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COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA

ORDINANCE
NO. 9 - 2013

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF DAUPHIN, PENNSYLVANIA (THE "COUNTY") AUTHORIZING THE INCURRENCE OF NONELECTORAL DEBT EVIDENCED BY ITS LIQUID FUELS REVENUE NOTE, SERIES OF 2013 (DAUPHIN COUNTY INFRASTRUCTURE BANK) IN THE MAXIMUM PRINCIPAL AMOUNT OF \$4,272,723 (THE "2013 NOTE"), AS PERMITTED BY AND PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA.C.S. § 8001 *ET SEQ.*, FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED FOR AND TOWARD (A) FUNDING ALL OR A PORTION OF THE COSTS OF CERTAIN TRANSPORTATION RELATED CAPITAL PROJECTS, INCLUDING, AS MAY BE APPLICABLE, THE ENGINEERING, PRELIMINARY AND ENVIRONMENTAL STUDIES, SURVEYING, TESTING AND DESIGN WORK RELATING THERETO, AND (B) TO PAY ALL OR A PORTION OF THE COSTS OF ISSUANCE OF THE 2013 NOTE (COLLECTIVELY, THE "PROJECTS"); FINDING A PRIVATE SALE BY NEGOTIATION IN THE BEST INTEREST OF THE COUNTY; ACCEPTING A PROPOSAL FOR PURCHASE OF THE 2013 NOTE, AT PRIVATE SALE, AND AWARDED THE 2013 NOTE AND SETTING FORTH RELATED PROVISIONS; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; PROVIDING FOR THE TERMS OF SAID 2013 NOTE INCLUDING DENOMINATION, DATE, AND DEBT SERVICE PAYMENT DATES; PROVIDING FOR THE REGISTRATION AND TRANSFER OF SAID 2013 NOTE; AUTHORIZING THE EXECUTION AND AUTHENTICATION OF SAID 2013 NOTE; PROVIDING THAT THE 2013 NOTE, WHEN ISSUED, SHALL BE A REVENUE NOTE OF THE COUNTY; PROVIDING A PLEDGE OF THE REVENUES TO SECURE THE PROMPT AND FULL PAYMENT OF THE NOTE WHEN DUE; SETTING FORTH PREPAYMENT PROVISIONS; ESTABLISHING A SINKING FUND FOR THE 2013 NOTE; APPROPRIATING PROCEEDS DERIVED FROM THE SALE OF SAID 2013 NOTE TO THE 2013 COUNTY PROJECT ACCOUNT; SPECIFYING REASONABLE ESTIMATES OF THE USEFUL LIVES OF SAID PROJECTS; RATIFYING A PRIOR ADVERTISEMENT AND DIRECTING A FURTHER ADVERTISEMENT; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND FILING OF A TRANSCRIPT OF PROCEEDINGS, INCLUDING THE DEBT STATEMENT AND BORROWING BASE CERTIFICATE, WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AUTHORIZING AND DIRECTING PROPER OFFICERS AND OFFICIALS OF THIS COUNTY TO EXECUTE AND DELIVER DOCUMENTS AND TO TAKE ACTION AS MAY BE NECESSARY RELATING TO THE ISSUANCE OF SAID 2013 NOTE; APPROVING AND AUTHORIZING THE COUNTY TO ENTER INTO A LOAN AGREEMENT, BETWEEN THE COUNTY AND THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF TRANSPORTATION; CREATING PROJECT ACCOUNTS; AUTHORIZING THE

COUNTY TO PURCHASE NOTES FROM THE MUNICIPALITIES AND APPROVING AND AUTHORIZING THE COUNTY TO ENTER INTO LOAN AGREEMENTS, BETWEEN THE COUNTY AND THE RESPECTIVE MUNICIPALITY; AUTHORIZING THE PAYMENT OF EXPENSES; PROVIDING GUIDELINES FOR PERMITTED INVESTMENTS; PROVIDING FOR THE AUTHORIZATION OF PROPER OFFICERS; ADOPTING THE FORM OF 2013 NOTE; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING INCONSISTENT RESOLUTIONS; AND PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.

ENACTED NOVEMBER 27, 2013

WHEREAS, the County of Dauphin, Commonwealth of Pennsylvania (the "**County**"), is a county of the third class existing under the laws of the Commonwealth of Pennsylvania (the "**Commonwealth**") and is a Local Government Unit, as defined in the Local Government Unit Debt Act, 53 Pa.C.S. § 8001 *et seq.*, as amended and supplemented (the "**Debt Act**"); and

WHEREAS, the County desires to assist municipalities located in the County in financing the costs of construction, reconstruction, maintenance and repair of public roads, streets or bridges as well as other permitted projects under the Liquid Fuels Tax Act of 1931, 75 Pa. C.S.A. § 9001 *et seq.*, as amended and supplemented (the "**Liquid Fuels Tax Act**"), through the creation and establishment of the Dauphin County Infrastructure Bank; and

WHEREAS, the County is empowered under Section 1997 of the Act of August 9, 1955, P.L. 323, No. 130, as amended by the Act of September 20, 1961, P.L. 1536 [16 P.S. §1997], known as the County Code to enter into contracts with state and local government agencies for the improvement of transportation operations and facilities within the County; and

WHEREAS, the Board of Commissioners of the County desires to undertake certain projects (collectively, the "**Transportation Project**") consisting of providing funds to be applied toward (A) the planning, design, purchase, acquisition, construction, installation and equipping of certain transportation related improvements, including, but not limited to (i) the installation of a traffic signal at the intersection of Fishburn and Homestead Roads in the Township of Derry, Dauphin County, Pennsylvania ("**Derry Township**"), and as a project, the "**Derry Township Project**", (ii) the repaving of roads in Bellevue Park and portions of Hale and South 17th Street within the City of Harrisburg, Dauphin County ("**Harrisburg City**"), and as a project, the "**Harrisburg City Project**", (iii) the replacement of Hollendale Road Bridge, Braeburn Road Bridge and Beagle Road Bridge, all being municipal bridges within the Township of Londonderry, Dauphin County, Pennsylvania ("**Londonderry Township**"), and as a project, the "**Londonderry Township Project**", (iv) the installation of streetscape related improvements and the replacement of existing utilities on South Union Street from Ann to East Emaus Streets within the Borough of Middletown, Dauphin County, Pennsylvania ("**Middletown Borough**"), and as a project, the "**Middletown Borough Project**", (v) the relocation of portions of Devonshire Heights and Douglas Roads and installation of a traffic signal at the intersection of State Route 39 within the Township of West Hanover, Dauphin County, Pennsylvania ("**West Hanover Township**"), as a project, the "**West Hanover Township Project**", and with Derry Township, Harrisburg City, Londonderry Township and Middletown Borough, collectively, the "**Municipalities**"; (B) the engineering, preliminary and environmental studies, surveying, testing, pre-construction, construction and post construction inspections, and engineering and design work relating thereto; and (C) the costs of issuance of the Bank Loan (hereinafter defined); and

