

RESOLUTION NO. 2-1989

A RESOLUTION AUTHORIZING SMITHFIELD SEWER AUTHORITY (herein referred to as this "Governmental Unit") to join with other Local Government Units as a settlor of the Pennsylvania Local Government Investment Trust for the purpose of purchasing shares of the Trust.

WHEREAS, the Pennsylvania Local Government Investment Trust was formed in accordance with the authorization contained in the Intergovernmental Cooperation Act (1972 P.L. 762 No. 180), initially by the Boroughs of Chambersburg and Emmaus, to provide a vehicle for Pennsylvania Municipal entities to pool their funds for investment purposes; and

WHEREAS, the Municipal Authorities Act of 1945 (P.L. 382, No. 164), as amended by Act 70 of 1981 (P.L. 221), authorized municipal authorities to join with other political subdivisions and municipal authorities (collectively, "local governmental units") in accordance with the Intergovernmental Cooperation Act for the purpose of purchasing investments; and

WHEREAS, the Intergovernmental Cooperation Act provides that any joint cooperation agreement shall be deemed in force to any local government unit, when the same has been adopted by all cooperating local governmental units.

NOW, THEREFORE, IT SHALL BE RESOLVED AS FOLLOWS:

Section 1. This Governmental Unit shall join with other local governmental units in accordance with the Intergovernmental Cooperation act by becoming a settlor of the Pennsylvania Local Government Investment Trust (The Trust) and entering into the Declaration of Trust, which is adopted by reference with the same effect as if it had been set out verbatim in this section and a copy of which shall be filed with the

minutes of the meeting at which this Resolution was adopted.

Section 2. This Governmental Unit is authorized to purchase shares in the Trust from time to time with available funds, and to redeem some or all of those shares from time to time as funds are needed for other purposes. These actions are to be taken by the Officers designated for this purpose, pursuant to general or specific instructions by the Governing Body of this Governmental Unit.

Section 3. The Trustees of the Trust are designated as having official custody of this Governmental Units funds which are invested by the purchase of shares in the Trust.

Section 4. As required by the Intergovernmental Cooperation Act the following matters are specifically found and determined:

- (a) The conditions of the agreement are set forth in the Declaration of Trust referred to in Section 1;
- (b) This Governmental Unit's participation in the Trust shall be terminable at any time by Resolution;
- (c) The Declaration of Trust and the purchase of its shares are for the purpose of investing this Governmental Unit's funds in obligations which are otherwise legal investments, as part of a pooled arrangement with other local governmental units, thereby achieving economic and other advantages of pooled investments;
- (d) It is not necessary to finance the agreement authorized herein from funds of this Governmental Unit except through the purchase of shares in the Trust;
- (e) The Trust shall be managed by a Board of Trustees as set forth in the Declaration of Trust and the By-Laws provided for therein; and
- (f) Shares may be repurchased and redeemed from time to time as this Governmental Unit may determine to be necessary or appropriate to meet its cash investment requirements.

Section 5. This Resolution shall become effective at the earliest date possible.

ADOPTED THIS 26th day of April, 1989

ATTEST:

Marianne Higgins
Secretary



SMITHFIELD SEWER AUTHORITY

[Signature]
Chairman

[Signature]
Vice-Chairman

Thomas P. Rode Sr.
Treasurer

SMITHFIELD SEWER AUTHORITY,
MONROE COUNTY, PENNSYLVANIA

RESOLUTION

A RESOLUTION AUTHORIZING THE INCURRENCE OF THE INDEBTEDNESS OF THE SMITHFIELD SEWER AUTHORITY, COUNTY OF MONROE, COMMONWEALTH OF PENNSYLVANIA, BY THE ISSUANCE OF A BOND ANTICIPATION NOTE IN AN AMOUNT EQUAL TO \$3,200,000.00 FOR THIS PROJECT; FIXING THE FORM, NUMBER, DATE, INTEREST, AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE NOTE; AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF; APPOINTING A FISCAL AGENT FOR THE NOTE; APPROVING A PROPOSAL FOR THE SALE OF THE NOTE; REQUESTING THE FISCAL AGENT TO AUTHENTICATE THE NOTE; ESTABLISHING A DEPOSITORY FOR THE NOTE; APPROVING ALL OTHER ACTIONS PERTAINING TO THE ISSUANCE, DELIVERY AND SALE OF THE NOTE; AUTHORIZING AUTHORITY OFFICERS TO EXECUTE AND DELIVER ALL NECESSARY DOCUMENTS.

WHEREAS, the Smithfield Sewer Authority, Monroe County, Pennsylvania, (the "Authority") desires to incur indebtedness to finance the costs related to a project (the "Project"), including but not limited to paying the costs of constructing, holding, improving, maintaining, operating and owning a sewage treatment facility and the related sewers and sewer systems and the properties and assets related thereto in Monroe County and to undertake all activities useful in relation thereto including but not limited to engineering costs, costs of acquiring certain rights-of-way, reimbursing Smithfield Township for costs previously incurred by the Township for the Project and paying other legal expenses associated with the Project in Monroe County; (ii) costs of issuance of the Authority's Bond Anticipation Note (the "Note" as more specifically defined in Section 1 of this Resolution); and (iii) other costs necessary or convenient

for the promotion of the Authority's general business and the general welfare of the Authority (collectively, the "Project"); and

WHEREAS, the Authority desires to authorize execution, sale and delivery of the Note after fixing the form, number, date, interest and maturity thereof; and

