

COUNTY OF BUCKS
COMMONWEALTH OF PENNSYLVANIA

ORDINANCE NO. 127

AN ORDINANCE OF THE COUNTY OF BUCKS, COMMONWEALTH OF PENNSYLVANIA, AUTHORIZING THE COUNTY TO INCUR LEASE RENTAL DEBT IN THE AMOUNT OF \$9,950,000.00 BY GUARANTYING THE \$9,950,000 PRINCIPAL AMOUNT OF A PROMISSORY NOTE TO BE ISSUED BY THE BUCKS COUNTY COMMUNITY COLLEGE FOR THE PURPOSE OF FINANCING THE COSTS OF THE COMPLETION OF THE COLLEGE'S LOWER COUNTY CAMPUS AND ANY COSTS INCURRED IN CONNECTION WITH THE ISSUANCE OF ITS PROMISSORY NOTE; BRIEFLY DESCRIBING THE PROJECT FOR WHICH SAID DEBT IS TO BE INCURRED; AUTHORIZING AND DIRECTING APPROPRIATE OFFICERS OF THE COUNTY TO PREPARE, VERIFY AND FILE THE DEBT STATEMENT AND OTHER APPROPRIATE DOCUMENTS REQUIRED BY THE LOCAL GOVERNMENT UNIT DEBT ACT; AUTHORIZING AND DIRECTING APPROPRIATE OFFICERS OF THE COUNTY TO FILE DOCUMENTS NECESSARY TO QUALIFY THE DEBT; AUTHORIZING APPROPRIATE OFFICERS OF THE COUNTY, UPON RECEIPT OF APPROVAL OF THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, TO EXECUTE AND DELIVER AN INSTRUMENT EVIDENCING THE COUNTY'S GUARANTY WITH RESPECT TO THE AFORESAID PROMISSORY NOTE; GUARANTEEING THE FULL PAYMENT, WHEN DUE, OF THE PRINCIPAL OF AND INTEREST ON THE AFORESAID PROMISSORY NOTE AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO; PROVIDING FOR AND AUTHORIZING PROPER OFFICERS OF THE COUNTY TO TAKE ALL OTHER ACTIONS AS MAY BE NECESSARY OR DESIRABLE IN CONNECTION WITH SAID GUARANTY; REPEALING INCONSISTENT ORDINANCES; AND PROVIDING AN EFFECTIVE DATE FOR THE WITHIN ORDINANCE

WHEREAS, the County of Bucks, Pennsylvania (the "County"), is a local government unit, as defined in the Local Government Unit Debt Act, Act No. 177 of December 19, 1996, P.L. 1158, as amended (the "Debt Act"); and

WHEREAS, under the Debt Act, the County is authorized to make guaranties, payable out of taxes and other general revenues of the County, of bonds of authorities; and

WHEREAS, the Bucks County Community College (the "College") is a body corporate and politic organized and existing pursuant to the Community College Act of the State of Pennsylvania, as amended and supplemented; and

WHEREAS, the College was formed by the County of Bucks by Resolution dated the 22nd day of June, 1964;

WHEREAS, the College has authorized and proposes to issue a Promissory Note in the amount of \$9,950,000, the proceeds of which are to be used to finance the costs of a project (the "Project") consisting of: (a) the completion of the construction of the College's Lower County Campus; and (b) any costs incurred in connection with the issuance of the Promissory Note; and

WHEREAS, the County, in order to assist the College with the Project, has determined to guarantee the full payment of the principal of and interest on the Promissory Note, pursuant to authority conferred upon the County by the Debt Act; and

WHEREAS, the lease rental debt authorized to be incurred hereby, and the existing net debt of the County, as determined under the provisions of the Debt Act, do not, in the aggregate, exceed the limitations of the Constitution of the Commonwealth of Pennsylvania or of the Debt Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF BUCKS, COMMONWEALTH OF PENNSYLVANIA, AS FOLLOWS:

Section 1. The Board of County Commissioners of the County of Bucks hereby determines to incur lease rental debt, as such term is defined in the Debt Act, in an aggregate principal amount of \$9,950,000, such debt to be evidenced by the guaranty of the County as set forth herein for the purpose of assisting the College in the effectuation of the Project.

