

**TOWNSHIP OF LONDONDERRY,  
Dauphin County, Pennsylvania**

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**ORDINANCE NO. 2021-07**

**OF THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF LONDONDERRY AUTHORIZING AND SECURING THE ISSUANCE OF A GENERAL OBLIGATION NOTE, IN THE MAXIMUM PRINCIPAL AMOUNT OF \$499,521, PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, TO FINANCE COSTS OF A SEWER SYSTEM PROJECT AND PAY RELATED EXPENSES AND A GENERAL OBLIGATION BOND, IN THE MAXIMUM PRINCIPAL AMOUNT OF \$283,700, PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, TO FINANCE COSTS OF A REFUNDING PROJECT AND PAY RELATED EXPENSES; ACCEPTING A PROPOSAL TO PURCHASE THE NOTE AND BOND FROM THE PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF THE NOTE AND BOND; CREATING A SINKING FUND AND APPOINTING A SINKING FUND DEPOSITORY FOR THE NOTE AND BOND; PLEDGING THE FULL FAITH, CREDIT, AND TAXING POWER OF THIS TOWNSHIP TO SECURE THE NOTE AND BOND; AND CONTAINING RELATED PROVISIONS.**

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**WHEREAS**, the Board of Supervisors of the Township of Londonderry, in Dauphin County, Pennsylvania (the "Township"), has determined to incur nonelectoral debt to be evidenced by a general obligation note (the "Note"), in the maximum principal amount of Four Hundred Ninety-Nine Thousand Five Hundred Twenty-One Dollars (\$499,521), as financing for the Capital Project (hereinafter defined); and

**WHEREAS**, the Board of Supervisors of the Township has determined to accept a grant in the amount of One Hundred Thousand Four Hundred Seventy-Nine Dollars (\$100,479) (the "Grant"), as partial financing for the Capital Project (hereinafter defined); and

**WHEREAS**, the Board of Supervisors of this Township has obtained cost estimates, as such costs are defined in the Act of the General Assembly of the Commonwealth of Pennsylvania (the "Commonwealth") known as the Local Government Unit Debt Act (the "Debt Act"), of the

Project (hereinafter defined) to be financed, and has determined that such costs will be at least \$600,000; and

**WHEREAS**, the Board of Supervisors of the Township has determined to incur nonelectoral debt to be evidenced by a general obligation bond (the “Bond” and, together with the Note, the “Obligations”), in the maximum principal amount of Two Hundred Eighty-Three Thousand Seven Hundred Dollars (\$283,700), as financing for the Refunding Project (hereinafter defined); and

**WHEREAS**, the Board of Supervisors, under an ordinance enacted on March 17, 2020, authorized and secured the Township’s General Obligation Note, Series of 2020 in the original principal amount of \$283,700 (the “2020 Note”), which was issued on May 6, 2020, to pay preconstruction costs of the Capital Project (hereinafter defined), and which 2020 Note is currently subject to optional redemption prior to maturity; and

**WHEREAS**, the Department of Community and Economic Development (the “Department”) of the Commonwealth approved the debt proceedings of this Township related to the 2020 Note, as evidenced by Certificate of Approval No. GON-200420-02, dated April 20, 2020; and

**WHEREAS**, the Board of Supervisors has determined to refund and retire the 2020 Note (the “Refunding Project”), on or within 90 days of the issue date of the Bond; and

**WHEREAS**, a written funding offer to purchase the Obligations and provide the Grant (the “Funding Offer”) has been requested and received from the Pennsylvania Infrastructure Investment Authority (the “Lender”); and

**WHEREAS**, the Board of Supervisors of this Township desires to accept the Funding Offer, to award the Obligations to the Lender in a private sale by negotiation, and to incur nonelectoral debt in the amount of \$499,521, in connection with the Capital Project (hereinafter defined) and in the amount of \$283,700, in connection with the Refunding Project, pursuant to the Debt Act.

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

**SECTION 1.** The Board of Supervisors of this Township hereby authorizes the issuance of the Obligations of this Township to the Lender, pursuant to and secured by this Ordinance. The proceeds of the Note shall be used for payment of costs of a project consisting of designing and constructing improvements to the Township’s sewer system (the “Capital Project” and together with the Refunding Project, the “Project”). The proceeds of the Bond shall be used for the Refunding Project.

