

Ordinance 94-4

Sewer Revnue

TOWNSHIP OF HOPEWELL
BEAVER COUNTY, PENNSYLVANIA

ORDINANCE NO. 94-4

AN ORDINANCE OF THE TOWNSHIP OF HOPEWELL, BEAVER COUNTY, PENNSYLVANIA AUTHORIZING THE INCURRING OF NONELECTORAL DEBT FOR THE PURPOSE OF PROVIDING FUNDS FOR THE CURRENT REFUNDING AND REDEMPTION OF THE PRESENTLY OUTSTANDING GUARANTEED SEWER REVENUE REFUNDING BONDS, SERIES OF 1984, AND FOR PAYING THE COSTS OF ISSUANCE BY THE ISSUANCE OF GUARANTEED SEWER REVENUE BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000; FINDING THE SALE BY NEGOTIATION TO BE IN THE BEST INTEREST OF THE TOWNSHIP; ACCEPTING A BOND PURCHASE PROPOSAL; PROVIDING FOR THE FORM, MATURITIES, INTEREST RATES AND REDEMPTION FEATURES OF THE BONDS; COVENANTING FOR THE PAYMENT OF THE DEBT SERVICE ON THE BONDS OUT OF THE REVENUES OF THE SEWER SYSTEM AND GUARANTEEING THE PAYMENT THEREOF BY THE PLEDGE OF THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP; AUTHORIZING THE APPLICATION TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AFFAIRS TO HAVE THE DEBT EXCLUDED FROM THE TOWNSHIP'S NET NONELECTORAL DEBT AS SELF-LIQUIDATING DEBT; AUTHORIZING EXECUTION, AUTHENTICATION AND DELIVERY OF THE BONDS; APPROPRIATING THE BOND PROCEEDS; COVENANTING TO ADOPT SUFFICIENT RATES AND CHARGES; AUTHORIZING PAYMENT OF EXPENSES; APPOINTING BOND COUNSEL; RATIFYING THE PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING APPROVAL OF THE FINAL OFFICIAL STATEMENT; AUTHORIZING THE OPENING OF A CLEARING FUND; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; ESTABLISHING A SINKING FUND; RATIFYING PRIOR ADVERTISING AND DIRECTING FURTHER ADVERTISING; CALLING BONDS FOR REDEMPTION; ACKNOWLEDGING THE ISSUANCE OF ADDITIONAL BONDS; AUTHORIZING THE CLOSING OF THE 1984 DEBT SERVICE RESERVE ACCOUNT AND DIRECTING THE TRANSFER OF THE MONIES THEREIN; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the Township of Hopewell, Beaver County, Pennsylvania (the "Township") is a first class township organized and existing under the laws of the Commonwealth of Pennsylvania; and

WHEREAS, the Township is authorized by law, among other things, to acquire, hold, construct, improve, own, maintain and operate sewers, sewer systems or parts thereof, sewage treatment works, including works for the treating and disposing of industrial waste, and to borrow moneys and to issue its bonds and notes and to secure the payment of such bonds and notes by pledge of all of its receipts and revenues and to make such agreements with the purchasers or holders of such bonds or notes or with others in connection with any such bonds and notes, whether issued or to be issued, as the Township shall deem advisable; and

WHEREAS, the Township presently owns and operates an existing sewer system (the "Sewer System") which is described in the Financial Feasibility and Self-Liquidating Report, dated June 1993, prepared for the Township by NIRA Consulting Engineers, Inc., its consulting engineers; and

WHEREAS, pursuant to an ordinance, (the "1984 Ordinance"), the Township issued a series of bonds entitled Guaranteed Sewer Revenue Refunding Bonds, Series of 1984, in the principal amount of \$1,495,000 (the "1984 Bonds" or

"Prior Bonds"), \$1,080,000 of which are presently outstanding; and

WHEREAS, the 1984 Ordinance provides for the issuance of Additional Bonds on parity with the 1984 Bonds and other Additional Bonds pursuant to Supplemental Ordinances, as defined therein; and

WHEREAS, pursuant to an ordinance (the "1993 Ordinance"), the Township issued two series of bonds in the aggregate principal amount of \$2,400,000, entitled Guaranteed Sewer Revenue Bonds, Series A of 1993, in the principal amount of \$2,100,000 (the "1993 Series A Bonds") all of which are outstanding and Guaranteed Sewer Assessment Bonds, Series B of 1993, in the principal amount of \$300,000 (the "1993 Series B Bonds") all of which are outstanding, sometimes jointly referred to as the "1993 Bonds", as Additional Bonds on parity with the 1984 Bonds and declared that the 1993 Ordinance was a Supplemental Ordinance, as defined in the 1984 Ordinance; and

WHEREAS, it is the Township's intention that the 1994 Bonds are issued as Additional Bonds on parity with the 1984 Bonds and the 1993 Bonds and that this Ordinance is a Supplemental Ordinance, as defined in the 1984 Ordinance; and

