

WS/LM 11/18/15
RAM

ORDINANCE
OF THE
COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA

ORDINANCE NO. #5-2015
Enacted: November 19, 2015

APPROVING A PROJECT BEING UNDERTAKEN BY THE DAUPHIN COUNTY GENERAL AUTHORITY (THE "AUTHORITY"), CONSISTING, *INTER ALIA*, OF THE (I) CURRENT REFUNDING OF THE AUTHORITY'S OUTSTANDING (TAXABLE) COUNTY GUARANTEED REVENUE REFUNDING BONDS, SERIES A OF 2011, AND (II) (TAXABLE) COUNTY GUARANTEED REVENUE REFUNDING BONDS, SERIES B OF 2011; DESCRIBING THE PROJECTS FOR WHICH SUCH PRIOR BONDS WERE ISSUED, RATIFYING AND CONFIRMING THE ESTIMATED USEFUL LIFE THEREOF; AUTHORIZING THE INCURRENCE OF LEASE RENTAL DEBT BY THE COUNTY IN THE MAXIMUM PRINCIPAL AMOUNT OF \$10,100,000 EVIDENCED BY THE GUARANTY AGREEMENT, IN CONNECTION WITH THE (TAXABLE) COUNTY GUARANTEED REVENUE REFUNDING BOND, SERIES A OF 2015 AND (TAX-EXEMPT) COUNTY GUARANTEED REVENUE REFUNDING BOND, SERIES B OF 2015 BEING ISSUED BY THE AUTHORITY; AUTHORIZING OFFICERS OF THE COUNTY TO PREPARE AND CERTIFY A DEBT STATEMENT AND BORROWING BASE CERTIFICATE AND DIRECTING THE OFFICERS OF THE COUNTY TO FILE SUCH STATEMENT AND BORROWING BASE CERTIFICATE, TOGETHER WITH A CERTIFIED COPY OF THIS ORDINANCE AND PROOFS OF PUBLICATION, WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT AND TO PAY ANY NECESSARY FILING FEES; APPROVING THE FORM OF GUARANTY AGREEMENT AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY THEREOF; STATING THE ANNUAL AMOUNTS OF PRINCIPAL AND INTEREST TO BE PAID UNDER THE GUARANTY AGREEMENT, COVENANTING THE PAYMENT THEREOF AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY THEREFOR; AUTHORIZING THE

OFFICIALS OF THE COUNTY TO TAKE OTHER
APPROPRIATE ACTION; REPEALING ALL ORDINANCES
INCONSISTENT HEREWITH; SEVERABILITY OF
PROVISIONS AND STATING EFFECTIVE DATE

WHEREAS, the Dauphin County General Authority (the "Authority") is a body corporate and politic organized and existing under the Pennsylvania Municipality Authorities Act, 53 Pa. Cons. Stat. §§ 5601-5622 (2005) (the "Act"); and

WHEREAS, in order to finance and refinance certain projects relating to an eighteen-hole municipal golf course, situated in the Township of Swatara and the Borough of Steelton, Dauphin County, Pennsylvania (the "Facility"), the Authority has heretofore issued its (i) County Guaranteed Revenue Bonds – Series of 1993 (Current Interest Bonds) in the original aggregate principal amount of \$4,835,000 and its County Guaranteed Revenue Bonds – Series of 1993 (Capital Appreciation Bonds), with a maturity value of \$14,005,000 (collectively, the "1993 Bonds"); (ii) County Guaranteed Revenue Bonds – Series of 1998 in the original aggregate principal amount of \$4,895,000 (the "1998 Bonds"); (iii) County Guaranteed Revenue Bonds, Series of 2003 in the original aggregate principal amount of \$3,270,000 (the "2003 Bonds"); (iv) Tax-Exempt County Guaranteed Revenue Refunding Bonds, Series A of 2005 in the original aggregate principal amount of \$8,565,000 (the "2005A Bonds") and Taxable County Guaranteed Revenue Refunding Bonds, Series B of 2005 in the original aggregate principal amount of \$2,435,000 (the "2005B Bonds," and together with the 2005A Bonds, the "2005 Bonds"); and (v) (Taxable) County Guaranteed Revenue Refunding Bonds, Series A of 2011 in the original principal amount of \$9,000,000 (the "2011A Bond") and (Taxable) County Guaranteed Revenue Refunding Bond, Series B of 2011 in the original aggregate principal amount of \$2,500,000 (the "2011B Bonds," and together with the 2011A Bonds, the "2011 Bonds") (the 1993 Bonds, the 1998 Bonds, the 2003 Bonds, the 2005 Bonds and the 2011 Bonds are collectively referred to herein as the "Original Obligations"); and

