

NEW SEWICKLEY TOWNSHIP, BEAVER COUNTY, COMMONWEALTH OF PENNSYLVANIA

ORDINANCE NO. 225

AN ORDINANCE AUTHORIZING A GUARANTEE BY NEW SEWICKLEY TOWNSHIP BEAVER COUNTY, PENNSYLVANIA, OF A CONSTRUCTION LOAN ISSUED BY FIRST NATIONAL BANK OF PENNSYLVANIA TO THE PINE RUN VOLUNTEER FIRE DEPARTMENT IN THE AMOUNT OF \$555,000 FOR THE PURPOSE OF CONSTRUCTING A NEW FIRE DEPARTMENT BUILDING.

WHEREAS, it is necessary that New Sewickley Township, Beaver County, Pennsylvania (the "Township") increase its indebtedness in the form of a guaranty of a construction loan agreement entered into between the Pine Run Volunteer Fire Department ("Fire Department") and First National Bank of Pennsylvania ("FNB") so that the Fire Department can finance the construction of a new fire department building at 1395 Harvey Run Road, Freedom, PA 15042.

WHEREAS, the construction loan between the Fire Department and FNB will total Five Hundred Fifty-Five Thousand (\$555,000) Dollars.

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 New Sewickley Township, Beaver, County, Pennsylvania, and it is hereby ordained and enacted by the authority of same as follows:

SECTION 1. The Township does hereby authorize and direct the incurrence of lease rental indebtedness in the form of a Guaranty of a Construction Loan in the amount of \$555,000 with said loan being between the Fire Department and FNB and with such Guarantee to be executed and delivered according to the provisions of this Debt Ordinance and the Local Government Unit Debt Act. The Construction Loan debt will be for a fifteen year term with the first 12 months being an interest-only payment of approximately \$1,503 followed by monthly payments for the next 14 years of approximately \$3,233 based on an interest rate of 3.25% for the first five years with the rate subject to adjustment every five years according to the First National Bank Cost of Funds plus a 2.75% spread.

SECTION 2. In meeting its obligations under the Guaranty, the full faith, credit and taxing power of New Sewickley Township is hereby irrevocably pledged. The local government unit does hereby covenant with FNB that the local government unit shall do the following:

- (1) Include the amounts payable in respect of its Guaranty for each fiscal year in which the sums are payable in its budget for that year.
- (2) Appropriate those amounts from its general, tax, or specially pledged revenues, as the case may be, for the payment of the Guaranty.
- (3) Duly and punctually pay or cause to be paid from its revenues or funds the principal of and interest on the Construction Loan to the extent of its obligation,

the amount payable in respect of the guaranty, at the dates and places and in the manner stated in the Guaranty, according to the true intent and meaning thereof.

SECTION 3. The Township does hereby approve the Guaranty substantially in accordance with the Construction Loan Agreement and the Guaranty as attached hereto as Exhibit "A." The Designated Officers are the Chairman of the Board of Supervisors and/or the Township Manager. The Designated Officers, on behalf of the Board of Supervisors, are each authorized and directed to execute and deliver the Guaranty, with such modifications and completions as either or both, in their discretion, deem appropriate and in the best interests of the Township.

SECTION 4. The Designated Officers are hereby authorized and directed to prepare and verify under oath or affirmation, the Debt Statement of the Township, including therewith a certification of the Borrowing Base, and to prepare and file all proceedings of the Township relative to this incurrence of indebtedness with the Department of Community and Economic Development and to respond to all inquiries or requests and to perform all other actions to obtain the approval of the Secretary to execute and deliver the Guaranty.

SECTION 5. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Butler Eagle, a newspaper of general circulation, is ratified and confirmed. The advertisement in said paper of the enactment

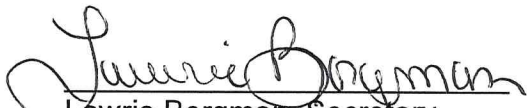
of the ordinance is hereby directed within fifteen (15) days following the day of final enactment.

SECTION 6. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

ORDAINED AND ENACTED THIS 6 Day of July, 2021.

ATTEST:

New Sewickley Township


Lawrie Borgman, Secretary


Greg Happ, Chairman