WHEREAS, the County, with assistance of the Municipalities, has obtained estimates of the cost of each component of the Transportation Project from consultants or other persons qualified by experience and has determined that the estimated cost of (i) the Derry Township Project is at least \$256,960, (ii) the Harrisburg City Project is at least \$350,000, (iii) the Londonderry Township Project is at least \$925,000, (iv) the Middletown Borough Project is at least \$3,100,000, and (v) the West Hanover Project is at least \$840,000; and

WHEREAS, in order to fund a portion of the costs of the Transportation Project, the County heretofore submitted a loan application (the "**Application**") to the Pennsylvania Infrastructure Bank (the "**Bank**"), an agency of the Commonwealth administered and operated by the Pennsylvania Department of Transportation (the "**Department**"), for a loan in the principal amount of \$4,272,723 (the "**Bank Loan**"); and

WHEREAS, the Bank Loan has been approved by the Department pursuant to its letter dated November 27, 2013 (the "**Approval Letter**"), in the principal amount of \$4,272,723; and

WHEREAS, the Loan will be made available by the Department, through the Bank, pursuant to an Infrastructure Bank Loan Agreement (the "**County Loan Agreement**"), between the County and the Department; and

WHEREAS, the Application, the Approval Letter and the County Loan Agreement collectively constitute the Department's commitment to make the Loan, through the Bank, to the County to finance the Transportation Project and are referred to collectively herein as the "**Purchase Agreement**"; and

WHEREAS, the proceeds of the Bank Loan will be applied by the County to pay all or a portion of the costs of the Transportation Project; and

WHEREAS, the Transportation Project is a "project" as such term is defined by the Debt Act; and

WHEREAS, the County has determined to secure the Bank Loan by issuance, pursuant to this Ordinance and the Debt Act, of its revenue note in a maximum principal amount estimated not to exceed \$4,272,723 to finance the costs of the Transportation Project (the "**2013 Note**"), including the payment of costs associated with issuance of the 2013 Note, all in accordance with the terms of this Ordinance and the Debt Act; and

WHEREAS, the County will make the proceeds of the 2013 Note available to each of the Municipalities pursuant to Loan Agreements (each a "**Municipal Loan Agreement**"), in order to finance the Transportation Project; and

WHEREAS, the Municipalities will each issue a general obligation note, liquid fuels revenue note or guaranteed revenue note (collectively, the "**Municipal Notes**") to the County, in order to secure the debt service payments on each Municipalities respective portion of the of the Transportation Project; and

WHEREAS, the County desires to approve and authorize the Transportation Project, issuance of the 2013 Note, the acceptance of the Purchase Agreement for the sale and purchase of the 2013 Note, the form of the 2013 Note, and to authorize such further action by its proper officers consistent with this Ordinance, the Debt Act, and all other applicable law.

NOW, THEREFORE, BE AND IT HEREBY IS ORDAINED by the Board of Commissioners of the County of Dauphin that:

SECTION 1. The Transportation Project.

The County hereby combines the Derry Township Project, the Harrisburg City Project, the Londonderry Township Project, the Middletown Borough Project, and the West Hanover Township Project for financing purposes, and hereby approves and undertakes as a project the Transportation Project. The foregoing recitals to this Ordinance, including the description of the Transportation Project, and the defined terms therein, are hereby incorporated into this Section by reference and are used herein and hereafter throughout this Ordinance as if such description and definitions are here set out at length.

SECTION 2. Incurrence of Indebtedness.

For the purpose of providing funds for and toward the payment of costs, as such term is used in the Debt Act, of the Transportation Project, the incurring of nonelectoral debt by the County in the principal amount of \$4,272,723 is hereby authorized. Such debt shall be evidenced by issuance of a revenue note of the County in the principal amount of \$4,272,723 designated "County of Dauphin, Commonwealth of Pennsylvania, Liquid Fuels Revenue Note, Series of 2013 (Dauphin County Infrastructure Bank)" (the "2013 Note").

SECTION 3. Approval of Private Sale By Negotiation.

After considering the advantages and disadvantages of the various manners of sale of the 2013 Note permitted by the Debt Act and of current market conditions, including the interest rate and other terms and conditions of the Bank Loan, the Board of Commissioners hereby determines that a private sale by negotiation is in the best financial interest of the County.

SECTION 4. Acceptance of Purchase Agreement.

The Board of Commissioners of the County accepts the Purchase Agreement of the Bank to purchase the 2013 Note; and the 2013 Note is awarded and sold to the Bank at a negotiated sale at a dollar price of \$4,272,723 (100% of the principal amount of the 2013 Note). The Chairman or the Vice Chairman of the Board of Commissioners and the Chief Clerk or the deputy or assistant Chief Clerk of the County, each being a proper officer of the County (collectively, the "Proper Officers") are authorized and directed to execute and deliver the accepted Purchase Agreement to the Bank. One counterpart of the Purchase Agreement shall be filed with the records of the County.

SECTION 5. Interest Rate and Payment Installments.

The 2013 Note shall bear interest at the fixed rate of 1.625% per annum for the entire term of the 2013 Note. The 2013 Note shall be payable in equal annual installments of principal and interest in the amounts set forth in Exhibit A attached hereto and incorporated herein from the date of issuance of the 2013 Note to and including the final maturity date thereof which maturity date shall not be later than December 31, 2023 (the "Maturity Date"), unless prepaid as provided herein.

SECTION 6. Appointment of Paying Agent, Registrar, Sinking Fund Depository.

First National Bank is hereby appointed Paying Agent (the "Paying Agent"), Registrar (the "Registrar") for the 2013 Note and Sinking Fund Depository (the "Sinking Fund Depository") for the sinking fund created hereby. Proper Officers of the County are hereby authorized and directed to contract with First National Bank, having a corporate trust office in Harrisburg, Pennsylvania, for its services as Sinking Fund Depository, Paying Agent, and Registrar at such initial and annual charges as shall be appropriate and reasonable for such services. The County may, by resolution, from time to time appoint a successor Paying Agent, Sinking Fund Depository or Registrar to fill a vacancy or for any other reason.

So long as First National Bank, or its successor, serves as Paying Agent, use of the term "Paying Agent" herein shall include, as applicable, its responsibilities as the Registrar and the Sinking Fund Depository.

SECTION 7. Denomination and Payment Dates.

The 2013 Note shall be fully registerable as to principal and interest, and shall be dated as of the date of issuance and delivery thereof to the Bank. The 2013 Note shall be issued in the denomination of \$4,272,723. The 2013 Note shall bear interest from the date of issuance hereof at the applicable rate of interest specified in Section 5 hereof, payable annually commencing on the same date of the immediately succeeding year, and thereafter on the same date of each year to and including the Maturity Date (each a "Debt Service Payment Date").

The principal of and interest on the 2013 Note shall be payable in lawful moneys of the United States of America to the registered owner at the office of First National Bank, Harrisburg, Pennsylvania, or such other office from time to time designated by written notice to the then registered owner (the "Office of the Paying Agent").

If the date for payment of the principal of or interest on the 2013 Note shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the Office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close (a "Business Day"), and payment on such subsequent Business Day shall have the same force and effect as if made on the date fixed for such payment.

SECTION 8. Note Register, Registrations and Transfer.