WHEREAS, the Township desires to undertake the redemption and refunding of the 1984 Bonds and pay the costs related to the issuance of refunding bonds (the "1994 Refunding Project") in order to reduce the total debt service over the life of these issues, pursuant to Section 1101(1) of the Local Government Unit Debt Act; and

WHEREAS, the Township intends to issue its refunding bonds, in accordance with the terms of this Ordinance and the Local Government Unit Debt Act, Act of July 12, 1972, P.L. 781, No. 185, as amended and reenacted by Act No. 78-52, P.L. 1245, as amended (the "Debt Act"), to pay the costs of the 1994 Refunding Project; and

WHEREAS, the proposed increase of indebtedness, together with its nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Township's nonelectoral borrowing power, pursuant to constitutional and statutory authority, to be exceeded; and

WHEREAS, the Township will apply to the Pennsylvania Department of Community Affairs to have the proposed increase of indebtedness excluded from the Township's net nonelectoral debt as self-liquidating debt; and

WHEREAS, in order to provide the funds for the 1994 Refunding Project, the Township has decided to issue a series of bonds in the aggregate principal amount of \$1,250,000, designated "\$1,250,000 Township of Hopewell, Beaver County, Pennsylvania, Guaranteed Sewer Revenue Bonds, Series of 1994" (the "1994 Bonds" or the "Bonds"); and

WHEREAS, Potter, Shupe & Associates, Inc., (the "Purchaser") has submitted, to the Township, a Bond Purchase Proposal (the "Bond Purchase Proposal") for the purchase of the 1994 Bonds.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of Commissioners of the Township of Hopewell, Beaver County, Pennsylvania and it is hereby Ordained and Enacted by the authority of the same as follows:

SECTION 1. The Township hereby undertakes the 1994 Refunding Project, as set forth and defined in the foregoing recitals which are incorporated herein, and determines to incur and authorizes the incurrence of nonelectoral debt, in accordance with the provisions of the Debt Act, in the amount of \$1,250,000 to finance the 1994 Refunding Project. Such debt shall be evidenced by the issuance of the 1994 Bonds.

SECTION 2. After considering the advantages and disadvantages of a public sale of the 1994 Bonds, the Board

of Commissioners of the Township hereby determines that a private sale by negotiation is in the best financial interests of the Township.

SECTION 3. The Bond Purchase Proposal, submitted to the Township by the Purchaser for the purchase of the 1994 Bonds, is hereby accepted. The 1994 Bonds are hereby sold to the Purchaser, by a negotiated private sale, at the purchase price stated on Schedule "A", which is attached hereto and incorporated herein by reference as if set forth here at length. The President of the Board of Commissioners of the Township is authorized and directed to execute the Bond Purchase Proposal in the name and on behalf of the Township. The Secretary of the Township is authorized and directed to affix the seal of the Township to the Bond Purchase Proposal when so executed; to attest the same; and to deliver an executed counterpart of the Bond Purchase Proposal to the Purchaser.

SECTION 4. The 1994 Bonds shall bear interest, mature and be redeemable as set forth on Schedule "A".

SECTION 5. Mellon Bank, N.A. is hereby appointed Paying Agent (the "Paying Agent") and Registrar (the "Registrar") for the 1994 Bonds and Sinking Fund Depositary (the "Sinking Fund Depositary") for the 1994 Bonds Sinking Fund (the "1994 Bonds Sinking Fund") created hereby. The

appropriate officers of the Township are hereby authorized and directed to contract with Mellon Bank, N.A., Pittsburgh, Pennsylvania, for its services as Sinking Fund Depositary, Paying Agent and Registrar at such initial and annual charges as shall be appropriate and reasonable for such services. The Township may, by Ordinance, from time to time, appoint a successor Paying Agent, Sinking Fund Depositary or Registrar to fill a vacancy or for any other reason.

SECTION 6. (a) The 1994 Bonds shall be issued in fully registered form without coupons and shall be numbered, in such manner, as may be satisfactory to the Township and the Paying Agent. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the 1994 Bonds. Each bond shall be dated as of the date of its authentication. The 1994 Bonds shall be initially dated as of May 1, 1994 and shall be issued in denominations of \$5,000 or any whole multiple thereof. The 1994 Bonds shall bear interest payable initially on November 1, 1994, and on each May 1 and November 1 (each, an "Interest Payment Date") thereafter, from the Interest Payment Date, as the case may be, next preceding the date of such bond to which interest has been paid, unless the date of such bond is a date to

which interest has been so paid, in which case from the date of such bond, or unless the date of such bond is prior to November 1, 1994, in which case from May 1, 1994.

(b) The term "Regular Record Date" with respect to any Interest Payment Date shall mean the April 15 or October 15 immediately preceding such Interest Payment Date. The person in whose name any 1994 Bond is registered at the close of business on any Regular Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such bond upon any transfer or exchange thereof subsequent to such Regular Record Date and prior to such Interest Payment Date, except if and to the extent that the Township defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the persons in whose names outstanding 1994 Bonds are registered at the close of business on a Special Record Date established by the Paying Agent, notice of which shall have been mailed to all Registered Owners of 1994 Bonds not less than ten (10) days prior to such date.

