

**TOWNSHIP OF WEST BRADFORD
CHESTER COUNTY, PENNSYLVANIA**

ORDINANCE 94 - 02

AN ORDINANCE INCREASING THE INDEBTEDNESS OF THE TOWNSHIP OF WEST BRADFORD, COUNTY OF CHESTER, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE AMOUNT OF \$50,000.00 FOR SUNDRY PURPOSES; FIXING THE FORM, NUMBER, DATE, INTEREST, AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE NOTE; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENT; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND DEPOSITORY FOR THE NOTE; AND AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF.

WHEREAS, it is necessary that the indebtedness of the *Township of West Bradford, Chester County, Pennsylvania*, be increased for the following purpose: *To construct a new fire station in conjunction with the West Bradford Fire Company (volunteer fire company)* and

WHEREAS, the local government unit has received preliminary realistic cost estimates from professional consultants indicating the sum of **\$450,000.00** will be needed to complete the project; and

WHEREAS, the proposed increase of debt, together with its nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the local government unit debt incurring power, pursuant to constitutional and statutory authority to be exceeded;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the *Township of West Bradford, Chester County, Pennsylvania*, and it is hereby ordained and enacted by the authority of same as follows:

SECTION 1.

That the aggregate principal amount of the Note of the *Township of West Bradford, County of Chester, Pennsylvania*, proposed to be issued is **\$50,000.00**, same to be issued for the foregoing purposes and same to be incurred as nonelectoral debt.

SECTION 2.

The period of useful life of the improvements for which this obligation is to be issued is estimated to be in excess of *ten years*.

SECTION 3.

Said indebtedness shall be evidenced by one general obligation Note, in fully registered form, in the sum of **\$50,000.00** dated and bearing interest from the earliest date of possible issue of said Note under the statutory time requirements as set forth in the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978, being Act 52 of 1978 Session, at the rate of interest of **2%** per annum, payable on the unpaid balance of said Note on *July 15, 1994* during the term of said Note, together with interest on overdue principal, and to the extent permitted by law, on overdue interest, at the rate of **6%** per annum (computed on the basis of 365 days to the year) until paid, which Note shall mature in installments on the annual anniversary date of the said Note as follows:

Fiscal Year 1994	\$ 8293.74
Fiscal Year 1995	\$16587.48
Fiscal Year 1996	\$16587.48
Fiscal year 1997	\$13822.28

The local government unit reserves the right to anticipate any of all installments of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

The principal and interest of said Note shall be payable at the office of the sinking fund depository selected for the Note as hereinafter provided.

SECTION 4.

The said Note is hereby declared to be a general obligation of the *Township of West Bradford*. The municipality hereby covenants that the municipality shall include the amount of debt service on the Note for each fiscal year in which such sums are payable in its budget for that year; shall appropriate such amounts to the payment of such debt service; and shall duly and punctually pay or cause to be paid the principal of the Note and the interest thereon at the dates and places and in the manner stated in the Note according to the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment, the full faith, credit and taxing power of the *Township of West Bradford* is hereby irrevocably pledged.

The amounts which the local government unit hereby covenants to pay in each of the following fiscal years on the basis of an interest rate of 2% are as follows:

YEAR	PRINCIPAL	INTEREST
1994	\$ 6879.23	\$1414.51
1995	\$14391.74	\$2195.74
1996	\$15279.37	\$1308.11
1997	\$13449.66	\$ 372.62

SECTION 5.

The form of said Note shall be substantially as follows:

TOWNSHIP OF WEST BRADFORD

NOTE

FOR VALUE RECEIVED, the undersigned, TOWNSHIP OF WEST BRADFORD (hereinafter "BORROWER"), organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby irrevocably promise to pay, without defalcation, to the order of the PENNSYLVANIA DEPARTMENT OF COMMUNITY AFFAIRS (hereinafter "DEPARTMENT"), an agency of the Commonwealth of Pennsylvania, at the latter's principal office in Harrisburg, Pennsylvania, the principal sum of FIFTY THOUSAND DOLLARS (\$50,000.00) AND NO CENTS— plus interest, if any, in lawful money of the United States of America, payable at the principal office of the DEPARTMENT set forth above, on the dates and in the amounts as set forth in Exhibit A, attached hereto and incorporated herein by reference, without fraud or delay.

This NOTE is executed and delivered pursuant to the LOAN AGREEMENT between the BORROWER and the DEPARTMENT, dated of even date herewith (the "LOAN AGREEMENT"), and is subject to all terms and conditions thereof. This NOTE is entitled to the security provided for in the LOAN AGREEMENT.

THE BORROWER HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. All the terms, covenants, conditions and provisions of the LOAN AGREEMENT are incorporated herein by reference and made a part hereof, and any breach or violation thereof shall constitute a breach or violation of this NOTE.