The County shall cause to be kept at the Office of the Paying Agent a register (the "Note Register") in which, subject to such reasonable regulations as it may prescribe, the County shall provide for the registration of the 2013 Note and the registration of transfers and exchanges of the 2013 Note. No transfer or exchange of the 2013 Note shall be valid unless made at such office and registered in the Note Register.

Whenever the 2013 Note is presented or surrendered for registration of transfer it shall be duly endorsed, or be accompanied by a written instrument of transfer, in form and with guaranty of signature satisfactory to the Registrar, duly executed by the registered owner thereof or his duly authorized agent or legal representative. Rights of any registered owner hereof, subsequent to the initial registered owner hereof, shall not exceed rights of the predecessor registered owner hereof.

No service charge shall be made for any transfer of the 2013 Note, but the County may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the 2013 Note, provided that no such charge may be made against the Department.

SECTION 9. Execution and Authentication.

The 2013 Note shall be executed on behalf of the County by the manual signature of the Chairman or the Vice Chairman of the Board of Commissioners of the County and, if desired, by any other member of the Board of Commissioners, and shall have the imprint of the corporate seal of the County affixed thereto, duly attested by the Chief Clerk, or the deputy or assistant Chief Clerk, and said Proper Officers, as well as any other member of the Board of Commissioners, are hereby authorized and directed to execute, seal and attest the 2013 Note. The Board of Commissioners or Chief Clerk or any of such officers is hereby authorized and directed to deliver the 2013 Note to the Department and receive

payment therefor on behalf of the County after sale of the same in the manner required by law and this Ordinance.

SECTION 10. Revenue Pledge.

The 2013 Note is hereby declared to be a revenue note of the County payable solely from and secured solely by the County's Liquid Fuels Tax funds and the payments made by the Municipalities in accordance with the Municipal Loan Agreements and the Municipal Notes.

As security for its obligations under the 2013 Note, the County does hereby irrevocably assign and pledge to the Bank, on behalf of the Department, and any subsequent registered owners from time to time of the 2013 Note outstanding pursuant to this Ordinance, all right, title and interest of the County in and to (1) all receipts and revenues to be received by the County and deposited into a special fund known as the County Liquid Fuels Tax Fund, designated under Section 9010(b) of the Liquid Fuels Tax Act, and (2) those certain Municipal Loan Agreements, including all loan payments and other payments payable or which may become payable thereunder and all security therefor, including, without limitation, the Municipal Notes.

The maximum amount of the debt service for each fiscal year of the County in which such sums are payable are set forth in Exhibit A, attached hereto and incorporated herein.

SECTION 11. Prepayment.

(a) Optional Prepayment. The 2013 Note is subject to prepayment prior to maturity, at the option of the County, as a whole, or, from time to time, in part, on any date, in each case upon payment of the principal amount thereof, together with accrued interest to the date fixed for prepayment.

If less than all of the outstanding principal amount of the 2013 Note is prepaid, such prepayment shall be applied to the installment of principal last to become due and shall not affect the obligation of the County to pay the remaining installments of principal and interest as scheduled under the 2013 Note; provided, however, if the County makes any prepayment of \$25,000 or more of principal, the County shall have the option to have the 2013 Note reamortized based on the outstanding principal remaining at that time.

(b) Mandatory Prepayment. The 2013 Note is not subject to mandatory prepayment prior to maturity.

(c) Other Mechanics of Prepayment. Notice, election and other mechanics of prepayment of the 2013 Note are set forth in the form of 2013 Note in Section 24 hereof.

(d) Payment. On any date designated for optional prepayment prior to maturity, notice having been provided as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent, interest on the 2013 Note or portions thereof so called for prepayment shall cease to accrue and such 2013 Note or portions thereof so called for prepayment shall cease to be entitled to any benefit or security under this Ordinance, and the Department, or subsequent registered owners, of the 2013 Note shall have no rights with respect to the 2013 Note, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for prepayment.

SECTION 12. Sinking Fund.

(a) Deposit. There is hereby established with the Sinking Fund Depository a sinking fund to be known as County of Dauphin, 2013 Note Sinking Fund (the "2013 Note Sinking Fund") into which

the County covenants to deposit, and into which Proper Officers of the County are hereby authorized and directed to deposit (i) amounts sufficient to pay the interest due thereon on each Debt Service Payment Date, and (ii) amounts sufficient to pay the principal of the 2013 Note due on each Debt Service Payment Date. Should the amounts covenanted to be paid into the 2013 Note 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 2013 Note Sinking Fund or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) Application of Funds. All sums in the 2013 Note Sinking Fund shall be applied exclusively to the payment of principal and interest covenanted to be paid in Section 10 hereof on the 2013 Note as the same from time to time becomes due. The 2013 Note Sinking Fund shall be kept as a separate account at the designated corporate trust office of the Sinking Fund Depository. The Sinking Fund Depository, without further authorization other than as herein contained, shall pay from the moneys in the 2013 Note Sinking Fund, the interest on the 2013 Note as and when due to the Department, or subsequent registered owners, on the Maturity Date and principal of the 2013 Note, as and when the same shall become due on the Maturity Date, or optional prepayment, to the Department, or subsequent registered owners thereof, upon presentment of such 2013 Note at the designated corporate trust office of the Paying Agent.

(c) Optional Deposits. Notwithstanding the foregoing, in the case of optional prepayment of any or all of the principal amount of the 2013 Note as permitted by Section 11 hereof, Proper Officers of the County are hereby authorized and directed to deposit from time to time before the appropriate optional prepayment date funds which shall be sufficient when they, either alone or together with the interest to be earned thereon, if any, will equal the principal of the 2013 Note so called for prepayment and the interest thereon to the date fixed for prepayment.

SECTION 13. Disposition of Proceeds.

All moneys derived from the sale of the 2013 Note shall be deposited in the 2013 County Project Account created pursuant to Section 19(a) hereof and shall be and hereby are appropriated substantially to payment of the cost of the Transportation Project, including but not limited to payment of the costs and expenses of preparing and issuing the 2013 Note, and shall not be used for any other purposes, except as to any insubstantial amounts of money which may remain after fulfilling the purposes set forth herein, which minor amounts of remaining moneys shall promptly upon their determination be deposited in the 2013 Note Sinking Fund and used for the payment of interest on the 2013 Note.

SECTION 14. Cost and Realistic Useful Life; Approximately Level Debt Service.

Reasonable cost estimates have been obtained for each component of the Transportation Project with the assistance of engineers, highway planners and constructors, and other persons qualified by experience, training and education, as set forth in the Recitals hereto, are incorporated herein. The overall cost of the Transportation Project is estimated to be at least \$4,272,723.

The Board of Commissioners of the County hereby determines that the combined useful lives of the components of the Transportation Project are at least fifteen (15) years. Therefore, the principal installments of the 2013 Note are in accordance with § 8142(a)(2) of the Debt Act.

In accordance with Section 8142(b)(1) of the Debt Act, the principal installments of the 2013 Note have been fixed so as to amortize the 2013 Note on at least an approximately level annual debt service plan during the term of the 2013 Note.

SECTION 15. Advertising.

The action of Proper Officers of the County in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. Proper Officers of the County or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the County within 15 days after final enactment. The Chief Clerk is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

Section 16. Filing with Department of Community and Economic Development.