SECTION 7. (a) The Township shall cause to be kept, at the principal corporate trust office of the Paying Agent, a register (the "Bond Register"), in which, subject

to such reasonable regulations as it may prescribe, the Township shall provide for the registration of 1994 Bonds and the registration of transfers and exchanges of 1994 Bonds. No transfer or exchange of any 1994 Bond shall be valid unless made at such office and registered in the Bond Register.

(b) Upon surrender of any 1994 Bond at the principal corporate trust office of the Paying Agent for registration of transfer, the Township shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new 1994 Bond or 1994 Bonds of any authorized denomination, of the same interest rate and maturity and in the same aggregate principal amount as the 1994 Bond so surrendered.

(c) Any 1994 Bond shall be exchangeable for other 1994 Bonds of the same maturity and interest rate, in any authorized denomination, in an aggregate principal amount equal to the principal amount of the 1994 Bond or 1994 Bonds presented for exchange. Upon surrender of any 1994 Bond for exchange, at the principal corporate trust office of the Paying Agent, the Township shall execute and the Paying Agent shall authenticate and deliver, in exchange therefor, the 1994 Bond or 1994 Bonds which the owner making the exchange shall be entitled to receive.

(d) All 1994 Bonds issued upon any registration of transfer or exchange shall be valid obligations of the Township, evidencing the same debt and entitled to the same benefits under this Ordinance as the 1994 Bonds surrendered for such registration of transfer or exchange.

(e) Every 1994 Bond presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer, in form and with guaranty of signature satisfactory to the Township and the Registrar, duly executed by the Registered Owner thereof or his duly authorized agent or legal representative.

(f) No service charge shall be made for any transfer or exchange of any 1994 Bond, but the Township may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of 1994 Bonds.

SECTION 8. The 1994 Bonds shall be executed on behalf of the Township by the President of the Board of Commissioners and shall have a facsimile of the corporate seal of the Township affixed thereto, duly attested by the Township Secretary, and said officers are hereby authorized and directed to execute the 1994 Bonds. The 1994 Bonds shall be authenticated by the manual execution of the Certificate

of Authentication by a duly authorized signatory of the Paying Agent. No 1994 Bond shall be valid until such Certificate of Authentication shall have been duly executed by the Paying Agent. Such authentication shall be conclusive and the only proof that any 1994 Bond has been issued pursuant to this Ordinance and is entitled to any benefits conferred thereon under the provisions of this Ordinance. To the extent that any one signature on a 1994 Bond (including the signature of the signatory of the Paying Agent) is manual, all other signatures may be by facsimile. The President of the Board of Commissioners or Township Secretary or any of such officers is hereby authorized and directed to deliver the 1994 Bonds to the Purchaser and receive payment therefor on behalf of the Township after sale of the same in the manner required by law and this Ordinance.

SECTION 9. (a) In consideration of the purchase and acceptance of the 1994 Bonds authorized to be issued hereunder by those who shall purchase the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Township and the holders of the 1994 Bonds; and the covenants and agreements herein set forth to be performed on behalf of the Township shall be for the benefit, protection and security of holders of the

1994 Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank, without preference, priority or distinction of any 1994 Bond over any other thereof, except as expressly provided therein or herein.

(b) The Township hereby covenants with the holders from time to time of the 1994 Bonds: (1) that the Township will appropriate to and deposit, in the 1994 Bonds Sinking Fund, from the Sewer System Revenues hereinafter pledged and, to the extent of any deficiency, from its general revenues, such amounts necessary for the payment of the debt service on the 1994 Bonds; and (2) that the Township will duly and punctually pay out of its Sewer System Revenues so deposited and, to the extent necessary, out of its general revenues so deposited, the principal of every 1994 Bond issued hereunder and the interest thereon on the dates, at the places and in the manner stated in the 1994 Bonds, according to the true intent and meaning thereof; and for such budgeting, appropriation and payment, the Township hereby pledges its full faith, credit and taxing power.

(c) The term Sewer System Revenues shall mean the moneys paid by the customers of the Sewer System for the collection and treatment of sewage (other than Assessment

Revenues), penalties, government subsidies or grants paid or payable to the Township in connection with the ownership or operation of the Sewer System, Assessment Revenues not required for deposit to the 1993 Series B Sinking Fund, and other funds and accounts of the Township not required to be retained therein, and all other revenues and receipts of the Township derived from the Sewer System, but does not include tax or other general revenues of the Township.

(d) The term Assessment Revenues means all moneys received as assessment charges (whether on a front-foot, assessed valuation or other proper method), tap fees or connection fees (other than connection fees due and payable to the Municipal Water Authority of Aliquippa) imposed on benefited property owners as a result the Woodlawn Park Sanitary Sewer System Project, which have been pledged as security for the 1993 Series B Bonds. Upon final payment of (or reservation of moneys for) all requirements for principal of, interest on and premium, if any, on, and all other obligations in respect of, the 1993 Series B Bonds to which the Assessment Revenues are related and pledged, surplus Assessment Revenues shall be treated and accounted for as general Sewer System Revenues. For the purposes of the 1994 Bonds, such term shall mean and include those

Assessment Revenues expected from the Woodlawn Park Sanitary Sewer System Project.

