

WYSOX TOWNSHIP  
BRADFORD COUNTY, PENNSYLVANIA  
ORDINANCE NO. 01 OF 2010

Introduced and Passed on July 13, 2010

AN ORDINANCE OF THE TOWNSHIP OF WYSOX AUTHORIZING THE INCURRING OF LEASE RENTAL DEBT BY THE TOWNSHIP PURSUANT TO THE EXECUTION AND DELIVERY OF A GUARANTY AGREEMENT AND AUTHORIZING THE EXECUTION AND FILING OF A DEBT STATEMENT AND APPROVAL REQUEST WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.

WHEREAS, the Wysox Township Municipal Authority (the "Authority") has determined to issue its Note for the purpose of financing the construction of infrastructure for water lines (the "Water System Project") serving the Township of Wysox (the "Township") and surroundings areas; and

WHEREAS, the Authority has determined enter into a Loan Agreement (the "Loan Agreement") with First Citizens National Bank (the "Lender"); and

WHEREAS, pursuant to the Loan Agreement the Authority will borrow \$3,000,000 from the Lender (the "Loan") and will issue to the Lender as evidence of said borrowing the Water Revenue Note, Series of 2010 (the "Note") of the Authority in the principal amount of \$3,000,000; and

WHEREAS, as a condition of the Lender making the Loan the Township must guarantee, pursuant to the form of Guaranty Agreement (the "Guaranty Agreement") presented to this meeting, the payment obligations of the Authority under the Note; and

WHEREAS, in order to render the Guaranty Agreement binding upon the Township by incurring guaranteed lease rental debt, it is necessary, pursuant to the provisions of the Pennsylvania Local Government Unit Debt Act (the "Debt Act"), to provide for the enactment of this Ordinance and for the adoption, execution and filing of a "Debt Statement," and an "Application for Approval" and the concurrent "Self-Liquidating Debt Report" with the Pennsylvania Department of Community and Economic Development (the "Department"), and to obtain the approval thereof;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of Supervisors of Wysox Township, and it is hereby ordained and enacted by authority of the same as follows:

SECTION 1. The Township shall incur lease rental debt in the amount of \$3,000,000 by entering into the Guaranty Agreement with the Authority and the Lender in the form of the

Guaranty Agreement presented to this meeting, which is hereby made a part hereof by reference only and is on file with the Township Secretary.

SECTION 2. The Chairman of the Board of Supervisors, or in his absence, the Vice Chairman, are hereby directed to execute and deliver on behalf of the Township, the Guaranty Agreement and when consummated shall be attested to by the Township Secretary, and shall, after proper filings and approvals, constitute lease rental debt of the Township.

SECTION 3. The Chairman of the Board of Supervisors, or in his absence, the Vice Chairman, and the Township Secretary are hereby directed to prepare, execute and verify under oath a "Debt Statement" of the Township and to submit the same, together with an "Application for Approval" and the necessary filing fee, and a "Self-Liquidating Debt Report," to the Department pursuant to the Debt Act as promptly as practicable. Said officers are also hereby further authorized and directed to execute and deliver all agreements or documents, and to perform all other acts and do all other things necessary to perfect such filings and continue said exclusion, and to effectuate other purposes of this Ordinance.

SECTION 4. The Township hereby confirms the covenants contained in the Guaranty Agreement and specifically guarantees the payment of all amounts payable by the Authority under the Note. The Township (i) shall include the amounts payable in respect of its guaranty, for each fiscal year in which such sums are payable in its budget for that year, (ii) shall appropriate such amounts from its general revenues, for the payment of such amounts (iii) shall duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds, to the extent of its obligations, the amounts payable in respect of such guaranty, at the dates and places and in the manner stated in such guaranty, according to the true intent and meaning thereof. For such budgeting, appropriation and payment in respect of its guaranty, the Township shall pledge its full faith, credit and taxing power.

SECTION 5. The range of annual payments to be made by the Authority under the Note is \$27,500 in 2010 to \$3,055,000 in 2012 (assuming the Note is issued on August 13, 2010; there will be 24 monthly payments, the first of which will be one month after the Note is issued) and is the amount required by the Township's guaranty pursuant to the Guaranty Agreement should payments by the Authority under the Note be insufficient.

SECTION 6. The Project financed with the Loan has a realistic estimated remaining life of at least forty-five years.

SECTION 7. All ordinances or resolutions or parts of ordinances or resolutions not in accordance with this Ordinance are hereby repealed insofar as they affect this Ordinance.

SECTION 8. This Ordinance shall take effect upon its enactment by the Board of Supervisors.

ORDAINED AND ENACTED into law by the Board of Supervisors of Wysox Township in lawful session assembled and approved this 13<sup>th</sup> day of July, 2010.

WYSOX TOWNSHIP

  
\_\_\_\_\_  
Chairman, Board of Supervisors

  
\_\_\_\_\_  
Township Secretary

(SEAL)

CERTIFICATE

I, the undersigned, Township Secretary of Wysox Township, Bradford County, Pennsylvania, do hereby certify that the foregoing and attached is a true and correct copy of an Ordinance of said Township which was duly enacted by the affirmative vote of a majority of the members of the Governing Body of said Township at a meeting thereof duly called and held on the 13<sup>th</sup> day of July, 2010, with said members voting in the following manner:

<u>Supervisors</u>	<u>Vote</u>
William Shoemaker	<u>YES</u>
James Roof	<u>YES</u>
Gary Foster	<u>YES</u>

I hereby further certify that proper notices before and after its enactment were duly published, as required by law, in a newspaper of general circulation, published or circulating in the Township, and that the same was duly recorded in the Ordinance Book of said Township, and that said Ordinance has not been amended, modified or rescinded and is still in full force and effect.

WITNESS my hand and seal of Wysox Township this 13<sup>th</sup> day of July, 2010.

WYSOX TOWNSHIP

By   
Township Secretary

(SEAL)