

ORDINANCE NO. ~~---~~ 660
BOARD OF COMMISSIONERS
OF THE TOWNSHIP OF HATFIELD,
MONTGOMERY COUNTY, PENNSYLVANIA

AN ORDINANCE APPROVING A CAPITAL PROJECT THAT AUTHORIZES THE TOWNSHIP OF HATFIELD TO BORROW UP TO \$552,631.76 FROM THE COUNTY OF MONTGOMERY, PENNSYLVANIA UNDER THE STATED AMORTIZATION SCHEDULE FOR THE PURCHASE OF EMERGENCY RADIO EQUIPMENT, SERVICES, AND INSURANCE; APPROVING THE FORM, EXECUTION AND DELIVERY OF THE 2015 NOTE AND ASSOCIATED DOCUMENTS; OBLIGATING THE TOWNSHIP TO MAKE PAYMENTS ON THE 2015 NOTE FROM FUNDS APPROPRIATED FOR THE THEN CURRENT FISCAL YEAR; AND AUTHORIZING ACH DEBIT AUTHORIZATION FOR PAYMENTS

WHEREAS, Township of Hatfield, Montgomery County, Pennsylvania (the “Township”) is a first class township and a local government unit of the Commonwealth of Pennsylvania (the “Commonwealth”); and

WHEREAS, the County of Montgomery, Pennsylvania (the “County”) has entered into a Bulk Purchasing Agreement with Motorola Solutions, Inc. (“Motorola”) with respect to emergency radio equipment and services; and

WHEREAS, the County has made available to municipalities within the County, the ability to purchase from Motorola emergency radio equipment at a discount, and has further agreed to provide an interest-free loan (the “Loan”) from funds borrowed by the County from the Delaware Valley Regional Finance Authority (“DelVal”) to any municipality that desires to purchase such emergency radio equipment through the County arranged Bulk Purchasing Agreement; and

WHEREAS, the Township desires to receive the Loan from the County and issue a Promissory Note, Series 2015 (the “2015 Note”) to the County to evidence its obligations under the Loan in order to: (i) purchase certain radio equipment and services for the Township police, fire and emergency personnel; and (ii) pay of costs of issuance incurred by the Township in connection with the Bulk Purchasing Agreement and the 2015 Note (collectively, the “2015 Project”); and

WHEREAS, the payments due on the 2015 Note are subject to annual appropriation by the Township, will not constitute a debt or general obligation of the Township and will be a current expense solely payable from funds appropriated and lawfully available for such use during the then current fiscal year of the Township; and

WHEREAS, the 2015 Project will benefit the health and welfare of the residents of the Township; and

WHEREAS, the 2015 Project shall be for the benefit and use of the general public, and no private party shall have any special legal entitlement to the beneficial use of the 2015 Project, through a lease, management contract, or any other arrangement that would result in a private business use under the *Internal Revenue Code of 1986*, as amended.

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

SECTION 1. APPROVAL OF THE 2015 PROJECT AND AUTHORIZATION TO ISSUE THE 2015 NOTE

The Board of Commissioners (the “Board”) hereby authorizes and approves the 2015 Project. The Board hereby authorizes and approves the Loan from the County in the maximum principal amount of **FIVE HUNDRED FIFTY TWO THOUSAND, SIX HUNDRED THIRTY ONE DOLLARS AND SEVENTY SIX CENTS (\$552,631.76)** as evidenced by the issuance of the 2015 Note.

SECTION 2. APPROVAL OF THE FORMS OF THE 2015 NOTE AND AUTHORIZATION TO EXECUTE AND DELIVER ALL NECESSARY DOCUMENTS

The substantial form of the 2015 Note attached hereto as Exhibit A is hereby approved. The President and Secretary of the Board (collectively, the “Authorized Officers”) are hereby authorized and directed to execute and deliver the 2015 Note, in the substantial form attached hereto, but with such alterations, deletions and additions as the Authorized Officers may approve (such approval to be conclusively established by the execution of the 2015 Note by the Authorized Officers). The Authorized Officers also are hereby authorized and directed (i) to execute and deliver such other certificates, instruments, and agreements (including those required by DelVal or otherwise related to the 2015 Note), and (ii) to take all actions that may be necessary or beneficial to issue the 2015 Note.

SECTION 3. AMORTIZATION SCHEDULE

The indebtedness of the 2015 Note shall be a current expense subject to annual appropriation by the Township and payable solely from funds lawfully available for such use during the then current fiscal year of the Township and shall be evidenced by the 2015 Note in the maximum principal amount of **FIVE HUNDRED FIFTY TWO THOUSAND, SIX HUNDRED THIRTY ONE DOLLARS AND SEVENTY SIX CENTS (\$552,631.76)**. The 2015 Note shall not bear interest. The 2015 Note shall be subject to optional redemption by the Township as set forth in the 2015 Note terms. The amortization schedule of the principal payments under the 2015 Note (the “Loan Principal”) are as shown below:

Promissory Note, 2015 Series
Principal Amortization Schedule

January 25, 2016 - \$110,526.35

January 25, 2017 - \$110,526.35

January 25, 2018 - \$110,526.35

January 25, 2019 - \$110,526.35

January 25, 2020 - \$110,526.35

SECTION 4. CURRENT EXPENSE

Payments due on the 2015 Notes are a current expense, subject to annual appropriation by the Township, payable solely from funds lawfully available to the Township for such purpose during the then current fiscal year of the Township. The obligations of the Township to pay the Loan Principal under the 2015 Note (and any other sums due thereunder) do not constitute a lien or charge upon the funds of the Township beyond the fiscal year for which the Township has appropriated money to pay the Loan Principal (and any other sums due thereunder) and that the obligations of the Township under the 2015 Note do not constitute a debt or general obligation of the Township. Neither the full faith and credit nor the taxing power of the Township or of any other political subdivision of the Commonwealth has been or will be pledged to the payment of the Loan Principal (and any other sums due thereunder).

SECTION 5. ACH DEBIT AUTHORIZATION

The Township hereby authorizes payments on the 2015 Note to be made by ACH Debit Authorization to Wells Fargo Bank, N.A., acting as co-Trustee for DelVal, the collection agent of the County with respect to the 2015 Note. The Authorized Officers are hereby authorized and directed to execute and deliver the ACH Debit Authorization form, the IRS Form W-9 and such other certificates, instruments, and agreements as may be required for purposes of making payments on the 2015 Note.

SECTION 6. SEVERABILITY

The provisions of this Ordinance are declared to be severable. If any provision of this Ordinance is declared by a court of competent jurisdiction to be invalid or unconstitutional, such determination shall have no effect on the remaining provisions of this Ordinance or on the provisions of the Hatfield Township Code.

SECTION 7. INCONSISTENT PROVISIONS.

All ordinances or parts thereof inconsistent with the provisions of this Ordinance are hereby repealed to the extent of the inconsistency.

SECTION 8. EFFECTIVE DATE.

This Ordinance shall be effective five (5) days following its legal enactment

ENACTED and **ORDAINED** this _____ day of _____, 2015.

ATTEST:

**BOARD OF COMMISSIONERS OF
HATFIELD TOWNSHIP**

Aaron Bibro, Secretary

Thomas C. Zipfel, President

EXHIBIT A

Form of 2015 Note