(e) All Sewer System Revenues are hereby irrevocably pledged for the payment of the principal of and interest on the 1994 Bonds and for the further benefit and security of the holders or registered owners of the 1994 Bonds a security interest is hereby granted in and to all Sewer System Revenues.

(f) The Township guarantees that the Sewer System Revenues pledged pursuant to subsection (e), hereof, will be sufficient for the payment of the principal of and interest on the 1994 Bonds, and, to the extent, if any, that such Sewer System Revenues shall be insufficient, it will budget, appropriate and pay the principal of and interest on the 1994 Bonds from its general revenues; and for such guaranty, budgeting, appropriation and payment the Township hereby pledges its full faith, credit and taxing power.

(g) The amount of the debt service which the Township hereby covenants to pay on the 1994 Bonds in each year is shown on Schedule "B", which is attached hereto and incorporated herein by reference as if set out here at length.

(h) As provided in the Debt Act, the foregoing covenants are specifically enforceable.

SECTION 10. The 1994 Bonds shall not be subject to optional or mandatory redemption.

SECTION 11. (a) There is hereby established a sinking fund to be known as the Township of Hopewell 1994 Bonds Sinking Fund (the "1994 Bonds Sinking Fund") into which the Township covenants to deposit and into which the Treasurer is hereby authorized and directed to deposit: (1) on or before November 1, 1994, and on or before each Interest Payment Date thereafter to and including May 1, 2004, amounts sufficient to pay the interest due on such dates on the 1994 Bonds then outstanding; and (2) on or before May 1, 1995, and on or before each May 1, thereafter, to and including May 1, 2004, amounts sufficient to pay the principal of the 1994 Bonds due on each such date. Should the amounts covenanted to be paid into the 1994 Bonds Sinking Fund be, at any time, in excess of the net amounts required at such time for the payment of interest and principal, whether by reason of funds already on deposit in the 1994 Bonds Sinking Fund or by reason of the purchase or redemption of 1994 Bonds or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) The Township may satisfy any part of its obligations, with respect to subsection (a)(2), by

delivering to the Paying Agent and Sinking Fund Depositary, for cancellation, 1994 Bonds maturing on the date on which such deposit is required. The Township shall receive credit against such deposit for the face amount of the 1994 Bonds so delivered, provided that such 1994 Bonds are delivered to and received by the Paying Agent and Sinking Fund Depositary on or before the maturity date of the 1994 Bonds for which credit is requested, in the case of a deposit required for the payment of 1994 Bonds at maturity.

(c) All sums in the 1994 Bonds Sinking Fund shall be applied, exclusively, to the payment of principal and interest covenanted to be paid by Section 9., hereof, as the same from, time to time, become due and payable. The balance of said moneys, over and above the sum so required, shall remain in the 1994 Bonds Sinking Fund, to be applied to the reduction of future required deposits; subject, however, to investment or deposit at interest, as authorized by law and as permitted by Section 20., hereof. The 1994 Bonds Sinking Fund shall be kept as a separate account at the principal corporate trust office of the Paying Agent. The Sinking Fund Depositary, without further authorization other than as herein contained, shall pay from the moneys in the 1994 Bonds Sinking Fund, the interest on the 1994 Bonds, as and when due, to the Registered Owners on the appropriate

Record Date and the principal of the 1994 Bonds, as and when the same shall become due, to the Registered Owners thereof.

SECTION 12. (a) The Township hereby covenants with the Registered Owners, from time to time, of the 1994 Bonds that no part of the proceeds of the 1994 Bonds will be used, at anytime, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the 1994 Bonds, would have caused the 1994 Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986 (the "Code") and the Regulations thereunder proposed or in effect at the time of such use and applicable to the 1994 Bonds, and that it will comply with the requirements of that Section and the Regulations throughout the term of the 1994 Bonds.

(b) If the principal amount of the 1994 Bonds plus the aggregate principal amount of all other tax-exempt obligations issued and to be issued by the Township during the current year exceeds \$5,000,000, and if the gross proceeds of the 1994 Bonds are invested at a yield greater than the yield on the 1994 Bonds and are not expended within six (6) months from the date of issuance, the Township covenants that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the 1994 Bonds

in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the 1994 Bonds at a yield not in excess of the yield on the 1994 Bonds.

(c) The Township will file IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the 1994 Bonds to be excluded from gross income tax for federal income tax purposes.

SECTION 13. The action of the officers of the Township in advertising a preenactment notice of summary of this Ordinance, as required by law, is ratified and confirmed. The officers of the Township or any of them are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in Beaver County within fifteen (15) days after final enactment. The Township Secretary is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

SECTION 14. The Township hereby appoints John F. Salopek, Esquire, as Bond Counsel, for the purpose of rendering any and all necessary opinions with respect to the 1994 Bonds.

