

CITY OF JEANNETTE

WESTMORELAND COUNTY, PENNSYLVANIA

BILL NO. 87-2

ORDINANCE NO. 87-3

**WHEREAS:** The City of Jeannette (hereinafter the "Local Government Unit") deems it advisable to borrow One Hundred Fifty Thousand and xx/100 Dollars pursuant to the Local Government Unit Debt Act (herein the "ACT") for the purpose of Capital Equipment (hereinafter the "Project"); and

**WHEREAS:** The Local Government Unit has obtained an estimate of the cost of the Project by taking bids, obtaining an option, obtaining estimates from registered architects, professional engineers or other persons qualified by experience (delete whichever methods of obtaining costs are inapplicable); and

**WHEREAS:** Said cost has been determined to be \$150,000.00 and

**WHEREAS:** Notice of the following Ordinance has been duly advertised in accordance with Section 103 of the ACT; and

**WHEREAS:** Pittsburgh National Bank (hereinafter the "Bank") has presented a written proposal to this meeting to purchase a note to be issued by the Local Government Unit;

**NOW, THEREFORE,** Be and it hereby is Ordained the enacted that:

1. The indebtedness of the Local Government Unit be increased in the amount of \$150,000.00 Dollars to be evidenced by the issuance of an installment note (herein the "Note") in the form of the Note presented to this meeting and incorporated into the minutes hereof as Exhibit N.
2. The debt to be incurred is non-electoral debt and is to be incurred to pay the costs of the Project, the useful life of which is 5 years.
3. The Note shall be sold at a private sale by negotiation, which sales is in the best financial interest of the Local Government Unit.
4. The Local Government Unit accepts the proposal of the Bank to purchase the Note, at par. The Note will be dated the day of its delivery, will mature in the following installments on the following dates:

DATE	AMOUNT
6-30-88	\$ 30,000.00
6-30-89	\$ 30,000.00
6-30-90	\$ 30,000.00
6-30-91	\$ 30,000.00
6-30-92	\$ 30,000.00

will bear interest at the rate of 7 1/2% per annum on the unpaid balance, payable semi-annually, and will be redeemable at the option of the Local Government at any time without premium or penalty.

5. The proposal of the Bank presented to this meeting shall be incorporated into the minutes hereof as Exhibit "B" and the proper officers of the Local Government Unit, namely the Mayor and City Clerk, are hereby authorized and directed to execute and deliver on behalf of and under the seal of the Local Government Unit an acceptance of said proposal.
6. The proper officers of the Local Government Unit, namely the Mayor and City Clerk are hereby authorized and directed to prepare, certify and file the debt statement required by Section 410 of the Local Government Unit Debt Act.

7. The Note shall be a general Obligation of the Local Government Unit and the Local Government Unit hereby covenants with the holder, from time to time, of the Note that it will include the amount of the debt service for each fiscal year in which any installment of principal or interest is payable in its budget for that year, will appropriate such amounts to the payment of such debt service and will duly and punctually pay or cause to be paid the principal and interest on the Note on the dates at the places and in the manner stated therein according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the Local Government Unit hereby pledges its full faith, credit and taxing power.
8. Pittsburgh National Bank is hereby designated as the Sinking Fund Depository for the Note and there is hereby created a Sinking Fund for the payment of the principal and the 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 of the Local Government Unit shall deposit into the Sinking Fund sufficient amounts for payment of principal and interest on the Note no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, 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 Note.
9. Upon approval of the Department of Community Affairs of the Commonwealth of Pennsylvania to issue the Note, the appropriate officer, namely Mayor, shall execute and affix the seal of the Local Government Unit to the Note and the City Clerk shall attest the same and either or both officers shall deliver the Note to the Bank.
10. The proper officers of the Local Government are hereby authorized and directed to do all acts necessary and proper for the issuance and securing the said Note.
11. This Ordinance shall be deemed to be a contract with the holders, from time to time, of the Note and the covenant contained in Section 7 hereby shall be specifically enforceable.

JEFFRY A. PAVETTI, MAYOR

ATTEST

RICHARD S. LASKEY, CITY CLERK