

TOWNSHIP OF OHIO
ORDINANCE NO. 91

AN ORDINANCE AUTHORIZING THE BORROWING BY THE TOWNSHIP OF OHIO OF THE SUM OF THIRTY THOUSAND (\$30,000.00) DOLLARS IN ACCORDANCE WITH THE PROVISIONS OF ACT 185 OF 1972; APPROVING AND ACCEPTING A PROPOSAL OF MELLON BANK N.A. TO PURCHASE THE GENERAL OBLIGATION NOTE OF THE TOWNSHIP SECURING SAID LOAN AND AUTHORIZING THE NEGOTIATED SALE THEREOF TO SAID BANK; PROVIDING SECURITY AND ESTABLISHING A SINKING FUND FOR SUCH NOTE WITH MELLON BANK N.A.; AUTHORIZING AND DIRECTING CERTAIN TOWNSHIP OFFICIALS TO DELIVER A CERTIFICATE OF TAXES AND REVENUES TO BE COLLECTED; TO CAUSE TO BE MADE THE FILINGS REQUIRED BY LAW; TO EXECUTE AND DELIVER THE NOTE, AND TO TAKE SUCH OTHER ACTIONS AS MAY BE NECESSARY OR DESIRABLE.

WHEREAS, the Local Government Unit Debt Act of the Commonwealth of Pennsylvania (the "Act") empowers and authorizes a local government unit to borrow money in an amount within the debt limitation provisions of said Act on a term loan basis; and

WHEREAS, the Township of Ohio desires to borrow the sum of Thirty Thousand (\$30,000.00) Dollars to be used to pay for engineering studies necessary to the completion of the interceptor sewer in the Bear Run drainage basin; and

WHEREAS, Mellon Bank N.A. submitted a proposal dated the day of June 11, 1973 to purchase the general obligation term loan note of the Township in the amount of \$30,000.00 repayable in five (5) equal annual installments of principal, and quarterly payments of interest.

NOW, THEREFORE, be it enacted as follows:

SECTION ONE. The Board of Supervisors of the Township of Ohio, Allegheny County, Pennsylvania hereby authorizes the borrowing of the principal sum of \$30,000.00 for the purpose of paying for engineering studies necessary to the

completion of the interceptor sanitary sewer construction in the Bear Run drainage basin. Said borrowing shall be evidenced by a general obligation term loan note (the "Note") in the aforesaid principal sum, which shall be dated the date of the issuance thereof, one-fifth (1/5) thereof together with any accrued interest, which shall become due and payable on or before the first day of August, 1974, and each year thereafter on said date until fully paid. Said loan shall bear interest at the rate per annum as per said proposal and be paid quarterly. Said note shall be in substantially the form annexed to this Ordinance as Exhibit "A" and hereby made a part of this Ordinance as fully set forth at this place.

SECTION TWO. The proposal to purchase a general obligation term loan note dated August 1, 1973 submitted by Mellon Bank N.A. to the Township is hereby approved and accepted, and the note shall be issued and sold, upon a negotiated sale to said bank at the principal amount thereof in accordance with said proposal.

SECTION THREE. There is hereby authorized to be created and established at the Sewickley Office of the said bank a sinking fund for the note entitled "General Obligation Term Loan Note Sinking Fund of Ohio Township", and the Secretary-Treasurer of the Township shall, on the dates and in the amounts set forth in Exhibit "A" attached hereto, make payments out of the general revenues of the municipality into such sinking fund.

SECTION FOUR. The Chairman of the Board of Supervisors and the Treasurer of the Township are hereby

authorized, empowered and directed (1) to advertise the notice of intention to enact this ordinance, and following its enactment in accordance with Section 103 of the Act, to advertise the notice of final passage, (2) to accept and execute on behalf of the Township the bank's proposal to purchase, (3) to prepare and submit to the Supervisors for approval and verification under oath, a debt statement dated not more than 60 days prior to filing for approval with the Department of Community Affairs, Harrisburg, Pennsylvania, (4) to apply for and obtain the Certificate of Approval of the general obligation term loan by the Department of Community Affairs, Harrisburg, Pennsylvania, and (5) to direct the Township Solicitor to prepare the form of general obligation term loan note, and to prepare an opinion upon review of the proceedings set forth herein that said proceedings are in accordance with law, and that the note is a valid subsisting obligation of the Township, and (6) to take all such other actions and execute all such other documents as may be necessary or desirable to effect the issue and sale of the note in accordance with the proposal of said bank and the Act.

SECTION FIVE. Any ordinance or part of an ordinance conflicting with the provisions of this ordinance is hereby repealed.

ATTEST:

Alice Billingsley
Secretary

TOWNSHIP OF OHIO:

Edward J. Judd
Chairman, Board of Supervisors

CERTIFICATION

I hereby certify that the foregoing Ordinance was
duly adopted at a regular meeting of the Township of Ohio
held on the 9th day of July, 1973.

Mrs. Billingsley

GENERAL OBLIGATION TERM LOAN NOTE

\$ 30,000.00
(Principal Sum)

DATED: August 1, 1973

FINAL MATURITY DATE: August 1, 1978

For value received and intending to be legally bound hereby, the undersigned municipality (the "Municipality")

Township of Ohio
(Name of Municipality)

a Township of the second class
(Type of Municipality)

located in Allegheny County, Pennsylvania, promises to pay to the order of

MELLON BANK N.A.,

at its Sewickley Office located in Allegheny, Pennsylvania, the Principal Sum set forth above on the following dates and in the following amounts:

<u>August 1, 1974</u>	<u>\$ 6,000.00</u>
<u>August 1, 1975</u>	<u>\$ 6,000.00</u>
<u>August 1, 1976</u>	<u>\$ 6,000.00</u>
<u>August 1, 1977</u>	<u>\$ 6,000.00</u>
<u>August 1, 1978</u>	<u>\$ 6,000.00</u>

Interest on the unpaid principal from the date hereof shall be payable quarterly and at maturity at a rate per annum (based on a year of 365 days) which shall be 1.0% above the tax free equivalent of the prime interest rate on 90-day loans to substantial and responsible commercial borrowers in effect at Mellon Bank N.A. from time to time, such interest rate to change automatically from time to time effective as of the date of each change in such prime rate.

The Treasurer of the Municipality shall deposit money sufficient for the payment of the principal of and interest upon this Note into a sinking fund on or before the date of each such payment of principal or interest. Such sinking fund, known as the "General Obligation Term Loan Note Sinking Fund" of the Municipality, has been established at the office of Mellon Bank N.A. at which this Note is payable.

The Municipality shall have the right at its option to prepay this Note, as a whole at any time or in part from time to time, without premium or penalty, provided that any such partial prepayment shall be in the inverse order of maturities only.

The Municipality hereby covenants with the holder hereof that it will include the amount of the debt service payable hereunder in its budget for the applicable fiscal year, appropriate such amounts to the payment of such debt service, and duly and punctually pay or cause to be paid the entire principal hereof and the interest thereon on the dates, at the places and in the manner set forth above, according to the true intent and meaning hereof, and for such budgeting, appropriation and payment, the Municipality hereby pledges its full faith, credit and taxing power.

The Municipality hereby covenants that it will make no use of the proceeds issued pursuant to this Note which, if such use had been reasonably expected as of the date hereof, would have caused this Note to be considered an "arbitrage bond", as that term is defined by the regulations of the United States Treasury Department. In the event that this Note is for any reason considered to be an arbitrage bond, it shall bear