Section 2. A realistic estimate of the costs of the Project has been obtained on behalf of the County by the College and have been received by the County Commissioners. The estimated useful life of the Project is at least 40 years.

Section 3. The County Commissioners hereby authorize and direct that the necessary documentation be filed with the Pennsylvania Department of Community and Economic Development (the "Department") so that the debt incurred hereunder may be approved as lease rental debt of the County. It is therefore hereby declared that the lease rental debt of the County to be incurred hereunder shall be \$9,950,000 which, together with all presently existing net debt of the County, will not be in excess of the limitations as set forth in the Debt Act. The Chairman of the County Commissioners or any other proper officers of the County and their successors are hereby authorized and directed to prepare, certify and file the debt statement required by Section 8110 of the Debt Act, together with the Borrowing Base Certificate and an application for approval of said indebtedness, with the Department as promptly as practicable and to do and perform all other acts and sign all other documents necessary and proper in connection therewith.

Section 4. The Chairman of the County Commissioners or any other proper officers of the County and their successors are hereby authorized and directed to prepare, certify and file with the Department such statements and other documents as may be required under Section 8026 of the Debt Act in order to qualify all or a portion of the debt authorized hereby for exclusion from the County's debt limit as self-liquidating debt.

Section 5. Upon receipt by the County of the approval of the Department to incur said debt, the County shall enter into the Guaranty, substantially in the form of Exhibit "A" to this Ordinance, with such changes therein as shall be approved by the County Solicitor and the officers executing the Guaranty, such approval to be conclusively evidenced by such execution.

Section 6. The maximum amount to be paid in each year under the Guaranty is set out on Exhibit "B" attached to this Ordinance. The County covenants that it will include the amount of each such payment in its budget for each year in which each such amount is payable; that it will appropriate such amounts from its revenues for such payments and that it will duly and punctually pay such amounts or cause them to be paid on the dates and at the places and in the manner stated in the Guaranty according to the true intent and meaning thereof. In preparing and adopting its budget for any year, the County may, unless it has received notice of default under the College's Promissory Note, treat as a revenue item an amount not in excess of the amount of its liability hereunder for such year which the College estimates will be available to pay the principal and interest on the Promissory Note in that year from other sources. Such amount may be estimated to be received during the year on or before the dates when payments of principal or interest on the Promissory Note will be due. For such budgeting, appropriation and payment, the County hereby pledges its full faith, credit and taxing power.

Section 7. All actions heretofore taken and documents prepared by officials of the County in connection with the incurring of indebtedness as described herein are hereby ratified, affirmed, approved and adopted, and the members of the Board of Commissioners, the County Treasurer, the County Controller, County Clerk, County Solicitor and other appropriate County officials are hereby jointly and severally authorized and directed to take all other necessary or appropriate action in connection with the incurring of indebtedness as described herein, including, without limitation, the execution of such documents as may be necessary or appropriate in connection therewith.

Section 8. All ordinances and resolutions or parts thereof, to the extent inconsistent herewith, are hereby repealed and rescinded.

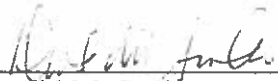
Section 9. This Ordinance shall be valid and effective for all purposes on the 5th day following advertisement of final enactment hereof, as provided in the Debt Act.

DULY ORDAINED AND ENACTED this 7th day of February, 2007.

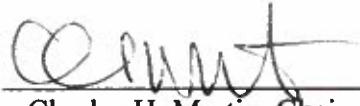
[SEAL]

COUNTY OF BUCKS

Attest:



David M. Sanko Date
Chief Operating Officer/Chief Clerk

By: 

Charles H. Martin, Chairman

By: 

James F. Cawley, Commissioner

By: 

Sandra A. Miller, Commissioner