

COUNTY OF BUCKS
Commonwealth of Pennsylvania

ORDINANCE NO. 145

APPROVING A FINANCING BY THE BUCKS COUNTY COMMUNITY COLLEGE AUTHORITY FOR THE PURPOSE OF PROVIDING FUNDS FOR A CAPITAL PROJECT FOR COMMUNITY COLLEGE PURPOSES; APPROVING THE INCURRENCE OF LEASE RENTAL DEBT OF THE COUNTY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000; APPROVING THE ISSUANCE BY THE BUCKS COUNTY COMMUNITY COLLEGE AUTHORITY OF ITS GUARANTEED COLLEGE BUILDING REVENUE BONDS, SERIES OF 2014 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000 FOR ITS CAPITAL PROJECT, AS DESCRIBED HEREIN; AUTHORIZING THE EXECUTION OF A GUARANTY AGREEMENT IN WHICH THE COUNTY GUARANTEES THE PAYMENT OF DEBT SERVICE ON THE 2014 BONDS; AUTHORIZING AND APPROVING A SECOND SUPPLEMENTAL LEASE AND SUBLEASE; AUTHORIZING THE PREPARATION OF A DEBT STATEMENT AND OTHER DOCUMENTATION, THE FILING OF SAID DEBT STATEMENT AND OTHER DOCUMENTATION AND A TRANSCRIPT OF PROCEEDINGS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; APPROVING AN OFFICIAL STATEMENT FOR USE IN CONNECTION WITH THE SALE OF THE 2014 BONDS; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT; AND AUTHORIZING OTHER NECESSARY ACTION.

WHEREAS, the County of Bucks, Pennsylvania (the "County"), as lessee, leases certain tracts of land in the County and the buildings and improvements thereon comprising the main campus of the Bucks County Community College (the "College Facilities") under a Lease dated as of June 15, 2007 (the "2007 Lease") with Bucks County Community College Authority (the "Authority"), as lessor; and

WHEREAS, the County subleases the College Facilities to the Bucks County Community College (the "College") under a Sublease dated as of June 15, 2007 (the "2007 Sublease," together with the 2007 Lease, the "2007 Lease and Sublease"); the 2007 Lease and Sublease and the lease rentals payable thereunder are assigned to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), under a certain Trust Indenture of the Authority dated as of June 15, 2007 (the "2007 Indenture"); and

WHEREAS, the Authority and the County have determined that the 2007 Lease and Sublease shall be further amended and supplemented by execution of a Second Supplemental Lease and Sublease (the "Supplemental Lease"); and

WHEREAS, the Authority has determined to undertake a project consisting of (a) the outfitting and renovation of the Founder's Hall science building located on the College Campus (the "Capital Project"); and (b) the payment of the costs of issuing the 2014 Bonds as hereinafter defined (collectively, the "2014 Project"); and

WHEREAS, the 2007 Indenture permits the issuance by the Authority of Additional Bonds for the purposes of providing all or part of the monies required to finance capital additions or restoration projects; and

WHEREAS, at the request of the College, the Authority will finance the costs of the 2014 Project from the proceeds of the Authority's Guaranteed College Building Revenue Bonds,

Series of 2014 (the "2014 Bonds") which will be issued under the 2007 Indenture, as previously amended and supplemented and as herein amended and supplemented by a Second Supplemental Indenture expected to be dated as of the date of delivery of the 2014 Bonds (the "Second Supplemental Indenture" and together with the 2007 Indenture, as heretofore amended and supplemented, the "Indenture"); and

Whereas, the Authority has determined to issue the 2014 Bonds in an aggregate principal amount not exceeding \$30,000,000 in order to fund the 2014 Project; and

WHEREAS, in order to induce potential investors to purchase the 2014 Bonds and thereby achieve interest cost savings to the Authority, the County will enter into a Guaranty Agreement expected to be dated as of the date of delivery of the 2014 Bonds (the "Guaranty") providing for the guarantee by the County of the full and timely payment of the principal of and interest on the 2014 Bonds secured by the full faith, credit and taxing power of the County; and

WHEREAS, the County is authorized to enter into the Guaranty pursuant to the provisions of the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. § 8001 *et seq.*, as amended and supplemented (the "Act"); and