SECTION 15. The President of Board of Commissioners and the Township Secretary are hereby authorized and directed to prepare, verify and file with the Department of Community Affairs, in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the 1994 Bonds including the Debt Statement and Borrowing Base Certificate required by Section 410 of the Debt Act; to take other necessary action; and to prepare and file all necessary documents with the Department of Community Affairs including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the 1994 Bonds from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 16. The Township covenants as follows:

(a) It has previously adopted and will continue to charge, maintain and collect, so long as any of the 1994 Bonds, remain outstanding and funds for their payment have not been provided, reasonable sewer rates, rentals and other charges upon properties and persons served by the Sewer System which said sewer rates, rentals and charges shall be at least sufficient, after making due and reasonable allowances for prompt payment discounts to consumers, if any, and contingencies and a margin of error in the estimates, to insure at all time sufficient funds:

- (1) To pay the current expenses of the Sewer System;
- (2) To pay the interest on all of the outstanding bonds and other indebtedness as and when the same shall become due and payable;
- (3) To pay the principal of all of the outstanding bonds and other indebtedness as and when the same shall become due and payable;
- (4) To provide all other payments and transfers otherwise required to be made under this Ordinance, to comply in all respects with the terms of this Ordinance and to meet any other obligations of the Township incurred in connection with the 1994 Bonds or the Sewer System not hereinabove specifically mentioned, as the same shall become due and payable.

(b) The sewer rates, rentals and other charges will be classified in a reasonable way to cover the services provided by the Sewer System so that the sewer rates, rentals and other charges will be uniform in application to all services falling within any reasonable class, regardless

of the status or connection of any person, firm or corporation served, and that it will not contract with any public body or consumer for the furnishing of sewer services at prices less than their reasonable worth, unless ordered to do so by a final decree of a court of competent jurisdiction.

(c) If at any time the receipts and revenues collected shall not be sufficient to make the payments and transfers referred to herein and meet the obligations incurred hereunder, it will revise its sewer rates, rentals and other charges so that such deficiencies will be made up before the end of the next ensuing fiscal year.

(d) It will not reduce its sewer rates, rentals and other charges if as a result of such reduction its estimated annual net receipts and revenues (less current expenses of the Sewer System) will be less than an amount equal to 110% of the average annual debt service requirements on all outstanding Bonds and indebtedness of the Township (but under no circumstances less than the actual debt service requirements on all Bonds and indebtedness outstanding in any year) related to the Sewer System.

(e) It shall not render or cause to be rendered any free sewer service, or additional services at reduced

rates, by the Sewer System, and it shall transfer from its general funds and pay into the Sewer Revenue Account any sums necessary and sufficient to pay for any services the Sewer System renders or furnishes to the Township, or any department, agency or office thereof, at the same rates applicable to others availing themselves of the services of the Sewer System under similar conditions, and such sums so derived shall be treated as are all other revenues of the Sewer System.

(f) It shall diligently enforce and collect all sewer rates, rentals or other charges for the services of the Sewer System, and take all steps, actions and proceedings for the enforcement and collection of such sewer rates, rentals or other charges which shall become delinquent to the full extent permitted or otherwise authorized by the laws of the Commonwealth of Pennsylvania.

(g) It shall not grant, or cause or permit the granting of, any franchise, permit or license for the construction, operation or maintenance of any sewer services or facilities which are or will be competitive with the Sewer System; provided, however, that this provision shall not affect any rights under any existing franchises, permits, licenses or contracts.

SECTION 17. The officers and officials of the Township are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the 1994 Bonds, all in accordance with this Ordinance.

SECTION 18. The Preliminary Official Statement prepared with respect to the 1994 Bonds is hereby approved. The President of the Board of Commissioners is hereby authorized to execute and approve a Final Official Statement relating to the 1994 Bonds provided that the Final Official Statement shall have been approved by the Township Solicitor. The distribution of the Preliminary Official Statement is hereby ratified and the Purchaser is hereby authorized to use the Preliminary and the Final Official Statements in connection with the sale of the 1994 Bonds.

SECTION 19. (a) The Township hereby creates, with the Paying Agent, a special fund to be known as the "Township of Hopewell 1994 Bonds Clearing Account" (the "Clearing Account") which shall be held as a trust fund for the benefit of the Township until disbursed in accordance with the provisions hereof. The Township shall deliver the net proceeds (including accrued interest) derived from the sale of the 1994 Bonds to the Paying Agent for deposit to

the Clearing Account. Upon written directions from the Township signed by the President of the Board of Commissioners and the Township Secretary, the Paying Agent shall pay, out of the Clearing Account, the costs and expenses of the issuance of the 1994 Bonds; transfer the amount of accrued interest to the 1994 Bonds Sinking Fund; and deposit the specified amounts to the Escrow Fund with First Western Trust Services Company for the redemption of the 1984 Bonds on June 15, 1994. The written direction from the Township shall state the names of the respective payees; the purpose for which the expenditure has been incurred or the purpose of the transfer, whichever is applicable; and contain a certification that each item of expense for which payment has been requested has been properly incurred and is then unpaid, and that each transfer which is requested is in accordance with the provisions of this Ordinance.