**SECTION 2.** The Board of Supervisors of this Township expresses its finding that it is in the best financial interests of this Township to sell the Obligations in a private sale by negotiation and determines that the Obligations shall constitute nonelectoral debt of this Township.

**SECTION 3.** The Refunding Project is authorized by Section 8241(b)(5) of the Debt Act (substituting a bond for a note). The reasonably estimated useful life of the facilities constructed as part of the Project is at least forty (40) years. This Township represents that the first installment of principal of the Obligations is not being deferred later than two years from the date of issue of the Obligations nor beyond one year after the estimated date of completion of construction of the Capital Project.

**SECTION 4.** The Board of Supervisors of this Township shall and does accept the Funding Offer. The Obligations shall be and is awarded to the Lender, in accordance with terms and conditions of the Funding Offer, the original of which is on file with the Secretary of this Township, at a total purchase prices of \$499,521 (100% of the principal amount advanced) for the Note and \$283,700 (100% of the principal amount advanced) for the Bond.

**SECTION 5.** The Obligations will be general obligations of this Township.

**SECTION 6.** The Obligations shall be stated to mature in full twenty-three (23) years from the date of issuance of the Obligations, which is expected to be on or about July \_\_\_, 2021. The Obligations shall bear interest as described in the substantial form of the Obligations attached hereto as Exhibit "A-1" and Exhibit "A-2" together with appropriate insertions, omissions, and variations.

Schedules illustrating the interest rate and the maximum principal and interest payable on the Obligations, through the maturity date thereof, are attached hereto as Exhibit "B-1" and Exhibit "B-2" and made a part hereof.

**SECTION 7.** The Township may not prepay at any time all or any portion of the unpaid principal sum of the Obligations without first obtaining the prior written consent of the Lender. The Township shall submit a letter of intent to prepay to the Lender no later than fifteen (15) days prior to the first day of the month the Township intends to prepay. If the Lender consents to the Township's prepayment, the Township may prepay, on the date that is mutually agreed upon by both the Township and the Lender, all or any portion of the unpaid principal sum hereunder without penalty or premium subject to the further conditions set forth in Section D of the Obligations.

**SECTION 8.** The principal of and interest on the Obligations shall be payable as set forth in the form of the Obligations attached hereto as Exhibit "A-1" and Exhibit "A-2."

**SECTION 9.** The Obligations shall be executed in the name of and on behalf of this Township by the manual signature of the Chairman or Vice Chairman of the Board of Supervisors of this Township and the official seal of this Township shall be affixed thereto and the manual signature of the Secretary or Assistant Secretary of this Township shall be affixed thereto in attestation thereof.

**SECTION 10.** This Township covenants to and with the Lender and any other registered owners, from time to time, of the Obligations outstanding, from time to time, pursuant to this Ordinance, that this Township: (i) shall include the amount of the debt service for the

Obligations, for each fiscal year of this Township in which such sums are payable, in its budget for that fiscal year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the sinking fund created herein or any other of its revenues or funds the principal of the Obligations and the interest thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation, and payment, this Township shall and does pledge, irrevocably, its full faith, credit, and taxing power. As provided in the Debt Act, the foregoing covenant of this Township shall be enforceable specifically.

**SECTION 11.** There is created, pursuant to Section 8221 of the Debt Act, a sinking fund for the Note, to be known as "Sinking Fund - PennVest 2021 Note" and a sinking fund for the Bond, to be known as "Sinking Fund - PennVest 2021 Bond" (collectively, the "Sinking Fund"), which shall be administered in accordance with applicable provisions of the Debt Act.

This Township appoints Mid Penn Bank (the "Sinking Fund Depository") as the sinking fund depository with respect to the Sinking Fund. The Chairman or Vice Chairman of the Board of Supervisors and the Secretary or Assistant Secretary, respectively, of this Township are authorized and directed to contract with the Sinking Fund Depository for its services as sinking fund depository in connection with the Sinking Fund and in connection with the Obligations. This Township covenants to make payments out of the Sinking Fund, or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Obligations when due.