WHEREAS, the Authority, as accepted, consented and approved by the County, will establish certain parameters under which it will accept a proposal (the "Proposal" or "Bond Purchase Proposal") from PNC Capital Markets LLC, as representative acting for and on behalf of itself and Piper Jaffray & Co. (collectively, the "Underwriters") for the purchase of the 2014 Bonds, and has determined that it is in the best interest of the Authority to secure a purchase proposal by private negotiated sale in connection with the 2014 Project; and

WHEREAS, the Board of Commissioners of the County (the "Board") desires to authorize and approve the 2014 Project, the issuance and sale by the Authority of the 2014 Bonds, the incurrence of lease rental debt by the County, the execution of the Guaranty, the Authority's execution, and the County's acceptance, consent and approval of the Bond Purchase Proposal of the Underwriters, and other necessary action.

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

1. **Approval of 2014 Project.** The County hereby approves the 2014 Project of the Authority provided that the maximum annual debt service payments on the 2014 Bonds in each year do not exceed the maximum annual amounts set forth in **Exhibit "A"** attached hereto and made a part hereof.

The estimated useful life of the Capital Project is not less than thirty (30) years. The useful life of the Capital Project is in excess of the term of the 2014 Bonds. The Authority has obtained realistic estimates of the costs of the Capital Project.

2. **Approval of Financing, Bond Purchase Proposal and Addendum.** The County hereby approves the financing of the 2014 Project with proceeds of the 2014 Bonds, approves the issuance by the Authority of the 2014 Bonds in a maximum aggregate principal amount not to exceed \$30,000,000. The maximum annual debt service payments on the 2014 Bonds in each year shall not exceed the maximum annual amounts set forth in **Exhibit "A"** attached hereto and made a part hereof. The primary source of payment of the debt service on the 2014 Bonds will be from revenues of the College and, if necessary, from the general revenues of the County pledged under the Guaranty.

The sale of the 2014 Bonds to the Underwriters, at a private sale by negotiation, for a purchase price (the principal amount of the 2014 Bonds, less underwriters' discount (not to exceed \$4.25 per \$1,000 principal amount of the 2014 Bonds), less original issue discount, plus original issue premium) of the 2014 Bonds, not less than 90.0% nor more than 120.0% of the aggregate principal amount of the 2014 Bonds, plus accrued interest, if any, and in accordance with the other terms and conditions set forth in the Bond Purchase Proposal of the Underwriters, in form hereof presented to this meeting, is hereby deemed to be in the best financial interest of the

County and the Authority and is hereby approved. A copy of said Proposal shall be filed with this Ordinance in the official records of the County.

The sale of the 2014 Bonds to the Underwriters will occur pursuant to an addendum to be dated the date of sale of the 2014 Bonds (currently expected to be November 15, 2014) (the "Addendum"), such Addendum to the Bond Purchase Proposal (expected to be dated November 13, 2014), consistent with the terms of the this Ordinance. At the time of execution of the Addendum, the purchase price, final interest rates and other terms of the 2014 Bonds will be determined and finalized. A copy of said Addendum and Bond Purchase Proposal shall be filed with this Ordinance in the official records of the County. When the 2014 Bonds are sold by the Authority via a negotiated sale and the parameters set forth therein and in this Ordinance are met, the County hereby authorizes the Director of Finance of the County (the "Director"), in consultation with Bond Counsel and the Authority's financial advisor, to determine the final terms of the 2014 Bonds, within the parameters set forth in this Ordinance and the Bond Purchase Proposal, including without limitation, the aggregate principal amount, the interest rates, the annual maturities or sinking fund redemption amounts, the purchase price, the underwriters' discount, net present value savings and any other appropriate terms and conditions applicable to the 2014 Bonds. The Director is hereby authorized and directed to execute the Bond Purchase Proposal and Addendum relating to the 2014 Bonds, such Addendum setting forth the final terms of the 2014 Bonds, in such form as the Director may approve, such approval to be evidenced by the Director's execution thereof.

3. **Authorization of Lease Rental Debt.** The County shall incur lease rental debt as defined in the Act, in a maximum aggregate principal amount not to exceed \$30,000,000 which shall be evidenced by the 2014 Bonds, Supplemental Lease and the Guaranty hereinafter authorized securing the Authority's 2014 Bonds. Incurrence of such lease rental debt is hereby authorized and approved. The maximum amount of the lease rental payments under the Supplemental Lease, in each year which are guaranteed by the County, is set out in **Exhibit "A"** attached to this Ordinance and made a part hereof.

