978 Session and known as Wilmerding Borough Debt Act, at the rate of interest of 1.625% per annum, payable on the unpaid balance of Note on \_\_\_\_\_, 2016, during the term of said Note, together with interest on overdue principal, and to the extent permitted by law, on overdue interest, at the rate of 1.0% per annum (computed on the basis of 365 days to the year) until paid, which Note shall mature in installments on the annual anniversary date of said Note as follows: The repayment scheduled attached hereto as Exhibit "D." It is approved.

Wilmerding Borough reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payments dates thereof, without notice or penalty.

The principal and interest of said Note shall be payable at the office of the sinking fund depository selected for the Note as hereinafter provided.

SECTION 4. The said Note is hereby declared to be a general obligation of the Borough of Wilmerding, Allegheny County, Pennsylvania. Wilmerding Borough hereby covenants that it shall include the amount of debt service on the Note for each fiscal year in which such sums are payable in its budget for that year; it shall appropriate such amounts to the payment of such debt service; it shall duly and punctually pay or cause to be paid the principal of the Note and the interest thereon at the dates and places and in the manner stated in the Note according to the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment, the full faith, credit and taxing power of the Borough of Wilmerding is hereby irrevocably pledged.

The amounts which Wilmerding Borough hereby covenants to pay in each of the following fiscal years on the basis of an interest rate of 1.625% are as are set forth in schedule "D" attached.

SECTION 5. Attached are the Borrowing Base Certificate, Exhibit "E", and the Debt Statement, Exhibit "F".

SECTION 6. The said Note shall be executed in the name and under the corporate seal of Wilmerding Borough by the President or Vice President and attested to by the Secretary. The Treasurer is hereby authorized and directed to deliver said Note to the purchaser, and receive payment therefor of behalf of Wilmerding Borough. The President and Secretary of Wilmerding Borough are authorized and directed to prepare, verify and file the debt statement required by Section 8110 of the Act and to take other necessary action, including, if necessary or desirable, any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 7. COMPASS Bank is hereby designated as the Sinking Fund Depository for the obligation herein authorized, and there is hereby created and established a Sinking Fund, to be known as "Sinking Fund 2016, General Obligation Note" for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The Treasurer shall deposit into the Sinking Fund, which shall

be maintained until such obligation is paid in full, sufficient amounts for payment of principal and interest on the obligation no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, as and when said payments are due, without further action by Wilmerding Borough, withdraw available monies in the Sinking Fund and apply said monies to payment of principal and interest on the obligation.

SECTION 8. The President and Vice President of Wilmerding Borough are hereby authorized to contract with COMPASS Bank for its services as Sinking Fund Depository for the Note and paying agent for the same.

SECTION 9. In compliance with Section 81(1) of the Act, the members of the governing body have determined that a private sale by negotiation rather than public sale is in the best financial interest of Wilmerding Borough. Therefore, the general obligation Note in the amount of \$200,000.00, herein authorized to be issued and sold is hereby awarded and sold to Commonwealth of Pennsylvania Department of Transportation (Lender) in accordance with its proposal to purchase the said Note at par; provided the said Note is dated the delivery thereof to the Commonwealth of Pennsylvania Department of Transportation (Lender) and is in the form set forth in this Ordinance as Exhibit "C"; and further provided that the proceedings have been approved by the Department of Community and Economic Development if such approval is required under the provisions of the Act.

SECTION 10. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in TRIBUNE-REVIEW, a newspaper of general circulation, is ratified and confirmed. The advertisement in said paper of the enactment of the ordinance is hereby directed within fifteen (15) days following the day of final enactment.

SECTION 11. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

ORDAINED into law this 2 day of FEBRUARY, 2016.

ATTEST:

BOROUGH OF WILMERDING

By: *J.C. J. Hartzell*  
Borough Manager

By: *John W. ...*  
President

APPROVED by me this 2 day of FEBRUARY, 2016.

*Gregory M. Jakob*  
Mayor

LIST OF EXHIBITS

- "A" Bank Loan Contract
- "B" Project description
- "C" Promissory Note
- "D" Repayment Schedule
- "E" Borrowing Base Certificate
- "F" Debt Statement

CERTIFICATION

I, Joseph Hartzell, hereby certify that I am the Secretary of Wilmerding Borough, and that the within Ordinance was duly advertised and enacted at a regular Borough Meeting following a public hearing on the matter by Borough Council, duly convened, at which a quorum was present and voted in favor thereof.

WITNESS, my hand this 2 day of FEBRUARY, 2016.

*J.C. J. Hartzell*  
Borough Secretary