2. It is hereby recited that this NOTE is authorized to be issued in accordance with the Act of the General Assembly of the Commonwealth of Pennsylvania, known as the "Local Government Capital Projects Loan Act," Act 26 of 1990 and that all acts, conditions and things required to be or be done, happen and be performed precedent to and in the issuance of this NOTE, or in the creation of the debt of which it is evidence, have been done, happened, and been performed in regular and due form and manner as required by law; and that for the proper budgeting, appropriation, and the prompt and full payment of all the obligations of this NOTE the entire faith, credit and taxing power of said BORROWER are hereby irrevocably pledged.

3. It is hereby further certified that the said BORROWER has effectively covenanted to include the amount of the debt service on this NOTE in each fiscal year for which sums are due, in its budget for that year, to appropriate such amounts to the payment of such debt service, and to periodically pay or cause to be paid the principal and interest thereon, if any, at the dates and places and in the manner stated herein, according to the true intent and meaning hereof.

4. If the BORROWER shall fail to pay any sum required to be paid by the BORROWER under this NOTE or the LOAN AGREEMENT when same becomes due and payable, or if the BORROWER shall fail to perform any other provision hereof to be performed by the BORROWER, or if there is an event of default under the LOAN AGREEMENT, then, in any event, at the option of the DEPARTMENT, the whole unpaid balance of the principal indebtedness, together with all other sums due hereunder, shall become due and payable immediately without presentment, demand, protest or further notice to the BORROWER, all of which are expressly waived by the BORROWER.

5. THE FOLLOWING PARAGRAPH SETS FORTH A WARRANT OF AUTHORITY FOR AN ATTORNEY TO CONFESS JUDGMENT AGAINST THE BORROWER. IN GRANTING THIS WARRANT OF ATTORNEY TO CONFESS JUDGMENT AGAINST THE BORROWER, THE BORROWER HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, AND, ON THE ADVICE OF THE SEPARATE COUNSEL OF THE BORROWER, UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS THE BORROWER HAS OR MAY HAVE TO PRIOR NOTICE AND AN OPPORTUNITY FOR HEARING UNDER THE RESPECTIVE CONSTITUTIONS AND LAWS OF THE UNITED STATES AND THE COMMONWEALTH OF PENNSYLVANIA.

If any amount due the DEPARTMENT under this NOTE or the LOAN AGREEMENT shall remain unpaid thirty (30) days after the same becomes due and payable, or if the BORROWER is in default under any of the terms of this NOTE and the LOAN AGREEMENT at the expiration of thirty (30) days after written notice thereof to the BORROWER, then the BORROWER hereby irrevocably authorizes and empowers any attorney of any court of record in the Commonwealth of Pennsylvania, or elsewhere, to appear for and to enter and confess judgment against the BORROWER, at any time or times and as of any term, for the principal sum above mentioned, and with or without declaration, with interest and costs of suit, without stay of execution, and with attorney's fees of five (5%) percent of the total principal indebtedness, but in no event less than the sum of Five Hundred (\$500.00) Dollars. The BORROWER hereby irrevocably releases the DEPARTMENT and the Commonwealth of Pennsylvania from all errors and defect whatsoever in entering said judgment, and agrees that no writ of error, appeal, petition to open or strike off judgment or other objection shall be filed or made with respect thereto. The BORROWER agrees that any of its property may be levied upon to collect said judgment and may be sold upon a writ of execution, and hereby waives and releases all laws, now or hereafter in force, relating to exemption of any property, real or personal, or any part of the proceeds arising from the sale of such property, from attachment, levy, sale under execution, appraisal or stay of execution. The authority hereby granted to confess judgment shall not be exhausted by any exercise thereof, but shall continue from time to time and at all times until the BORROWER has paid all sums required to be paid by the BORROWER under this NOTE and LOAN AGREEMENT, and has performed all of the other provisions hereof or thereof to be performed by the BORROWER.

6. Partial prepayments on the principal indebtedness may be made at any time, without premium, without the prior written consent of the DEPARTMENT.

7. All of the covenants herein contained shall accrue to the benefit of the successors and assigns, voluntary or involuntary, of the DEPARTMENT.

8. Demand, grace, presentment for payment, protest, notice of dishonor or nonpayment, and notice of the exercise of any option hereunder are hereby waived by the BORROWER and all guarantors and endorsers hereof.

9. The remedies provided in this NOTE and the LOAN AGREEMENT, or otherwise available to the DEPARTMENT for the enforcement of the payment of the principal sum together with interest and performance of the covenants, conditions, agreements, matters and things herein and therein contained, are cumulative and concurrent and may be pursued singly or successively or together at the sole discretion of the DEPARTMENT, and may be exercised from time to time as often as occasion therefor shall occur until the DEPARTMENT has been paid all sums due in full.