Proper Officers of the County are hereby authorized and directed to prepare, verify and file with the Department of Community and Economic Development, in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the 2013 Note including the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Debt Act, and to take other necessary action, and to prepare and file all necessary documents with the Department of Community and Economic Development including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the 2013 Note from the appropriate debt limit as self-liquidating or subsidized debt.

It is declared that the debt to be incurred hereby is within the limitation imposed by the Debt Act upon the incurring of such debt by the County.

SECTION 17. General Authorization.

Proper Officers and other officials of the County 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 2013 Note, all in accordance with this Ordinance.

SECTION 18. County Loan Agreement.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County, the County Loan Agreement, between the County and the Department, in the form hereinafter approved, providing for, *inter alia*, the loan of the proceeds of the 2013 Note by the Department to the County at the times and in the amounts as provided therein to be applied for and toward the costs and expenses of the Transportation Project. The County Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

SECTION 19. 2013 County Project Account; Municipal Project Accounts.

(a) 2013 County Project Account. The County hereby creates a special account to be known as the County of Dauphin 2013 County Project Account (the "2013 County Project Account") to be established in the name of the County, with one or more banks or financial or investment institutions designated from time to time by the Board of Commissioners, or otherwise as established by law, as depositories of the 2013 County Project Account (each a "Project Account Depository"), subject to clearance or collection, moneys, checks, drafts, 2013 Notes, bills of exchange, acceptances, or other orders for the payment of moneys which may at any time come into its possession, with or without endorsement thereof by the County, payment thereof to the depository being hereby guaranteed. The Paying Agent is authorized and directed to honor and pay, and to charge to the account of the County, all checks, drafts, bills of exchange, acceptances, 2013 Notes or orders for the payment of money when drawn on or addressed to said depository and signed and countersigned on behalf of the County by the authorized officer or officers of the County, whether the same be payable to the order of, or in favor of the officer or person signing or countersigning them, or to any of said officers in his individual capacity, or otherwise; and whether the same be deposited to the individual credit of the officer or person signing or

countersigning or to the individual credit of any other officer or person or otherwise. The signatures of any or all of the foregoing officers shall be manual.

The County shall deliver the net proceeds (including accrued interest, if any) derived from the sale of the 2013 Note to the Paying Agent for deposit to the 2013 County Project Account. Upon proper authorization, duly signed by Proper Officers of the County, the Paying Agent shall pay, out of the 2013 County Project Account, the costs and expenses of the issuance of the 2013 Note, and, from time to time, the costs of the Transportation Project, and shall transfer and deposit the specified amounts to the Municipal Project Accounts as described in subsection (b) below. The written direction from the County 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 shall 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) Municipal Project Accounts.

(i) Derry Township Project Account. The County hereby authorizes the transfer of a portion of the 2013 Note proceeds from the 2013 County Project Account to the Derry Township Project Account created hereinafter in the amounts necessary to undertake the Derry Township Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County a Municipal Loan Agreement in the form hereinafter approved (the "Derry Township Loan Agreement") providing for, *inter alia*, the establishment of a special account to be known as the Derry Township Project Account (the "Derry Township Project Account") and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the Derry Township Project as contemplated by this Ordinance. The Derry Township Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

(ii) Harrisburg City Project Account. The County hereby authorizes the transfer of a portion of the 2013 Note proceeds from the 2013 County Project Account to the Harrisburg City Project Account created hereinafter in the amounts necessary to undertake the Harrisburg City Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County a Municipal Loan Agreement in the form hereinafter approved (the "Harrisburg City Loan Agreement") providing for, *inter alia*, the establishment of a special account to be known as the Harrisburg City Project Account (the "Harrisburg City Project Account") and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the Harrisburg City Project as contemplated by this Ordinance. The Harrisburg City Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

(iii) Londonderry Township Project Account. The County hereby authorizes the transfer of a portion of the 2013 Note proceeds from the 2013 County Project Account to the Londonderry Township Project Account created hereinafter in the amounts necessary to undertake the Londonderry Township Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County a Municipal Loan Agreement in the form hereinafter approved (the "**Londonderry Township Loan Agreement**") providing for, *inter alia*, the establishment of a special account to be known as the Londonderry Township Project Account (the "**Londonderry Township Project Account**") and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the Londonderry Township Project as contemplated by this Ordinance. The Londonderry Township Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

(iv) Middletown Borough Project Account. The County hereby authorizes the transfer of a portion of the 2013 Note proceeds from the 2013 County Project Account to the Middletown Borough Project Account created hereinafter in the amounts necessary to undertake the Middletown Borough Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County a Municipal Loan Agreement in the form hereinafter approved (the "**Middletown Borough Loan Agreement**") providing for, *inter alia*, the establishment of a special account to be known as the Middletown Borough Project Account (the "**Middletown Borough Project Account**") and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the Middletown Borough Project as contemplated by this Ordinance. The Middletown Borough Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

(v) West Hanover Township Project Account. The County hereby authorizes the transfer of a portion of the 2013 Note proceeds from the 2013 County Project Account to the West Hanover Township Project Account created hereinafter in the amounts necessary to undertake the West Hanover Township Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County a Municipal Loan Agreement in the form hereinafter approved (the "**West Hanover Township Loan Agreement**") providing for, *inter alia*, the establishment of a special account to be known as the West Hanover Township Project Account (the "**West Hanover Township Project Account**", and together with the Derry Township Project Account, the Harrisburg City Project Account, the Londonderry Township Project Account and the Middletown Borough Project Account, collectively, the "**Municipal Project Accounts**") and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the West Hanover Township Project as contemplated by this Ordinance. The West Hanover Township Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

SECTION 20. Purchase of Municipal Notes.

As security for the repayment of their allocable portion of the debt service due on the 2013 Note, the Municipalities will each issue a general obligation note, liquid fuels revenue note or guaranteed revenue note to the County pursuant to which each of the Municipalities will pledge their full faith, credit and taxing power, their Liquid Fuels Tax or both, as required by the County and in accordance with the provisions of the Debt Act. Proper Officers of the County are authorized and directed to execute and deliver, on behalf of the County, Loan Purchase Commitments in the form hereinafter approved, to provide for the purchase of each of the Municipal Notes at a price of 100%. The Loan Purchase Commitments shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved. The Municipal Notes will bear interest at such rates and pay principal on such dates as provided in each Loan Purchase Commitment, which shall be sufficient to pay each Municipalities allocable portion of debt service on the 2013 Note.

SECTION 21. Payment of Expenses.

All expenses incurred in connection with issuance of the 2013 Note shall be paid out of the proceeds derived from the issuance of the 2013 Note and deposited in the 2013 County Project Account in accordance with Section 19(a) hereof and the Proper Officers are authorized to sign and deliver requests for payment of such expenses.

SECTION 22. Investment.

Any moneys in the 2013 County Project Account and the Municipal Project Accounts may be invested or deposited as permitted by applicable law for funds of the County or as permitted under the Debt Act. As to the 2013 County Project Account and the Municipal Project Accounts, Proper Officers or authorized representatives of the County shall designate such investments in writing in such combination as to provide safety of principal, liquidity to any Transportation Project draws and maximum investment income.