WHEREAS, a proposal has been submitted by First Eastern Capital Markets, on behalf of itself (the "Purchaser") (a copy of which is attached hereto) to purchase the Note upon the terms and conditions set forth in the Invitation to Bid (previously circulated to the Purchaser and other potentially interested parties) and in the aforesaid proposal and to fix the rate of interest on the Note in accordance with said proposal; and

WHEREAS, the Authority has determined that it is in the best interest of said Authority (i) to accept the Purchaser's proposal; (ii) to issue the Note; (iii) to set the maturity of the Note as April 27, 1991; (iv) to take certain related action in connection with the issuance and sale of the Note.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE SMITHFIELD SEWER AUTHORITY MONROE COUNTY, PENNSYLVANIA AS FOLLOWS:

Section 1. The aggregate principal amount of the Bond Anticipation Note of the Smithfield Sewer Authority (the

"Authority") proposed to be issued is an amount equal to \$3,200,000.00 (the "Note").

Section 2. Said indebtedness shall be evidenced by one Bond Anticipation Note, in registered form, in the aggregate principal amount of \$3,200,000 dated and bearing interest from April 27, 1989 at the interest rate of 6.95% per annum payable quarterly at the end of each calendar year, with the entire principal amount and any unpaid accumulated interest due on April 27, 1991.

The Authority shall have the right to prepay any or all of the principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

Section 3. The Authority hereby appoints First Eastern Bank, N.A. to act as fiscal agent for the Note upon the terms and conditions set forth in the quotation attached hereto. The principal and interest of the Note shall be payable at the office of First Eastern Bank, N.A., 639 Main Street, Stroudsburg, Pennsylvania, or any other designated location as hereinafter provided.

Section 4. The said Note is a limited obligation of the Authority, payable from revenues of the Authority. The Authority shall duly and punctually pay or cause to be paid the principal of the Note and the interest accumulated thereon at the date and places and in the manner stated in the Note according to the true intent and meaning thereof.

Section 5. The form of said Note shall be substantially as set forth in Exhibit "A" attached hereto and made a part hereof.

Section 6. The members of the Authority have determined that a private sale by negotiation rather than a public sale is in the best financial interest of the Authority and therefore, the proposal of the Purchaser for the purchase of the Note is hereby accepted, upon the terms and conditions set forth in the Invitation to Bid and Purchaser's proposal, as attached hereto.

Section 7. The Authority hereby designates the Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"), for the purpose of ensuring any holders of the Note, who qualify as financial institutions within the meaning of Section 265(b)(5) of the Code, that they will not be subject to the disallowance of certain deductions for carrying charges under Section 265(b)(1) of the Code. In connection with such designation, the Authority hereby covenants that: (i) it will not at any time while the Note is outstanding take any action that will result in the Note failing to constitute a "qualified tax-exempt obligation"; and (ii) neither it nor any entities subordinate thereto will designate any obligations other than the Note as a "qualified tax-exempt obligation" if such obligations, when combined with the Note, will result in the

designation by the Authority and entities subordinate thereto of more than \$10,000,000 of obligations as "qualified tax-exempt obligations" during this calendar year, unless it receives an opinion of a nationally recognized bond counsel or a ruling from the Internal Revenue Service to the effect that any such additional designation will not result in the Note failing to constitute a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code.

Section 8. The Chairman or Vice Chairman of the Authority is hereby authorized and directed to execute (or to cause to be executed with his facsimile signature) the Note and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to affix the seal (or a facsimile thereof) of the Authority to the Note and to attest the same with his signature or a facsimile thereof, and when so executed, sealed and attested, to deliver the same to the Fiscal Agent for authentication.

Section 9. The Fiscal Agent is hereby requested to authenticate the Note upon the order of the Chairman and Secretary of the Authority and to deliver said Note to or upon the order of the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority.

Section 10. The Authority hereby approves, in substantially the form attached hereto, the Transfer Agreement dated April 26, 1989 between the Township of

Smithfield and the Authority, and the Tax Certificate dated April 27, 1989. The appropriate officers of the Authority are hereby authorized to execute, seal and deliver any and all documents pertaining to the Resolution approved herein.

Section 11. The Authority hereby approves and appoints First Eastern Bank, N.A. as the Authority's depository pursuant to the resolutions attached hereto as Exhibit "B". The officers of the Authority listed on such form are hereby authorized to execute, seal and deliver any documents pertaining to this Resolution.

Section 12. The proper officers of the Authority are, and each of them acting singly is, hereby authorized, empowered and directed to take all such further action and execute such additional documents as they and each of them deem advisable to carry out the purposes of this Resolution and all actions heretofore taken by such officers consistent with the purposes and intent of the foregoing resolutions are hereby ratified and approved.

Section 13. All resolutions previously adopted by the Authority in connection with the Note are hereby repealed in all respects insofar as they are inconsistent with the foregoing.

Section 14. This Resolution shall take effect immediately.

SMITHFIELD SEWER AUTHORITY

By: 
Chairman

Dated: April 26, 1989

I, Mariann E. Higgins, Secretary of the Smithfield Sewer Authority, hereby certifies that the attached is a true and correct copy of a Resolution adopted by the members of the Smithfield Township Sewer Authority on April 26, 1989 at a Special Meeting of said Authority.

Mariann Higgins (SEAL)
MARIANNE HIGGINS