10. The terms and provisions of this NOTE are severable. In the event of the un-enforceability or invalidity of any one or more of the terms, covenants, conditions or provisions of this NOTE under federal, state or other applicable law, such un-enforceability or invalidity shall not render any other term, covenant, condition or provision hereunder unenforceable or invalid. In the event any waiver by the BORROWER hereunder is prohibited by law, including, but not limited to, the waiver of exemption from execution, such waiver shall be deemed to be deleted.

11. The BORROWER hereby waives presentment for payment, demand, notice of nonpayment, notice of protest and protest of the NOTE, and all other notices in connection with the delivery, acceptance, performance, default or enforcement of the payment of this NOTE, and agrees that the liability of the BORROWER shall be unconditional without regard to the liability of any other party, and shall not be in any manner affected by any indulgence, extension of time, renewal, waiver or modification.

12. This NOTE shall be construed and governed by the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the BORROWER has caused this NOTE to be properly executed by the proper officers of its governing body and its corporate seal to be hereto affixed, attested to by the Secretary as of the 24th day of MAY, 1994.

TOWNSHIP OF WEST BRADFORD

NAME OF BORROWER

BY: _____
JOHN HAIKO (Title of Officer)
CHAIRMAN

BY: _____
JACK M. HINES, JR. (Title of Officer)
MANAGER

ATTEST:

JACK M. HINES, JR. SECRETARY

(SEAL)

SECTION 6.

The said Note shall be executed in the name and under the corporate seal of the local government unit by the *Chairman of the Board of Supervisors and Members of the Board of Supervisors* and attested to by the Secretary. The Treasurer is hereby authorized and directed to deliver said Note to the purchaser, and receive payment therefor on behalf of the local government unit. The *Chairman, and Secretary* of the local government unit are authorized and directed to prepare, verify and file the debt statement required by Section 410 of Act 52 of 1978, and to take other necessary action, including, if necessary or desirable, any statements required to qualify any portion of the debt from the appropriate debt limit as self liquidating or subsidized debt.

SECTION 7.

Pennsylvania Department of Community Affairs is hereby designated as the Sinking Fund Depository for the obligation herein authorized, and there is hereby created and established a Sinking Fund, to be known as "*Sinking Fund 1994 General Obligation Note*", for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The Treasurer shall deposit into the Sinking Fund, which shall be maintained until such obligation is paid in full, sufficient amounts for payment of principal and interest on the obligation no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, as and when said payments are due, without further action by the local government unit withdraw available monies in the Sinking Fund and apply said monies to payment of the principal of and interest on the obligation.

SECTION 8.

The *Chairman and Township Manager* of the local government unit are hereby authorized to contract with *Pennsylvania Department of Community Affairs* for its services as Sinking Fund Depository for the Note and paying agent for the same.

SECTION 9.

In compliance with Section 701 of Act 52 of 1978, the members of the governing body have determined that a private sale by negotiation rather than public sale is in the best interest of the local government unit. Therefore, the general obligation Note in the amount of **\$50,000.00**, herein authorized to be issued and sold is hereby awarded and sold to the *Commonwealth of Pennsylvania, Department of Community Affairs* in accordance with its proposal to purchase the said Note at par; provided the said Note is dated the date of delivery thereof to the *Pennsylvania Department of Community Affairs* and is in the form set forth in Section 5 of this Ordinance; and further provided that the proceedings have been approved by the Department of Community Affairs if such approval is required under the provisions of the Act.

SECTION 10.

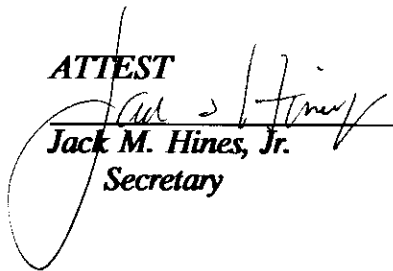
The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the *Daily Record*, a newspaper of general circulation, is ratified and confirmed. The advertisement in said paper of the enactment of the ordinance is hereby directed within fifteen (15) days following the day of final enactment.

SECTION 11.

All ordinances or parts of ordinance not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

ORDAINED AND ENACTED THIS 24TH DAY OF MAY, 1994.

ATTEST



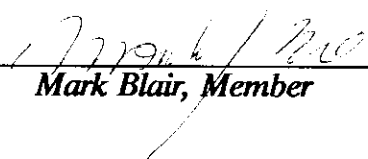
Jack M. Hines, Jr.
Secretary

**TOWNSHIP OF WEST BRADFORD
BOARD OF SUPERVISORS**



John Haiko, Chairman

Kenneth Klunk, Vice Chairman



Mark Blair, Member

(Seal)