**SECTION 12.** The Chairman or Vice Chairman of the Board of Supervisors and the Secretary or Assistant Secretary, respectively, of this Township, which shall include their duly qualified successors in office, if applicable, are authorized and directed: (a) to prepare, to certify, and to file with the Department the debt statement required by the Debt Act; (b) to prepare and to file the application with the Department, together with a complete and accurate transcript of the proceedings relating to the incurring of debt, of which debt the Obligations, upon issue, will be evidence, as required by the Debt Act; (c) to prepare and to file, if applicable, any statements required by the Debt Act that are necessary to qualify all or any portion of nonelectoral and/or lease rental debt of this Township that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit as self-liquidating or subsidized debt; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Debt Act in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

Said officers of this Township are authorized and directed to prepare an appropriate borrowing base certificate to be appended to the debt statement authorized herein.

**SECTION 13.** It is declared that the debt to be incurred hereby, together with any other indebtedness of this Township, is not in excess of any applicable limitation imposed by the Debt Act upon the incurring of debt by this Township, which is evidenced by the Obligations.

**SECTION 14.** The Secretary of this Township is authorized and directed to deliver the executed Obligations to the Lender after the Department has certified its approval under Section 8204 of the Debt Act.

**SECTION 15.** This Township authorizes and directs the redemption and retirement of the 2020 Note from the proceeds of the Bond, on or within 90 days of the issue date of the Bond. Officers and agents of this Township shall take appropriate actions to effectuate the redemption of the 2020 Note.

**SECTION 16.** 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 17.** All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.


**SECTION 18.** This Ordinance shall be effective in accordance with Section 8003 of the Debt Act.

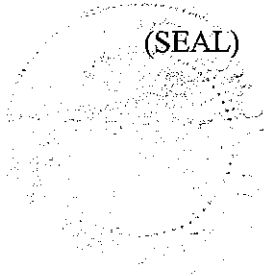
DULY ENACTED AND ORDAINED, by the Board of Supervisors of the Township of Londonderry, Dauphin County, Pennsylvania, in lawful session duly assembled, this 3<sup>rd</sup> day of May, 2021.

TOWNSHIP OF LONDONDERRY,  
Dauphin County, Pennsylvania

By:   
Chairman, Board of Supervisors

ATTEST:

  
\_\_\_\_\_  
Secretary



CERTIFICATE

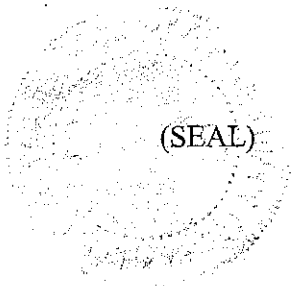
I, the undersigned, Secretary of the Township of Londonderry, in Dauphin County, Pennsylvania (the "Township"), certify that: the foregoing is a true and correct copy of an Ordinance which duly was enacted by affirmative vote of a majority of all members of the Board of Supervisors of the Township, in accordance with law, at a meeting duly held on May 3, 2021, at which meeting a quorum was present; said Ordinance has been certified and recorded by me, as Secretary of the Township, in the book provided for the purpose of such recording; said Ordinance, upon enactment, as aforesaid, was assigned Ordinance No. \_\_\_\_\_; the total number of members of the Board of Supervisors of the Township is five (5); the vote of the members of the Board of Supervisors of the Township, upon enactment of said Ordinance, the yeas and nays having been called, duly was recorded by me, as Secretary, as follows:

|                   |   |
|-------------------|---|
| Bart Shellenhamer | - |
| Ron Kopp          | - |
| Anna Dale         | - |
| Mel Hershey       | - |
| Mike Geyer        | - |

said Ordinance has been advertised, as required by law, in a newspaper of general circulation in the Township; and said Ordinance has not been amended, altered or repealed as of the date of this Certificate.

I further certify that the Board of Supervisors of the Township met the advance notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. Ch. 7, by posting prominently a notice of said meeting at the principal office of the Township or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at said meeting, all in accordance with such Act.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Township, this 3<sup>rd</sup> day of May, 2021.



A handwritten signature in black ink, appearing to be "A. B.", written over a horizontal line.

Secretary