Any moneys in the 2013 Note Sinking Fund not required for prompt expenditure may, at the written direction of the County, be invested in notes 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 in accordance with the Debt Act. 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 of the 2013 Note.

SECTION 23. Authorization of Officers.

Any authorization granted to, power conferred on, or direction given to the Chairman or Chief Clerk, shall be deemed to run to the Vice Chairman or Deputy Chief Clerk, 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. Each of the foregoing officers shall constitute a Proper Officer of the County.

SECTION 24. Form of the 2013 Note. The form of the 2013 Note shall be substantially in the form attached hereto as Exhibit B, with such changes thereto as shall hereafter be made upon the advice of the County Solicitor and Note Counsel, approval of such changes being evidenced by the execution and attestation of the 2013 Note by Proper Officers of the County.

SECTION 25. Ratification.

The County hereby ratifies and confirms authorization to officials of the County, the Solicitor to the County, and Note Counsel to the County, Eckert Seamans Cherin & Mellott, LLC for action taken prior to enactment of this Ordinance and authorizes and directs the same parties to undertake the necessary action required by and relating to the issuance and delivery of the 2013 Note.

SECTION 26. Severability.

In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the County that such remainder shall be and shall remain in full force and effect.

SECTION 27. Repealer.


Any ordinances or parts thereof not in accordance with this Ordinance are hereby repealed insofar as they conflict with this Ordinance.

SECTION 28. Effective Date. This Ordinance shall become effective in accordance with Section 8003 of the Debt Act.

[The Remainder of this Page Intentionally Left Blank]

ENACTED by the Board of Commissioners of the County of Dauphin, in lawful session assembled, on the 27th day of November, 2013.

COUNTY OF DAUPHIN
Commonwealth of Pennsylvania



Chairman, Board of Commissioners



Vice Chairman, Board of Commissioners

ATTEST:



Chief Clerk

(SEAL)



Member, Board of Commissioners

EXHIBIT A

\$4,272,723

COUNTY OF DAUPHIN

COMMONWEALTH OF PENNSYLVANIA

LIQUID FUELS REVENUE NOTE, SERIES OF 2013

(DAUPHIN COUNTY INFRASTRUCTURE BANK)

DEBT SERVICE SCHEDULE

No.	Payment Date	Outstanding Principal	Interest Rate	Interest Payment	Principal Payment	Total Payment
	12/31/2013					
1	12/31/14	4,272,723.00	1.625%	69,431.75	396,950.95	466,382.70
2	12/31/15	3,875,772.05	1.625%	62,981.30	403,401.40	466,382.70
3	12/31/16	3,472,370.65	1.625%	56,426.02	409,956.67	466,382.70
4	12/31/17	3,062,413.98	1.625%	49,764.23	416,618.47	466,382.70
5	12/31/18	2,645,795.51	1.625%	42,994.18	423,388.52	466,382.70
6	12/31/19	2,222,406.99	1.625%	36,114.11	430,268.58	466,382.70
7	12/31/20	1,792,138.41	1.625%	29,122.25	437,260.45	466,382.70
8	12/31/21	1,354,877.97	1.625%	22,016.77	444,365.93	466,382.70
9	12/31/22	910,512.04	1.625%	14,795.82	451,586.88	466,382.70
10	12/31/23	458,925.16	1.625%	7,457.53	458,925.16	466,382.70
Totals				391,103.96	4,272,723.00	4,663,826.96

UNITED STATES OF AMERICA
 COMMONWEALTH OF PENNSYLVANIA
 COUNTY OF DAUPHIN
 LIQUID FUELS REVENUE NOTE
 SERIES OF 2013
 (DAUPHIN COUNTY INFRASTRUCTURE BANK)
 1.625%

The COUNTY OF DAUPHIN, Pennsylvania (the "County"), a municipality existing under laws of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, acknowledges itself to be indebted to and promises to pay to the COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF TRANSPORTATION, or registered assigns, the principal sum of FOUR MILLION TWO HUNDRED SEVENTY-TWO THOUSAND SEVEN HUNDRED TWENTY-THREE AND 00/100 Dollars (\$4,272,723), and to pay interest on the unpaid principal balance at the rate of One and Six Hundred Twenty-Five thousandths percent (1.625%) per annum (calculated on the basis of actual days elapsed over a 365 or 366-day year, as applicable) payable on, and with interest calculated, as follows:

(a) from the date of execution hereof to and including _____, 2023, annual installments of \$_____, on the _____ day of each year, beginning December __, 2014 (interest due on any payment date shall be calculated on the balance of the principal sum hereof which remained unpaid immediately following the preceding payment upon the principal sum hereof and then to principal); and

(b) on December __, 2023, the balance of the outstanding principal sum hereof, if any, together with accrued interest thereon.

Payments of principal hereof, in whole or in part, and of interest hereon shall be made in any coin or currency of the United States of America which, at time of payment, shall be legal tender for payment of public and private debts, at the office of the First National Bank (the "Paying Agent" which term shall include any duly appointed alternate or successor paying agent), in Harrisburg, Pennsylvania. So long as the Commonwealth of Pennsylvania, Department of Transportation shall be the registered owner hereof, payment of any part of the principal of and interest on this Note by or in behalf of the County shall be valid and effective to satisfy and discharge fully the obligations of the County or its Paying Agent, with respect to such payments of principal and interest, without surrender hereof to the Paying Agent for appropriate notation upon the Payment Record attached hereto and made part hereof. So long as the registered owner hereof shall not be the Commonwealth of Pennsylvania, Department of Transportation, payment of any part of the principal of and interest on this Note shall be made only upon surrender hereof by the registered owner at the office of the Paying Agent (or the office of any successor paying agent) for appropriate notations with respect to such payments and any unrecorded prior payments upon such Payment Record. Notations upon such Payment Record with respect to payments of principal and interest shall satisfy and discharge fully the obligations of the County with respect to such payments of principal and interest, and such notations upon such Payment Record shall be conclusive and binding upon the registered owner hereof. Final payment of principal and interest appertaining hereto shall be made only upon complete surrender hereof to the Paying Agent.

This Note is a revenue note of the County, known generally as "Liquid Fuels Revenue Note, Series of 2013 (Dauphin County Infrastructure Bank)" (the "Note"), in the principal amount of \$4,272,723.

This Note is issued in accordance with provisions of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the "Debt Act"), and by virtue of a duly enacted Ordinance (the "Ordinance") of the Board of Commissioners of the County. The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the County and the registered owner, from time to time, of this Note.

This Note is issuable only in the form of a fully registered Note, without coupons. This Note, immediately upon execution and delivery hereof by the County, shall be registered, both as to principal and interest, in the name of the owner, on records of the County to be kept for that purpose by the Paying Agent, such registration to be noted hereon by a duly authorized representative of the Paying Agent. After such registration, no transfer hereof shall be valid unless made by the registered owner hereof in person or by his duly authorized agent or legal representative and similarly noted upon said records and hereon. Rights of any registered owner hereof, subsequent to the initial registered owner hereof, shall not exceed rights of the predecessor registered owner hereof.

