

MUNICIPALITY OF MONROEVILLE
ALLEGHENY COUNTY, PENNSYLVANIA
ORDINANCE NO. 1880

AN ORDINANCE AUTHORIZING THE MUNICIPALITY OF MONROEVILLE, COUNTY OF ALLEGHENY, PENNSYLVANIA, TO INCUR NON-ELECTORAL DEBT IN THE AMOUNT OF \$50,000.00 BY ENTERING INTO A GENERAL OBLIGATION NOTE FROM THE AUTHORITY FOR IMPROVEMENTS IN MUNICIPALITIES (AIM) IN THE AMOUNT OF \$50,000.00 FOR THE PURPOSE OF PURCHASING A SEWER CLEANING MACHINE (VACTOR); FIXING THE FORM, NUMBER, DATE, INTEREST AND MATURITY THEREOF, AUTHORIZING THE MAKING OF A COVENANT FOR THE PAYMENT OF THE DEBT; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENTS; AND AUTHORIZING THE EXECUTION, SALE AND DELIVERY THEREOF.

WHEREAS, it is desirable that the Municipality of Monroeville (hereinafter called "Municipality") incur debt in the amount of \$50,000.00 for the purpose of purchasing a vactor; and

WHEREAS, the Municipality of Monroeville has received a bid in the amount of \$139,000.00 indicating the sum of \$50,000.00 will be needed to complete the project; and

WHEREAS, the proposed non-electoral debt together with its non-electoral indebtedness and any lease rental indebtedness presently outstanding, will not cause the limitation of the Municipality's debt incurring power, pursuant to constitutional and statutory authority, to be exceeded.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Municipality of Monroeville as follows:

SECTION 1. That the aggregate principal amount of the Note is \$50,000.00, same to be issued for the foregoing purpose and same to be incurred as "non-electoral debt".

SECTION 2. The period of useful life of the equipment of which this obligation is to be issued is estimated to be in excess of ten (10) years.

SECTION 3. Said indebtedness shall be evidenced by one general obligation Note (known as the AIM Loan Agreement and attached hereto), in proper form, in the principal sum of \$50,000.00, dated and bearing interest from the earliest date of possible issue of said Note under the statutory time requirements as set forth in the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978; being Act 52 of 1978 Session, at the rate of interest of three (3%) percent per annum, payable annually on the unpaid balance of said Note on the anniversary date of said Note during the term of said Note, together with interest on overdue principal, and to the extent permitted by law, on overdue penalty interest, at the rate of fifteen (15%) percent per annum (computed on the basis of 365 days to the year) until paid, which Note shall mature in installments on the annual anniversary dates of said Note; the approximate amount of principal maturing on said annual anniversary dates will be \$10,000.00 per year.

It is further acknowledged that the Loan Agreement has a litigation clause which the Municipality acknowledged and which clause calls for payment by the Municipality of the AIM Solicitor in the event of any litigation cause by the borrower's delinquencies.

The Municipality reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

SECTION 4. The Municipality agrees that it shall include the amount of the debt service on the Note for each fiscal year in which sums are payable in its budget for that year; shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid the principal of the Note and the interest thereon at the dates and places and in the manner stated in the Note according to the true intent and meaning thereof, and for such proper budgeting, appropriation and payment, the full faith, credit and taxing power of the Municipality is hereby irrevocably pledged.

SECTION 5. The form of said Note shall be the Loan Agreement which is attached hereto and incorporate in this Ordinance as part and parcel thereof, showing the obligation arising out of the Loan Agreement to the Municipality.

SECTION 6. The said Note shall be executed and guaranteed in the name and under the corporate seal of the Municipality by its Mayor and attested to by the Mayor. The Mayor and Manager of the Municipality are authorized and directed to prepare, certify and file the Debt Statement required by Section 410 of Act 52 of 1978, and to take other necessary action, including, if necessary or desirable, any statement required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 7. In compliance with Section 701 of Act 52 of 1978, the members of the governing body have agreed that private sale by negotiation rather than public sale is in the best interest of the Municipality. Therefore, the general obligation Note in the amount of \$50,000.00, herein authorized to be issued and sold, is hereby awarded and sold to the Authority for Improvements in Municipalities (AIM) in accordance with AIM's proposal to purchase the Note at Par; provided the said Note is dated the date of delivery thereof to AIM and is in the form set forth in the attached Loan Agreement between AIM and the Municipality; and further provided that the proceedings have been approved by the Department of Community Affairs if such approval is required under the provisions of the Act.

SECTION 8. The action of the proper officers and the advertising of a summary of the Ordinance as required by law in a newspaper of general circulation is ratified and confirmed. The advertisement in said paper of the enactment of the ordinance is hereby directed within fifteen (15) days following the day of final enactment.

It is further acknowledged that for the consideration given by AIM, the Loan Agreement contains an indemnification clause for AIM, its officers, directors, administrators, employees and their successors and assigns.

SECTION 9. All Ordinances or parts of Ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

ORDAINED AND ENACTED this 8th day of March, 1994.

ATTEST:

MUNICIPALITY OF MONROEVILLE

By Mary Ann Nau
Mary Ann Nau
Municipal Manager

By: Thomas R. Schuergor
Thomas R. Schuergor
Mayor

ENTERED INTO LEGAL BOOKS: MARCH 18, 1994