WHEREAS, in connection with the issuance of, and as security for, the Original Obligations, (i) the Authority entered into a Trust Indenture dated as of May 26, 1993, as amended and supplemented as of March 15, 1998, April 15, 2003, December 15, 2004, September 30, 2011, and January 31, 2012 (collectively, the "Existing Indenture") with CCNB, N.A., predecessor in interest to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"); and

WHEREAS, as to each of the Original Obligations, the County of Dauphin (the "County") delivered its guaranty to the Trustee, as authorized by the Pennsylvania Local Government Unit Debt Act, 53 Pa. Cons. Stat. §8001 *et seq.*, as amended (the "Debt Act"), wherein the County unconditionally guaranteed the payment of the principal of, and interest on, each of the outstanding Original Obligations; and

WHEREAS, the 1993 Bonds, the 1998 Bonds, the 2003 Bonds, and the 2005 Bonds have heretofore been refunded by the Authority and are no longer outstanding under the

Existing Indenture and by reason of such refunding, the 2011A Bonds and the 2011B Bonds are collectively referred to as the “Outstanding Bonds;” and

WHEREAS, pursuant to authorization contained in the Existing Indenture and in order to achieve certain debt service savings, the Authority desires to undertake a certain authorized project, consisting, *inter alia*, of the (i) current refunding of the Authority’s outstanding 2011A Bonds (the “2011A Refunding Project”), and (ii) the current refunding of the Authority’s outstanding 2011B Bonds (the “2011B Refunding Project,” and together with the 2011A Refunding Project, the “Refunding Project”); and

WHEREAS, the Authority has determined to issue its “County Guaranteed Revenue Refunding Bonds,” in the maximum aggregate principal amount of \$10,100,000, consisting of its: (a) (Taxable) County Guaranteed Revenue Refunding Bond, Series A of 2015, in the maximum aggregate principal amount of \$8,600,000 (the “Series A Bond”); and its (b) (Tax-Exempt) County Guaranteed Revenue Refunding Bond, Series B of 2015, in the maximum aggregate principal amount of \$1,500,000 (the “Series B Bond,” and together with the Series A Bond, the “Bonds”), to provide funds for the Refunding Project and to pay the costs incidental to the Refunding Project and of issuing the Bonds (collectively, the “Project”); and

WHEREAS, to accomplish the 2011A Refunding Project, the Authority will deposit a portion of the proceeds of the Series A Bonds in the Debt Service Fund – Series A of 2011 Bonds Account, created under the Existing Indenture, or such other account as designated by the Authority in the Sixth Supplemental Indenture (hereinafter defined), which proceeds, together with such other funds as may be made available by the Authority for such purpose, will be sufficient to enable the Trustee to make all payments of the principal or redemption price of, and interest becoming due or accruing on, the 2011A Bonds and to pay all other charges and sums due under the Existing Indenture in connection therewith; and

WHEREAS, to accomplish the 2011B Refunding Project, the Authority will deposit a portion of the proceeds of the Series B Bonds in the Debt Service Fund – Series B of 2011 Bonds Account, created under the Existing Indenture, or such other account as designated by the Authority in the Sixth Supplemental Indenture (hereinafter defined), which proceeds, together with such other funds as may be made available by the Authority for such purpose, will be sufficient to enable the Trustee to make all payments of the principal or redemption price of, and interest becoming due or accruing on, the 2011B Bonds and to pay all other charges and sums due under the Existing Indenture in connection therewith; and

WHEREAS, the Bonds will be issued under and secured by the Existing Indenture and a Sixth Supplemental Indenture thereto (the “Sixth Supplemental Indenture” and together with the Existing Indenture, the “Indenture”) from the Authority to the Trustee; and

WHEREAS, in order to further secure the payment of the principal of, and interest on, the Bonds, the County and the Authority will enter into a Guaranty Agreement (the “Guaranty”), with the Trustee, as authorized by the Debt Act, providing for the unconditional guarantee by the County of the timely payment of the principal of, and interest on, the Bonds and

the pledge by the County of its full faith, credit and taxing power to discharge all of its obligations under the Guaranty; and

WHEREAS, PNC Bank, National Association (the "Bank") has heretofore issued to the Authority its Non-Binding Indicative Term Sheet (the "Series A Term Sheet") to purchase the Series A Bond and its Non-Binding Indicative Term Sheet (the "Series B Term Sheet," and together with the Series A Term Sheet, the "Term Sheets") to purchase the Series B Bond, copies of which shall be a part of the Authority's records; and

WHEREAS, at the meeting of the Board of the Authority on November 18, 2015, the Authority authorized the execution and delivery of the Term Sheets and otherwise authorized the Project, the issuance of the Bonds and the execution and delivery of, *inter alia*, the Sixth Supplement Indenture and the Guaranty; and

WHEREAS, the execution of the Guaranty by the County constitutes the incurrence of lease rental debt by the County within the meaning of the Debt Act.