The principal hereof is subject to prepayment, at the option of the County, as a whole, or, from time to time, in part, on any date, in any amount, in each case upon payment of the principal amount thereof, together with accrued interest to the date fixed for prepayment. The registered owner hereof, by acceptance hereof, agrees that any such prepayment may be made by the County without any prior notice, of any nature whatsoever, to the registered owner hereof.

If less than all of the outstanding principal amount of this Note is prepaid, such prepayment shall be applied to the installment of principal last to become due and shall not affect the obligation of the County to pay the remaining installments of principal and interest as scheduled under this Note; provided, however, if the County makes any prepayment of \$25,000 or more of principal, the County shall have the option to have this Note reamortized based on the outstanding principal remaining at that time.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or on the Ordinance against any member, officer or employee, past, present or future, of the County or of any successor body, as such, either directly or through the County or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Note.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the County, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the County.

The principal of and interest on this Note shall be payable only from certain receipts, revenues and moneys of the County deposited in the County Liquid Fuels Tax Fund, and from any other receipts, revenues and moneys available therefor, as provided in the Ordinance.

The County, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on this Note

shall be deposited not later than the date fixed for disbursement thereof. The County has covenanted in the Ordinance to make payments out of such sinking fund or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

Capitalized terms used in this 2013 Note but not defined herein shall have the meanings assigned to them in the Ordinance.

[The Next Page is the Signature Page]

IN WITNESS WHEREOF, the County has caused this Liquid Fuels Revenue Note, Series of 2013 (Dauphin County Infrastructure Bank) to be executed in its name by the manual or manual signature of its duly authorized officer and the Seal of the County to be affixed hereto and imprinted hereon, attested by the manual signature of its Chief Clerk or Deputy Chief Clerk.

ATTEST:

[DO NOT EXECUTE]
Chief Clerk
(SEAL)

COUNTY OF DAUPHIN,
Commonwealth of Pennsylvania

[DO NOT EXECUTE]
Chairman, Board of Commissioners

[DO NOT EXECUTE]
Vice Chairman, Board of Commissioners

[DO NOT EXECUTE]
Secretary, Board of Commissioners

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED
REPRESENTATIVE OF FIRST NATIONAL BANK,
HARRISBURG, PENNSYLVANIA




Date of Registry	Name Of Registered Owner	Registered by Authorized representative of First National Bank
December __, 2013	Commonwealth of Pennsylvania Department of Transportation	

PAYMENT RECORD

Installments of Principal and Interest			Principal Prepayments			
Due Date of Installments of Principal and of Interest	Amount of Installment of Principal Paid	Amount of Accrued Interest Paid	Date of Prepayment	Amount of Principal Prepaid	Amount of Principal Remaining Unpaid	Signature of Authorized Officer of the Paying Agent - Date
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	
	\$	\$		\$	\$	

CERTIFICATE

I, the undersigned officer the County of Dauphin, Commonwealth of Pennsylvania ("County"), hereby certify that: (a) attached to this Certificate is a true, correct and complete copy of an ordinance (the "Ordinance") which was duly enacted at a meeting of the Board of Commissioners of the County on November 27, 2013, at which a quorum was present and acting throughout, and which was at all times open to the public; (b) the Ordinance was duly recorded in the County's Ordinance Book, and a summary of the Ordinance was published as required by law in a newspaper of general circulation in the County; (c) the County met the advance notice requirements of the Sunshine Act, 65 Pa.C.S. §701 *et seq.* by advertising the date of the meeting and posting a notice of the meeting at the public meeting place of the Board of Commissioners; (d) the total number of members of the Board of Commissioners is three; and (e) 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>
Jeffrey T. Haste		_____	_____	_____
Michael H.W. Pries		_____	_____	_____
George P. Hartwick, III		_____	_____	_____

WITNESS my hand and seal of the County this 27th day of November, 2013.



Chief Clerk

(SEAL)



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION
HARRISBURG, PENNSYLVANIA 17120

OFFICE OF
SECRETARY OF TRANSPORTATION

November 27, 2013

Mr. Skip Memmi, Executive Director
Dauphin County Office of Community
and Economic Development
2 South Second Street, Fifth Floor
Harrisburg, Pennsylvania 17101

Re: Pennsylvania Infrastructure Bank
Loan Commitment/Approval
Loan Agreement # TBD

Dear Mr. Memmi:

Dauphin County's above referenced Pennsylvania Infrastructure Bank (PIB) loan application has been approved by the Pennsylvania Department of Transportation (PennDOT). The approved loan is:

- \$4,272,723 for 10 years at 1.625 percent for establishment of the Dauphin County Infrastructure Bank in Dauphin County, Pennsylvania.

This approval is only valid for one year from the date of this letter. The loan must be disbursed within one year, or this loan approval will be cancelled.

All municipalities must comply with the Local Government Unit Debt Act prior to any loan disbursement. Please direct all inquiries concerning the Debt Act to Mr. Timothy Anstine of the Department of Community and Economic Development (DCED). Attorney Anstine may be reached at 717.783.8452 or at tianstine@pa.gov.

Enclosed are two copies of the Loan Agreement. Also enclosed is a sample resolution for your use. This resolution must accompany the signed agreements. A copy of the draft amortization schedule is also enclosed.

Please execute two copies of the Loan Agreement. When executed, please return the agreements along with the required supporting documentation to:

Mr. Hugh J. McGowan
PennDOT, Program Center
6th Floor, Keystone Building
P. O. Box 3365
Harrisburg, Pennsylvania 17105-3365

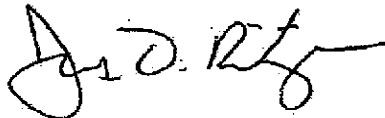
Mr. Skip Memmi
Page 2
November 27, 2013

Please remember to establish a separate project bank account for the proceeds of this loan. We recommend that the account be established as soon as possible. The loan will not be disbursed until we are provided evidence of the establishment of this account. Also, the Department must receive all bank statements and other account activity associated with this loan.

As soon as the agreements are fully executed, loan account established, and the requirements of the Local Government Unit Debt Act are completed, the loan proceeds will be made available.

Thank you for being a customer of PIB and we look forward to our partnership. If you have any questions, please contact Mr. Hugh J. McGowan of my staff at 717.787.5798.

Sincerely,

A handwritten signature in black ink, appearing to read "James D. Ritzman". The signature is fluid and cursive, with a large initial "J" and "R".

James D. Ritzman, P. E.
Deputy Secretary for Planning

Enclosures


Reminder

- Sign and date the two copies of the loan agreement.
- Do not enter the loan agreement approval date that is blank on page 1. This will be completed by PennDOT.
- Begin Local Government Unit Debt Act proceedings. The loan will not be disbursed until DCED Debt Act approval.
- Contact your PennDOT Municipal Services representative for liquid fuels use approval if intending to repay or secure the loan with liquid fuels funds.
- Execute the signature authorization resolution or other documentation as required in the agreement. A sample resolution is provided for your use.
- A draft amortization schedule is included for your information. The finalized schedule will be sent to you once the payment is received.
- Provide evidence of the establishment of a separate project account for the deposit of the proceeds of this loan. The loan will not be disbursed until this information is received.
- PennDOT will not execute the loan agreement until the collateral is in place.
- Please fill out and return attached W9 form.
- Please be sure if you have not already registered as a vendor with the State of Pennsylvania, follow this link to complete vendor registration:

<http://www.vendorregistration.state.pa.us/cvmu/paper/default.aspx>

Accepted this 27th day of November, 2013.