4. **Approval of Guaranty.** As additional security for the 2014 Bonds, the County officials therein indicated are each hereby authorized to execute and deliver the Guaranty, and the Chief Clerk is hereby authorized to attest to such signatures, for the benefit of the registered owners of the 2014 Bonds, pursuant to the terms of which the County will unconditionally guarantee the payment of the principal or premium, if any and the interest due on the 2014 Bonds. The County covenants with the Trustee, the Authority and the registered owners of the 2014 Bonds that it will include amounts payable in respect of the Guaranty for each fiscal year in which such sums are payable in its budget for that year, will appropriate such amounts to the payment of its obligations thereunder, and will duly and punctually pay or cause to be paid to the Trustee, from its general revenues or funds, such amounts at the dates and places and in the manner stated in the Guaranty, and for such budgeting, appropriation and payment the County pledges its full faith, credit and taxing power. The maximum amount required to be paid by the County under the Guaranty in any year shall not exceed the maximum annual amounts with respect to the 2014 Bonds, as shown in **Exhibit "A"** hereto, or in the event of the optional redemption of 2014 Bonds, the aggregate redemption price of the 2014 Bonds being redeemed plus accrued interest, or in the event of an acceleration of the 2014 Bonds after an Event of Default, the aggregate principal amount of 2014 Bonds then outstanding plus accrued interest. The substantial form of the Guaranty presented to this meeting is hereby approved and ordered filed with this Ordinance in the official records of the County. The County officers referenced above are hereby authorized to execute and deliver the Guaranty with such changes therein as the Solicitor to the County may advise and the County officials therein indicated may approve, such approval to be conclusively evidenced by the action of such officers in executing the Guaranty.

5. **Approval of Supplemental Lease.** The Chairman or Vice Chairman of the Board is hereby authorized, empowered and directed to execute the Supplemental Lease on behalf of the County, such approval to be conclusively evidenced by the execution thereof. The Chief Clerk of the County is hereby authorized and directed to affix thereto and attest the seal of the County, and to deliver the Supplemental Lease on behalf of the County.

The County hereby consents to the assignment of the Supplemental Lease and all rentals and other amounts payable thereunder to the Trustee, and hereby agrees to pay over to the

Authority or its assigns all of the rentals in the amounts and at the times set forth in the Supplemental Lease.

The payments to be paid by the County under the Supplemental Lease, if any, shall be payable semiannually from the tax and other general revenues of the County in amounts and on dates as set forth in the Indenture. It is hereby covenanted with the holders from time to time of the 2014 Bonds that the County shall meet all of its obligations under the Supplemental Lease from the tax and other general revenues within limits then provided by law, or other legally available funds, and that the full faith, credit and taxing power of the County is pledged for such payments.

The County covenants with the Trustee and the registered owners of the 2014 Bonds that it will include amounts payable in respect of the Supplemental Lease for each fiscal year in which such sums are payable in its budget for that year, will appropriate such amounts to the payment of its obligations thereunder, and will duly and punctually pay or cause to be paid to the Trustee such amounts at the dates and places and in the manner stated in the 2014 Bonds, and for such budgeting, appropriation and payment the County pledges its full faith, credit and taxing power.

6. **Approval of Indenture.** The 2014 Bonds are to be issued under the Indenture between the Authority and the Trustee, which shall provide, among other things, for (a) the terms of the 2014 Bonds (b) the procedure for disbursement of the proceeds of the 2014 Bonds to pay the costs of the 2014 Project (c) the payment of debt service on the 2014 Bonds, and (d) covenants of the Authority for the benefit of the bondholders. The 2014 Bonds shall be secured by the pledge of all revenues and receipts derived by the Authority from the ownership and operation of the Leased Premises including the amounts payable by the County and the College under the Supplemental Lease.