NOW, THEREFORE, BE AND IT HEREBY IS ENACTED AND ORDAINED by the Board of Commissioners of the County of Dauphin:

Section 1. Approval of Project and Financing Thereof; Prior Project; Ratifying the Remaining Useful Life Thereof. The County hereby approves the Project, as described above, and the financing thereof. The 2011A Bonds were issued to undertake the payment, upon maturity, of the Authority's outstanding 2005A Bonds. The 2011B Bonds were issued to undertake the refunding of the Authority's outstanding 2005B Bonds. The realistic estimated useful lives of the projects financed or refinanced with the 2011A Bonds and the 2011B Bonds were determined at the time of issuance of the 2011 Bonds. Such determinations are hereby ratified and confirmed and the principal amount of the Series A Bond and the Series B Bond equal to the cost of the 2011A Refunding Project and the 2011B Refunding Project, respectively, have been scheduled to mature prior to the unexpired useful life thereof.

Section 2. Amount of Bonds Secured by Guaranty; Incurrence of Lease Rental Debt. The maximum aggregate principal amount of the Bonds to be issued by the Authority and secured by the Guaranty is \$10,100,000, consisting of its Series A Bond in the maximum aggregate principal amount of \$8,600,000 and its Series B Bond in the maximum aggregate principal amount of \$1,500,000.

The County hereby authorizes and directs the incurring of lease rental debt of the County, pursuant to the Debt Act, in the maximum aggregate principal amount of \$10,100,000 (the "Lease Rental Debt Amount") to be evidenced by the Guaranty among the County, the Authority and the Trustee.

Section 3. Debt Statement and Borrowing Base Certificate; Debt Proceedings. The Chairman, Vice Chairman or any other member of the Board of Commissioners, and the Chief Clerk and Deputy Chief Clerk, if any, being proper officers of the County (the "Proper

Officers”) are hereby authorized and directed to prepare and verify the debt statement required by Section 8110 of the Debt Act and to prepare or cause to be prepared a borrowing base certificate and such Proper Officers of the County are hereby authorized and directed to certify to the Pennsylvania Department of Community and Economic Development, in accordance with the Debt Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder and to pay any filing fees necessary in connection therewith.

Section 4. Approval of Guaranty. The form, terms and provisions of the Guaranty, as presented to this meeting (copies of which shall be filed with the records of the County) are hereby approved. The Proper Officers of the County are hereby authorized and directed, upon receipt of approval from the Pennsylvania Department of Community and Economic Development, to execute the Guaranty in such form, subject to such changes and modifications, if any, as may be approved by such officer or officers, the execution of the Guaranty to be conclusive evidence of such approval, and such Proper Officers of the County are hereby authorized and directed to affix thereto the corporate seal of the County, to attest the same and to deliver the Guaranty to the Trustee.

Section 5. Covenant to Pay Guaranty. The annual amounts of principal and interest covenanted to be paid by the County under the Guaranty for each series of Bonds is as set forth in Schedule I attached hereto and made a part hereof.

It is covenanted with the registered owners of the Bonds that the County shall (i) 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) appropriate such amounts from its general fund for the payment of the amounts payable in respect of its Guaranty; and (iii) duly and punctually pay, or cause to be paid from such revenues, to the extent of its obligations under the Guaranty, the amounts payable in respect of such guaranty, at the dates and places and in the manner stated in the Guaranty according to the true intent and meaning thereof. For such budgeting, appropriation and payment in respect of its guaranty of the Bonds, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; *subject, however*, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors’ rights generally. Nothing in this Section shall be construed to give the County any taxing power not granted by another provision of law.

Section 6. Incidental Actions. Proper Officers of the County and other officers and officials of the County are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to carry out the provisions of this Ordinance, including, but not limited to, such documents, agreements, and instruments as may required by the Bank in connection with the Term Sheets.

Section 7. Repealer. All ordinances or parts of ordinances inconsistent herewith be and the same hereby are repealed.


Section 8. Severability. In case any one or more of the provisions of this Ordinance shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance and this Ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

Section 9. Effective Date. This Ordinance shall become effective on the earliest date permitted by the Debt Act.

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DULY ADOPTED, by the Board of Commissions of the County of Dauphin, in lawful session duly assembled, this 18th day of November, 2015.

COUNTY OF DAUPHIN, PENNSYLVANIA

By:  _____
County Commissioner

By:  _____
County Commissioner

By:  _____
County Commissioner

ATTEST:

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(Deputy) Chief Clerk

(SEAL)