(b) Any insubstantial amounts of money which may remain in the Clearing Account after fulfilling the purposes set forth herein shall promptly upon their determination be deposited in the 1994 Bonds Sinking Fund and used for the payment of interest on the 1994 Bonds.

(c) The officers and officials of the Township are authorized to sign and deliver requests for payment of such expenses.

SECTION 20. Any moneys in the 1994 Bonds Sinking Fund not required for prompt expenditure may, at the written direction of the Township, be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the Registered Owners.

SECTION 21. Any authorization granted to, power conferred on, or direction given to the President of the Board of Commissioners or Township Secretary shall be deemed to run to the Vice President of the Board of Commissioners or Acting Township Secretary, respectively, as if such latter titles had been expressly included in the text hereof

which grants such authorization, confers such power or gives such direction.

SECTION 22. The Township hereby irrevocably calls for redemption on June 15, 1994, or the earliest practicable date thereafter, all of the outstanding 1984 Bonds, at par plus accrued interest, and directs First Western Trust Services Company, as Paying Agent and Registrar, to give a conditional notice of redemption of such 1984 Bonds, subject to the receipt of funds derived from the issuance of the 1994 Bonds.

SECTION 23. (a) The form of the 1994 Bonds shall be substantially as follows:

FORM OF BOND

(FORM OF 1994 GUARANTEED SEWER REVENUE BONDS)

[FRONT OF BOND]

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

TOWNSHIP OF HOPEWELL
BEAVER COUNTY, PENNSYLVANIA
GUARANTEED SEWER REVENUE BOND, SERIES OF 1994

<u>DATED DATE</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>CUSIP</u>
MAY 1, 1994			
REGISTERED OWNER:			
PRINCIPAL AMOUNT:			DOLLARS

TOWNSHIP OF HOPEWELL, Beaver County, Pennsylvania (the "Township"), organized and existing under the laws of the Commonwealth of Pennsylvania, for value received and intending to be legally bound, hereby acknowledges itself indebted and promises to pay, as a general obligation of the Township, to the Registered Owner shown hereon or registered assigns, on the Maturity Date shown hereon (unless this bond shall be redeemable and before said date shall have been duly called for redemption in whole or in part and payment of the redemption price made or provided for) upon surrender hereof, the principal amount shown hereon and to pay interest thereon from the May 1 or November 1 (each an "Interest Payment Date") preceding the Authentication Date shown hereon at the rate per annum shown hereon, on November 1, 1994, the first date for payment of interest hereon, and semi-annually thereafter on May 1 and November 1 in each year, until payment of said principal sum has been made or provided for.

The principal of, interest on, and premium (if any) payable upon the redemption of this bond are payable at the principal corporate trust office of MELLON BANK, N.A., Pittsburgh, Pennsylvania, in its capacity as Sinking Fund Depositary, Paying Agent and Registrar (the "Sinking Fund Depositary"). The interest hereon is payable by check or draft mailed by the Sinking Fund Depositary to the Registered Owner of this bond as of the record date for the payment of such interest, said record date (the "Record Date") being the day which is the fifteenth day of the month preceding that in which said payment occurs.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE SIDE HEREOF AND SUCH TERMS AND PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH HERE.

This bond shall not be valid or become obligatory for any purpose unless the Certificate of Authentication hereon shall have been signed by the manual signature of an authorized officer of the Sinking Fund Depositary.

IN WITNESS WHEREOF, the TOWNSHIP OF HOPEWELL has caused this bond to be signed in its name and on its behalf by its President or Vice President by his manual or facsimile signature, and its corporate seal or a facsimile thereof to be hereto affixed and attested by its Secretary by his manual or facsimile signature.

ATTEST:

TOWNSHIP OF HOPEWELL

Secretary

By: _____
President

[SEAL]

Certificate of Authentication

This bond is one of the issue of \$1,250,000, Township of Hopewell, Guaranteed Sewer Revenue Bonds, Series of 1994, described in the within-mentioned Debt Ordinance. The Text of Opinion printed on the reverse hereof is the text of the opinion of John F. Salopek, Esquire, Bond Counsel, of Aliquippa, Pennsylvania, an executed counterpart of which, dated the date of delivery of and payment for the series of bonds of which this bond is one, is on file at the office of the Paying Agent.

MELLON BANK, N.A., as Paying Agent

By: _____
Authorized Signatory

AUTHENTICATION DATE:

_____, 19__

[REVERSE OF BOND]

This bond is one of a duly authorized series of bonds, designated "Township of Hopewell, Guaranteed Sewer Revenue Bonds, Series of 1994" (the "Bonds"), issued in accordance with the Act of the General Assembly of the Commonwealth of Pennsylvania, Act No. 1978-52, approved April 28, 1978, as amended (the "Debt Act"), pursuant to all the terms and provisions of the formal action of the Township (the "Debt Ordinance") enacted on April 21, 1994, and with the approval of the Department of Community Affairs of the Commonwealth of Pennsylvania.