7. **Preparation and Filing of Debt Statement and Other Necessary Documentation.** The Chairman or Vice Chairman of the Board and the Chief Clerk or Director of Finance of the County and their successors are hereby authorized to prepare, certify and file the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Act and to take all other action required by the Act or this Ordinance in connection with the issuance of the Guaranty. Said officers, or any of them, are further authorized to apply to the Pennsylvania Department of Community and Economic Development for approval of the lease rental debt herein authorized and to file with such application a transcript of the proceedings including a certified copy of this Ordinance, the Debt Statement and a Borrowing Base Certificate, a Certificate of No Decrease, as needed, and the Guaranty, and to take any and all such further action to execute and deliver such other documents as may be necessary or proper to comply with all requirements of the Act or to carry out the intent and purpose of this Ordinance.

8. **Official Statement.** The County hereby approves the form of the Preliminary Official Statement presented at this meeting, with such changes therein as approved by the County solicitor, which is being prepared in connection with the offer and sale of the 2014 Bonds. A Final Official Statement, substantially in the form of the Preliminary Official Statement and also containing the final terms of the 2014 Bonds, shall be prepared and delivered to the Underwriters within seven (7) business days from the date of the bond sale. The County hereby confirms that the information, with respect to the County, in the Official Statement is accurate and complete in all material respects and is hereby deemed "final" for purposes of United States Securities and Exchange Commission Rule 15c2-12 and approves the use thereof in connection with the public offering and sale of the 2014 Bonds.

9. **Continuing Disclosure.** In order to assist the Underwriters in meeting their obligations under SEC Rule 15c2-12, the Chairman or Vice Chairman of the Board is hereby authorized and directed to execute and deliver a continuing disclosure undertaking relating to continuing disclosure for the 2014 Bonds, on such terms as such officers, with advice of counsel, may approve, their approval to be evidenced by their execution thereof.

10. **Authorization of Policies and Procedures for Continuing Disclosure Compliance.** The County is hereby authorized to establish written policies and procedures in order to ensure continuing compliance with its continuing disclosure undertaking relating to its continuing disclosure obligations with respect to the County's General Obligation Bonds and any other bonds, including the 2014 Bonds, for which the County is obligated by contract or otherwise to provide/file with EMMA (or any successor information repository) ongoing

financial, operating and/or other information in accordance with its continuing disclosure contracts. The Director in conjunction with the Solicitor to the County and Bond Counsel are authorized to implement said policies and procedures.

11. **Compliance with Act, County Code, Etc.** This Ordinance is enacted pursuant to the Act and other applicable laws and the Constitution of the Commonwealth of Pennsylvania, and the County hereby determines and declares that each and every matter and thing provided for herein is necessary and desirable to carry out and effect the public purposes of the County in accordance with such laws and Constitution. All of the mandatory provisions of the Act shall apply hereunder whether or not explicitly stated herein and are specifically incorporated herein by reference.

12. **Legal Advertisements.** The advertisement of a summary of this Ordinance pursuant to the requirements of the Act is hereby approved, ratified and confirmed and the Chief Clerk of the County is hereby directed to cause to be advertised a notice of the enactment of this Ordinance in accordance with the requirements of the Act.

13. **Further Action.** The proper officers of the County and their successors are hereby authorized to approve the final terms and date of all documents by their execution thereof, to execute and deliver such other documents or certificates and to take such other action as may be necessary or proper to effect the purpose of the financing, the execution of the Guaranty, or the intent and purposes of this Ordinance. The terms of any such issuance of 2014 Bonds shall comply with the terms of this Resolution except that the dated date, series designation and initial interest payment date of the 2014 Bonds may be changed to reflect the timing of issuance, any such changes to be approved by the Director.

14. **Severability.** In case any one or more of the provisions contained in this Ordinance shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Ordinance or of the 2014 Bonds, and this Ordinance or said 2014 Bonds shall be construed and enforced as of such invalid, illegal or unenforceable provisions had never been contained therein.

15. **Effective Date.** This Ordinance shall become effective in accordance with, and on the earliest date permitted by, the Act.

16. **Repeal of Inconsistent Ordinances.** All other ordinances and parts of ordinances inconsistent herewith are hereby expressly repealed.

ORDAINED AND ENACTED this 5th day of November, 2014.