COUNTY OF DAUPHIN



Chairman



Chief Clerk

(SEAL)

**COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA**

APPLICATION FOR APPROVAL

In the Matter of the Proposed Incurrence of Indebtedness in
Accordance with the Provisions of the
Local Government Unit Debt Act

To: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
HARRISBURG, PENNSYLVANIA

\$4,272,723
County of Dauphin,
Commonwealth of Pennsylvania
Liquid Fuels Revenue Note, Series of 2013
(Dauphin County Infrastructure Bank)

The undersigned duly authorized officers of the County of Dauphin, Pennsylvania (the "County"), herewith make application pursuant to Section 8111 of the Local Government Unit Debt Act for approval of the incurring of the above-mentioned debt.

The complete transcript of the proceedings which are herewith submitted in support of the "Application for Approval" consists of the following:

1. Certified copy of the Ordinance authorizing, among other things, the issuance of the County's Liquid Fuels Revenue Note, Series of 2013 (Dauphin County Infrastructure Bank) in the maximum principal amount of \$4,272,723.

2. Proofs of Publication of said "Debt Authorizing Ordinance":
 - (a) Notice of Proposed Enactment; and
 - (b) Notice of Final Enactment.
3. A copy of the accepted purchase proposal.
4. Debt Statement.
5. Borrowing Base Certificate.
6. Filing Fee.

IN WITNESS WHEREOF, we, the Chairman of the Board of Commissioners of the County of Dauphin, Pennsylvania and Chief Clerk of the County, have hereunto set our hands and affixed the seal of the County this 27th day of November, 2013.

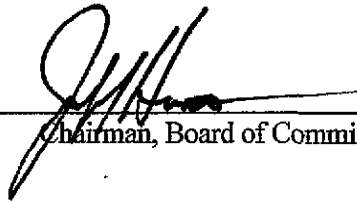
ATTEST:

COUNTY OF DAUPHIN
Commonwealth of Pennsylvania



Chief Clerk

By:



Chairman, Board of Commissioners

(SEAL)

**COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA**

BORROWING BASE CERTIFICATE

TO: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
Commonwealth of Pennsylvania

RE: COUNTY OF DAUPHIN
Commonwealth of Pennsylvania

I, the undersigned, certify that:

1. I am the Chairman of the Board of Commissioners of the County of Dauphin, Commonwealth of Pennsylvania (the "County").

2. I am familiar with the provisions of the Local Government Unit Debt Act [53 Pa. C.S. § 8001 *et seq.*] (the "Act") of the Commonwealth of Pennsylvania.

3. In accordance with provisions of Section 8002(c)(3) of the Act, I certify that:

(a) All moneys received by the County from whatever source derived from each of the three fiscal years next preceding the date of this Certificate, were as follows:

<u>FISCAL YEAR</u>		
<u>2010</u>	<u>2011</u>	<u>2012</u>
\$411,923,919	\$357,803,456	\$337,949,420

(b) The deductions or exceptions of the County from amounts set forth in Paragraph 3(a) for each of the three fiscal years next preceding the date of this Certificate were as follows:

<u>Deduction or Exception</u>	<u>FISCAL YEAR</u>		
	<u>2010</u>	<u>2011</u>	<u>2012</u>
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (1) of the Act	\$ -0-	\$ -0-	\$ -0-
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (2) of the Act	\$ 1,039,868	\$ 756,194	\$ 963,744
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (3) of the Act	\$ -0-	\$ -0-	\$ -0-
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (4) of the Act	\$ -0-	\$ -0-	\$ -0-
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (5) of the Act	<u>\$ 59,012,172</u>	<u>\$ 17,131,860</u>	<u>\$ 1,334,288</u>
Total Deductions or Exceptions	\$ 60,052,040	\$ 17,888,054	\$ 2,298,032

(c) "Total Revenues", as defined in the Act, for each of the three fiscal years next preceding the date of this Certificate were as follows:

<u>FISCAL YEAR</u>		
<u>2010</u>	<u>2011</u>	<u>2012</u>
\$351,871,879	\$339,915,402	\$335,651,388


the total of which is \$1,027,438,669; and

(d) The arithmetic average of such Total Revenues for the three fiscal years next preceding the date of this Certificate is \$342,479,556.

4. I have made due investigation of the matters set forth herein and in my opinion, the amounts set forth present fairly the "Total Revenues" and the Borrowing Base of the County.

IN WITNESS WHEREOF, I hereunto execute this Borrowing Base Certificate this 27th day of November, 2013.

COUNTY OF DAUPHIN
Commonwealth of Pennsylvania

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Chairman, Board of Commissioners

**COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA**

DEBT STATEMENT

TO: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMONWEALTH OF PENNSYLVANIA

RE: COUNTY OF DAUPHIN, PENNSYLVANIA

We, the undersigned, Chairman of the Board of Commissioners and Chief Clerk of the County of Dauphin, Pennsylvania (the "County"), make this Debt Statement, under oath or affirmation, in compliance with provisions of Section 8110 of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the "Act"), as follows:

1. This Debt Statement is made as of November 1, 2013, such date being less than sixty (60) days before the filing thereof.

2. The existing gross indebtedness of the County after giving prospective effect to Section 8250(b) of the Act and the incurrence of the new debt is:

a.	Electoral Debt:	\$	-0-
b.	Nonelectoral Debt:	\$	147,739,223
	(i) Liquid Fuels Revenue Note, Series of 2013 (Dauphin County Infrastructure Bank)	\$	4,272,723 ¹
	(ii) General Obligation Bonds, Series of 2013	\$	15,905,000 ²
	(iii) Bond Anticipation Note, Series of 2010	\$	34,746,500 ³
	(iv) General Obligation Bonds, Series of 2010	\$	34,035,000 ⁴
	(v) General Obligation Bonds, Series of 2009	\$	19,860,000 ⁵
	(vi) General Obligation Bonds, Series of 2006	\$	16,035,000 ⁶

¹ Nonelectoral debt for which this Debt Statement is a part of the Application for Approval by the Pennsylvania Department of Community and Economic Development (the "Department") pursuant to the Act.

² Approved by the Department on April 8, 2013 (Approval No. GOB-13040802).

³ Approved by the Department on November 29, 2010 (Approval No. BAN-124).

⁴ Approved by the Department on April 15, 2010 (Approval No. GOB-17432).

⁵ Approved by the Department on October 14, 2009 (Approval No. GOB-17210).

⁶ Approved by the Department on July 5, 2006 (Approval No. GOB-16325).