Interest payable on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the April 15 or October 15 (the "Record Date") immediately preceding the applicable Interest Payment Date. Any such interest which is not deposited with the Sinking Fund Depositary on or before any such Interest Payment Date for payment to the Registered Owner of record on the Record Date shall forthwith cease to be payable to such Registered Owner as of the Record Date, and shall be paid to the person in whose name this bond is registered as of a Special Record Date for the payment of such defaulted interest to be fixed by the Sinking Fund Depositary, notice of which shall be given to all Registered Owners not less than 10 days prior to such Special Record Date.

This bond may be transferred or exchanged only on the Bond Register maintained by the Township at the offices of the Sinking Fund Depositary upon surrender hereof by the Registered Owner at such office duly endorsed by, or accompanied by a written instrument of transfer duly executed by, the Registered Owner or his duly authorized agent or legal representative, in each case, in form and with a guaranty of signature satisfactory to the Township and the Sinking Fund Depositary. No service charge shall be imposed on any Registered Owner of any bond for any transfer or exchange of any bond, but the Township may require payment of any tax or other governmental charge that may be imposed in connection with any transfer or exchange of bonds.

Subject to the provisions of this bond and of the Debt Ordinance, the Sinking Fund Depositary may treat the Registered Owner of this bond as the absolute owner hereof, for all purposes, whether or not this bond shall be overdue,

and neither the Township nor the Sinking Fund Depositary shall be affected by any notice to the contrary.

This bond is hereby declared to be a general obligation of the Township. The Township hereby covenants with the Registered Owner of this bond to include the amount necessary to pay the debt service hereon, in each fiscal year for which such sums are due, in its budget for that year, to appropriate such amounts to the payment of such debt service and to duly and punctually pay or cause to be paid from its Sinking Fund or any other of its revenues or funds the principal of this bond and the interest hereon on the dates, at the place and in the manner stated herein, according to the true intent and meaning hereof. The Bonds are payable out of the Sewer System Revenues, other than Assessment Revenues, of the Township, as provided in the Debt Ordinance, derived from its Sewer System. The Debt Ordinance provides for the fixing and charging by the Township of rates, rents and charges for sewage collection and treatment service furnished by its Sewer System sufficient to provide funds for paying the cost of operating, maintaining and repairing such Sewer System and for paying the principal of and the interest on the Bonds. The Debt Ordinance further provides that the Bonds issued thereunder shall be secured by the lien thereof on the Sewer System Revenues, other than Assessment Revenues, of the Sewer System, after deduction of the proper reserves therefor as in the Debt Ordinance provided, and that the principal of, interest on and premium (if any) on such Bonds shall be payable only from such other moneys as may be available for such purposes in accordance with the provisions of the Debt Ordinance. However, to the extent that the Sewer System Revenues are insufficient for such purposes, the Township shall appropriate such amounts from its general revenues to the payment of such debt service. The full faith, credit and taxing power of the Township is pledged for the payment of the principal, the interest on or the premium (if any) payable upon the redemption of this bond.

It is hereby certified that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this bond or in the creation of the debt of which this bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this bond, together with all other indebtedness of the Township, is

within every debt and other limit applicable to the Township prescribed by the Constitution and the laws of the Commonwealth of Pennsylvania; that the Township has established with the Sinking Fund Depositary a Sinking Fund for this bond and shall deposit therein amounts sufficient to pay the principal of and interest on this bond as the same shall become due and payable; and that for the prompt and full payment of all obligations under this bond, the full faith, credit and taxing power of the Township are hereby irrevocably pledged.

No recourse shall be had for the payment of the principal of or the interest on this bond, or for any claim based hereon, against any officer, agent or employee, past, present or future, of the Township, as such, either directly or through the Township, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise; all such liability of such officers, agents or employees is hereby renounced, waived and released as a condition of and as consideration for the issuance and acceptance of this bond.

[TEXT OF OPINION OF JOHN F. SALOPEK, ESQUIRE, DELIVERED IN RESPECT OF \$1,250,000, TOWNSHIP OF HOPEWELL, BEAVER COUNTY, PENNSYLVANIA, GUARANTEED SEWER REVENUE BONDS, SERIES OF 1994.]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____

Please insert Social Security
or other identifying number
of assignee

Please print or typewrite name and address
of Assignee

the within bond and all rights irrevocably constitutes and appoints

as
his Attorney to transfer this bond on the books of said
Authority, with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

(NOTICE: Signature(s) must
be guaranteed by a member
of an approved Signature
Medallion Program.)

(Sign here exactly as
name(s) is (are) shown on
the face of the bond
without any change or
alteration whatever.)

SECTION 24. The Township acknowledges that it has
complied with all of the requirements of ARTICLE III of the
1984 Ordinance to make the 1994 Bonds Additional Bonds, as
defined therein, and so that the 1994 Bonds are issued on
parity with the 1993 Bonds.