(COUNTY SEAL)

ATTEST:



Chief Clerk of County

BOARD OF COMMISSIONERS
COUNTY OF BUCKS



Chairman
Board of County Commissioners

EXHIBIT "A"
MAXIMUM ANNUAL DEBT SERVICE AND
MAXIMUM SEMI-ANNUAL DEBT SERVICE REQUIREMENTS SCHEDULE
(ATTACHED)

BOND DEBT SERVICE

Bucks County Community College
Series of 2014 (New Money)
MAX PARAMETERSDated Date 12/18/2014
Delivery Date 12/18/2014

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/15/2015	700,000	6.000%	885,000	1,585,000	
06/30/2015					1,585,000
12/15/2015			879,000	879,000	
06/15/2016	1,280,000	6.000%	879,000	2,159,000	
06/30/2016					3,038,000
12/15/2016			840,600	840,600	
06/15/2017	1,280,000	6.000%	840,600	2,120,600	
06/30/2017					2,961,200
12/15/2017			802,200	802,200	
06/15/2018	1,330,000	6.000%	802,200	2,132,200	
06/30/2018					2,934,400
12/15/2018			762,300	762,300	
06/15/2019	1,350,000	6.000%	762,300	2,112,300	
06/30/2019					2,874,600
12/15/2019			721,800	721,800	
06/15/2020	1,380,000	6.000%	721,800	2,101,800	
06/30/2020					2,823,600
12/15/2020			680,400	680,400	
06/15/2021	1,410,000	6.000%	680,400	2,090,400	
06/30/2021					2,770,800
12/15/2021			638,100	638,100	
06/15/2022	1,440,000	6.000%	638,100	2,078,100	
06/30/2022					2,716,200
12/15/2022			594,900	594,900	
06/15/2023	1,480,000	6.000%	594,900	2,074,900	
06/30/2023					2,669,800
12/15/2023			550,500	550,500	
06/15/2024	1,510,000	6.000%	550,500	2,060,500	
06/30/2024					2,611,000
12/15/2024			505,200	505,200	
06/15/2025	1,550,000	6.000%	505,200	2,055,200	
06/30/2025					2,560,400
12/15/2025			458,700	458,700	
06/15/2026	1,560,000	6.000%	458,700	2,018,700	
06/30/2026					2,477,400
12/15/2026			411,900	411,900	
06/15/2027	1,580,000	6.000%	411,900	1,991,900	
06/30/2027					2,403,800
12/15/2027			364,500	364,500	
06/15/2028	1,615,000	6.000%	364,500	1,979,500	
06/30/2028					2,344,000
12/15/2028			316,050	316,050	
06/15/2029	1,630,000	6.000%	316,050	1,946,050	
06/30/2029					2,262,100
12/15/2029			267,150	267,150	
06/15/2030	1,650,000	6.000%	267,150	1,917,150	
06/30/2030					2,184,300
12/15/2030			217,650	217,650	
06/15/2031	1,725,000	6.000%	217,650	1,942,650	

BOND DEBT SERVICE

Bucks County Community College
Series of 2014 (New Money)
MAX PARAMETERS

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/30/2031					2,160,300
12/15/2031			165,900	165,900	
06/15/2032	1,775,000	6.000%	165,900	1,940,900	
06/30/2032					2,106,800
12/15/2032			112,650	112,650	
06/15/2033	1,835,000	6.000%	112,650	1,947,650	
06/30/2033					2,060,300
12/15/2033			57,600	57,600	
06/15/2034	1,920,000	6.000%	57,600	1,977,600	
06/30/2034					2,035,200
	30,000,000		19,579,200	49,579,200	49,579,200

CERTIFICATE OF CHIEF CLERK

The undersigned, Chief Clerk of the County of Bucks, Commonwealth of Pennsylvania, DOES HEREBY CERTIFY that:

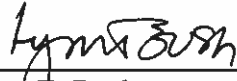
The foregoing Ordinance was duly moved and seconded and enacted by a majority vote of all the Board of County Commissioners of said County at a duly called and convened public meeting of said Board held on November 5, 2014; that public notice of said meeting was given as required by law; that the roll of the Board of County Commissioners was called and such members voted or were absent as follows:

<u>Name</u>	<u>Vote</u>
Robert G. Loughery, Chairman	Aye
Charles H. Martin, Vice Chairman	Aye
Diane M. Ellis-Marseglia	Aye

and that such Ordinance and the votes thereon have been duly recorded in the minutes.

WITNESS my hand and seal of the County this 5th day of November, 2014.

(COUNTY SEAL)



 Lynn T. Bush
 Chief Clerk