	(vii)	General Obligation Bonds, Series of 2005	\$	22,515,000 ⁷
	(viii)	General Obligation Bonds, Series of 2004	\$	370,000 ⁸
c.		Lease Rental Debt:	\$	239,981,070.40
	(i)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2013	\$	8,360,000 ⁹
	(ii)	County Guaranty of Lancaster County Solid Waste Management Authority Guaranteed Authority Bonds, Series B of 2013	\$	24,000,000 ¹⁰
	(iii)	County Guaranty of Pennsylvania Economic Development Financing Authority Parking Revenue Bonds, Series B of 2013	\$	99,000,000 ¹¹
	(iv)	County Guaranty of Pennsylvania Economic Development Financing Authority Parking Revenue Bonds, Series C of 2013	\$	71,000,000 ¹²
	(v)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2012	\$	5,900,000 ¹³
	(vi)	County Guaranty of Dauphin County General Authority's Guaranty, Series of 2011	\$	10,921,583.61 ¹⁴
	(vii)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2010	\$	275,100 ¹⁵

⁷ Approved by the Department on July 29, 2005 (Approval No. GOB-16008).

⁸ Approved by the Department on May 18, 2004 (Approval No. GOB-15534).

⁹ Lease Rental Debt proceedings currently pending before the Department.

¹⁰ Approved by the Department on November 18, 2013 (Approval No. LRA-13111801).

¹¹ Lease Rental Debt proceedings currently pending before the Department.

¹² Lease Rental Debt proceedings currently pending before the Department.

¹³ Approved by the Department on December 4, 2012 (Approval No. LRA-12120405).

¹⁴ Approved by the Department on September 28, 2011 (Approval No. LRA-5158).

¹⁵ Approved by the Department on December 2, 2010 (Approval No. LRA-5055).

(viii)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2010	\$ 1,345,833.05 ¹⁶
(ix)	County Guaranty of Dauphin County General Authority's Guaranty, Series of 2009	\$ 5,315,000 ¹⁷
(x)	County Guaranty of Dauphin County Industrial development Authority's Guaranteed Lease Revenue Note, Series of 2007 (5929 Stevenson Avenue Project)	\$ 633,750 ¹⁸
(xi)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2007	\$ 290,500 ¹⁹
(xii)	County Guaranty of The Harrisburg Authority's University Revenue Bonds, Series of 2007 (The Harrisburg University of Science and Technology Project)	\$ 10,500,000 ²⁰
(xiii)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2006	\$ 562,500 ²¹
(xiv)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2004	\$ 61,803.74 ²²
(xv)	County Guaranty of Dauphin County Economic Development Corporation's Guaranteed Parking Revenue Note, Series of 2004	\$ 1,815,000 ²³

¹⁶ Approved by the Department on December 2, 2010 (Approval No. LRA-5054).

¹⁷ Approved by the Department on October 30, 2009 (Approval No. LRA-4938).

¹⁸ Approval by the Department on November 27, 2007 (Approval No. LRA-4692).

¹⁹ Approval by the Department on August 14, 2007 (Approval No. LRA-4658).

²⁰ Approved by the Department on November 17, 2006 (Approval No. LRA-4570).

²¹ Approved by the Department on March 24, 2006 (Approval No. LRA-4481).

²² Approved by the Department on November 3, 2004 (Approval No. LRA-4258).

²³ Approved by the Department on March 5, 2004 (Approval No. LRA-4140).

(xvi) County Guaranty of The Harrisburg Authority's Resource Recovery Facility Revenue Bonds, Series D and E of 2003	\$ 0.00 ²⁴
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Total Debt	<u>\$ 387,720,293.40</u>
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3. The County claims, in this Debt Statement, credits and exclusions from or against the total gross indebtedness, as such is set forth in Paragraph 2, in determining the net debt of the County, as follows:

a. Nonelectoral Debt:	\$ -0-
b. Lease Rental Debt:	\$ 170,000,000 ²⁵
(i) County Guaranty of Pennsylvania Economic Development Financing Authority Parking Revenue Bonds, Series B of 2013	\$ 99,000,000 ²⁶
(ii) County Guaranty of Pennsylvania Economic Development Financing Authority Parking Revenue Bonds, Series C of 2013	\$ 71,000,000 ²⁷

Total Credits and Exclusions	<u>\$ 170,000,000</u>
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4. The County reserves the right to claim additional credits and exclusions, including exclusions for subsidized or self-liquidating debt, in any future Debt Statement filed by the County in connection with any future debt incurred by the County.

5. The aggregate principal amount of debt to be issued as nonelectoral debt is \$4,272,723 and will be evidenced by said Liquid Fuels Revenue Note, Series of 2013 (Dauphin County Infrastructure Bank) as set forth in paragraph 2(b)(i) of this Debt Statement (the "Note").

6. The total debt of this County after taking into account the exclusions claimed as set forth in Paragraph 3 hereof, if any, and after issuance of the Note is \$217,720,293.40.

7. The borrowing base of the County as shown on the appended Borrowing Base Certificate attached hereto and made a part hereof is \$342,479,556.

8. The applicable net nonelectoral debt limit and net nonelectoral debt plus net lease rental debt limit, computed as provided in the Act, is:

²⁴ Approved by the Department on December 9, 2003 (Approval No. LRA-4096). This debt, totaling \$105,245,000, will be extinguished when the Lancaster County Solid Waste Management Authority acquires the Harrisburg Incinerator as part of the "Harrisburg Strong" Plan, as approved by Commonwealth Court.

²⁵ Approval No. E-3449, approved on December 9, 2003, will no longer be claimed. The County does not have any other outstanding exclusions previously approved by the Department. However, the County has filed exclusion proceedings relating to its \$99,000,000 and \$71,000,000 lease rental debt proceedings currently before the Department for review.

²⁶ Exclusion approval currently pending before the Department.

²⁷ Exclusion approval currently pending before the Department.

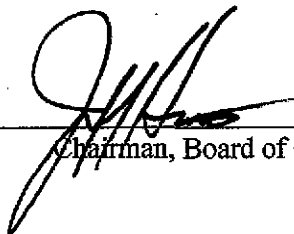
Net nonelectoral debt limit -- $\$342,479,556 \times 300\% = \$1,027,438,669$

Net nonelectoral debt plus

net lease rental debt limit -- $\$342,479,556 \times 400\% = \$1,369,918,225$

IN WITNESS WHEREOF, we, the Chairman of the Board of Commissioners and the Chief Clerk of the County of Dauphin, Pennsylvania, being duly authorized to prepare, verify and file this Debt Statement, hereunto set our hands this 27th day of November, 2013.

COUNTY OF DAUPHIN, PENNSYLVANIA



Chairman, Board of Commissioners



Chief Clerk

(SEAL)

COMMONWEALTH OF PENNSYLVANIA

:
: SS
:

COUNTY OF DAUPHIN

We, Jeffrey T. Haste and Laura E. Evans, Esquire, being duly sworn according to law, depose and say: that we are Chairman of the Board of Commissioners and Chief Clerk of the County of Dauphin, Pennsylvania; respectively; that we prepared and executed the foregoing Debt Statement; and that the facts contained in the foregoing Debt Statement are true and correct.



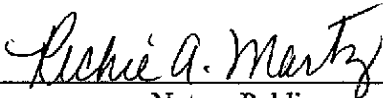
Chairman, Board of Commissioners



Chief Clerk

SWORN TO AND SUBSCRIBED

before me, a Notary Public,
this 27th day of November, 2013.



Notary Public

My Commission Expires:

(SEAL)