SECTION 25. The Township hereby determines that
the 1984 Bonds are no longer outstanding after the
redemption of the 1984 Bonds and hereby directs First
Western Trust Services Company, Paying Agent, Registrar and
Sinking Fund Depository of the 1984 Bonds, to discontinue
and close the 1984 Debt Service Reserve Account and to
transfer the monies therein to the 1984 Bond Redemption and
Improvement Account, now called the Sewer Construction
Account.

SECTION 26. All ordinances and resolutions or
parts thereof, not in accordance with this Ordinance, are
hereby repealed insofar as they conflict with this
Ordinance.

ENACTED and ORDAINED by the Board of Commissioners
of the Township of Hopewell, this 21st day of April, 1994.

TOWNSHIP OF HOPEWELL

ATTEST:

BY:


President


Secretary

SEAL

SCHEDULE "A", Page 1

Township of Hopewell

\$1,250,000 Guaranteed Sewer Revenue Bonds, Series of 1994

The Purchase Price of the 1994 Bonds is \$1,225,188.55, net of an original issue discount of \$6,061.45, and an underwriter's discount of \$18,750.00 plus accrued interest on the principal amount of the 1994 Bonds from May 1, 1994 to the date of delivery and payment for the 1994 Bonds.

\$1,250,000 Guaranteed Sewer Revenue Bonds, Series of 1994

Interest accrues from:
May 1, 1994

Due: May 1,
as shown below

<u>Amount</u>	<u>Year of Maturity</u>	<u>Rate of Interest</u>
\$ 20,000.00	1995	4.30%
110,000.00	1996	4.80
115,000.00	1997	5.10
125,000.00	1998	5.30
130,000.00	1999	5.50
135,000.00	2000	5.60
140,000.00	2001	5.70
150,000.00	2002	5.80
155,000.00	2003	6.00
170,000.00	2004	6.10

SCHEDULE "B", Page 1

TOWNSHIP OF HOPEWELL

DEBT SERVICE SCHEDULE

\$1,250,000 Guaranteed Sewer Revenue Bonds, Series of 1994

DATE	PRINCIPAL	COUPON	YIELD	PRICE	INTEREST	SEMI-ANNUAL DEBT SERVICE	ANNUAL DEBT SERVICE
01-Nov-94					\$34,845.00	\$34,845.00	\$34,845.00
01-May-95	\$20,000.00	4.300%		100.000	34,845.00	54,845.00	
01-Nov-95					34,415.00	34,415.00	89,260.00
01-May-96	110,000.00	4.800%		100.000	34,415.00	144,415.00	
01-Nov-96					31,775.00	31,775.00	176,190.00
01-May-97	115,000.00	5.100%	5.200%	99.727	31,775.00	146,775.00	
01-Nov-97					28,842.50	28,842.50	175,617.50
01-May-98	125,000.00	5.300%	5.400%	99.645	28,842.50	153,842.50	
01-Nov-98					25,530.00	25,530.00	179,372.50
01-May-99	130,000.00	5.500%	5.600%	99.569	25,530.00	155,530.00	
01-Nov-99					21,955.00	21,955.00	177,485.00
01-May-2000	135,000.00	5.600%	5.700%	99.498	21,955.00	156,955.00	
01-Nov-2000					18,175.00	18,175.00	175,130.00
01-May-2001	140,000.00	5.700%	5.800%	99.431	18,175.00	158,175.00	
01-Nov-2001					14,185.00	14,185.00	172,360.00
01-May-2002	150,000.00	5.800%	5.900%	99.368	14,185.00	164,185.00	
01-Nov-2002					9,835.00	9,835.00	174,020.00
01-May-2003	155,000.00	6.000%	6.100%	99.313	9,835.00	164,835.00	
01-Nov-2003					5,185.00	5,185.00	170,020.00
01-May-2004	170,000.00	6.100%	6.200%	99.261	5,185.00	175,185.00	
01-Nov-2004							175,185.00
	\$1,250,000.00				\$449,485.00	\$1,699,485.00	\$1,699,485.00

21-Apr-94

Certification

I, the undersigned, the duly appointed and acting Secretary of Township of Hopewell Board of Commissioners (the "Board"), hereby certify that the foregoing is a true, correct and complete copy of the Ordinance which was duly adopted at a public meeting of the Board held on April 21, 1994, after proper notice thereof had been duly given as required by law; that a quorum was present at said meeting and acted throughout; and that said Ordinance was and is duly recorded in the Ordinance Book of the Township of Hopewell, has not been amended or repealed, and is in full force and effect on the date of this certification.

I further certify that the vote upon the Ordinance was called and duly recorded upon the minutes and that the members voted in the following manner:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Louis G. Carosa	_____	_____	_____	_____
George Kozlina	_____	_____	_____	_____
Matthew N. DeLuca	_____	_____	_____	_____
N. Ray Miller	_____	_____	_____	_____
Patsy A. D'Eramo, Sr.	_____	_____	_____	_____

IN WITNESS WHEREOF, I have hereunto set my signature as such official and affixed the seal of the Township of Hopewell this 21st day of April, 1994.

Secretary