

**HAMILTONBAN TOWNSHIP AUTHORITY**

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**RESOLUTION NO. 2014-09**

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WHEREAS, Hamiltonban Township Authority (the "Authority") is a municipality authority existing under and governed by the Pennsylvania Municipality Authorities Act, 53 Pa. C.S. Ch. 56; and

WHEREAS, The Township of Hamiltonban, Adams County, Pennsylvania (the "Township"), is a political subdivision existing under the laws of the Commonwealth of Pennsylvania; and

WHEREAS, This Authority, with the consent and approval of the Township, heretofore undertook the acquisition and construction of certain sanitary sewage collection, transportation, treatment and disposition system facilities, including all related and necessary facilities, required for rendering sanitary sewer service in and for, *inter alia*, the Township (the "Sewer System"); and

WHEREAS, The Township has determined to provide financing required in connection with the acquisition and/or construction of certain additions, extensions, alterations and improvements to the Sewer System (the "Project"), and the Township has agreed to provide such financing through the issuance and sale of a general obligation note in the stated maximum principal amount of \$496,500 to be designated as the "General Obligation Note, Series of 2014" (the "Note") to be issued under and pursuant to an Ordinance, to be duly enacted by the Board of Supervisors of the Township on March 4, 2014; and the Township, in connection with the required financing, shall accept a proposal for purchase of the Note (the "Proposal") submitted by Farmers and Merchants Trust Company of Chambersburg (the "Bank"), as lender; and

WHEREAS, The Authority has obtained a grant from the Commonwealth Financing Authority in the amount of \$496,500 (the "Grant") in connection with the Project; and

WHEREAS, The Township and the Authority have agreed to enter into a Purchase Agreement (the "Purchase Agreement") with Pennsylvania-American Water Company ("PAWC") pursuant to which PAWC will agree to purchase the Sewer System upon completion of the Project; and

WHEREAS, This Authority, in connection with said financing, has determined to enter into a Subsidy Agreement, dated as of April 1, 2014 (the "Subsidy Agreement"), with the Township, which shall provide, *inter alia*, that this Authority shall periodically pay certain sums to the Township, derived solely from the receipts and revenues from this Authority's Sewer System, including the Grant or sale proceeds in connection with the Purchase Agreement, for application toward the payment of the debt service on the Note, in the amounts specified in the Subsidy Agreement; and

WHEREAS, The Township has requested the Board of this Authority to make recommendations and to indicate its intention with respect to appropriate and required legal action and proceedings related to the Project and the issuance of the Note.

NOW THEREFORE, BE IT RESOLVED, by the Board of this Authority as follows:

1. This Authority requests the Township to proceed with the financing of the Project, and this Authority affirms the action of the Township in accepting the Proposal for the purchase of the Note.

2. This Authority expresses its intention to take all necessary and appropriate legal action and proceedings which shall be required to enable the Township to issue and to deliver the Note in accordance with the terms, conditions and provisions of the Proposal, and to enable the

Township to satisfy all legal requirements in connection therewith, including, but not limited to, entering into the Subsidy Agreement with the Township with respect to the Note.

The Subsidy Agreement shall be substantially in the form presented to this meeting, which form is approved, together with such changes therein as shall be approved by the Solicitor and Bond Counsel for the Township and this Authority and the officers of this Authority executing the same, the execution and delivery thereof by such officers to constitute conclusive evidence of such approval.

The Chairman or Vice Chairman of this Authority and the Secretary or Assistant Secretary, respectively, of this Authority are hereby authorized and directed to execute, to attest and to seal, as appropriate, and to deliver the Subsidy Agreement on or prior to the date of the issuance of the Note by the Township.

3. This Authority expresses its intention to proceed promptly to facilitate construction of the Project.

4. This Authority expresses its intention, and proper officers of this Authority are hereby authorized, to execute and to deliver all appropriate and required documents and to do and to perform any and all other acts appropriate and required on its behalf in order to enable the Township to consummate the required financing and to carry out the intent and purpose of this Resolution.

5. This Authority hereby directs that a certified copy of this Resolution be filed with the Pennsylvania Department of Community and Economic Development concurrently with the filing of the proceedings relating to the authorization for issuance of the Note for the purpose of satisfying the requirements of Section 8024 of the Pennsylvania Local Government Unit Debt Act.

A copy of the Subsidy Agreement filed with such proceedings shall be deemed a certified copy, as contemplated by said Section 8024.

6. This Authority ratifies and confirms all action heretofore taken by or on behalf this Authority in connection with the financing of the Project to the extent not inconsistent with the provisions of this Resolution.

DULY ADOPTED by the Board of Hamiltonban Township Authority, this 4<sup>th</sup> day of March, 2014, in lawful session duly assembled.

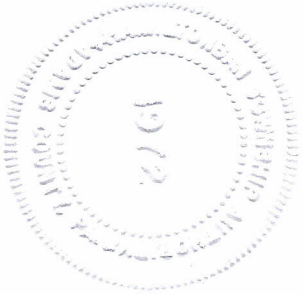
HAMILTONBAN TOWNSHIP AUTHORITY

By: *Steve Morye*  
(Vice) Chairman

ATTEST:

*Ronnie Salke*  
(Assistant) Secretary

(SEAL)



CERTIFICATE

I, the undersigned, (Assistant) Secretary of Hamiltonban Township Authority (the "Authority"), certify: that the foregoing is a true and correct copy of a Resolution of the Board of the Authority (the "Board"), which duly was adopted by affirmative vote of a majority of all members of the Board at a meeting of the Board duly convened and held according to law on March 4, 2014, at which meeting a quorum was present; that said Resolution duly has been recorded in the minute book of the Authority and that said Resolution is in full force and effect, without amendment, alteration or repeal, as of the date of this Certificate.

I further certify that the Board of the Authority met the advance notice requirements of the Sunshine Act, 65 Pa. C.S. Ch. 7, by advertising said meeting and by posting prominently a notice of said meeting at the public building in which said meeting was held, all in accordance with such Act.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Authority, this 4<sup>th</sup> day of March, 2014.

  
(Assistant) Secretary

