

**BOARD OF SUPERVISORS  
WORCESTER TOWNSHIP**

**MONTGOMERY COUNTY, PENNSYLVANIA**

**ORDINANCE NO. 14-250**

**AN ORDINANCE AMENDING ORDINANCE NO. 2013-246 AND AUTHORIZING AN AMENDMENT TO THE TOWNSHIP'S GENERAL OBLIGATION NOTE, SERIES OF 2013, IN THE PRINCIPAL AMOUNT OF \$2,500,000 ("NOTE"), TO EXTEND THE LENGTH OF THE INTEREST ONLY PAYMENT PERIOD; ALL OTHER TERMS AND CONDITIONS OF ORDINANCE NO. 2013-246 AND THE NOTE, INCLUDING THE INTEREST AND MATURITY THEREOF, SHALL REMAIN THE SAME.**

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**WHEREAS**, on July 17, 2013, the Worcester Township Board of Supervisors enacted Ordinance No. 2013-246 authorizing, among other things, the issuance of the Township's General Obligation Note, Series of 2013 (the "Note") in the principal amount of \$2,500,000, and the purchase of the Note by Univest Bank and Trust Co. ("Univest") pursuant to its proposal; and

**WHEREAS**, the Note was issued by the Township to undertake certain capital projects (the "Project") of the Township including, without limitation: (1) financing certain capital projects, including, without limitation, renovations to and expansion of the Township's Valley Green Waste Water Treatment Plant; and (2) paying the costs and expenses related to the issuance of the Note; and

**WHEREAS**, due to unforeseen circumstances, the commencement of renovations to and the expansion of the Township's Valley Green Waste Water Treatment Plan have been delayed; and

**WHEREAS**, as a result of such delay, Univest is willing to extend the length of time during which monthly payments of interest only are required by the Note; and

**WHEREAS**, consistent therewith, Univest has provided the Township with a commitment letter which provides for such extension of the interest only period, and the Township desires to take all necessary action to amend Ordinance No. 2013-246 and the Note to extend the interest only period consistent with the commitment.

**NOW, THEREFORE**, the Board of Supervisors of Worcester Township does hereby **ENACT** and **ORDAIN** as follows:

**SECTION I. – Amendment to Note**

The Township hereby approves an amendment to the Note to provide for the extension the length of time during which monthly payments of interest only are required by the Note, as more particularly set forth in the commitment letter from Univest dated July 14, 2014, a true and correct copy of which is attached hereto as Exhibit “A”. All other terms and conditions of the Note, including the interest rate and maturity thereof, shall remain the same. The Chairman or Vice-Chair of the Board of Supervisors, and the Secretary of the Township, are hereby authorized to execute all necessary and proper documents to amend the Note consistent with this Ordinance and the commitment letter attached hereto, including, without limitation, IRS Form 8038-G.

**SECTION II. – Advertisement of Ordinance**

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

### **SECTION III. – Tax Covenant**

In accordance with the Internal Revenue Code of 1986 (the "Code"), the Township hereby represents and warrants, after due investigation and to the best of its knowledge, that: (i) the Note is not "private activity bonds" within the meaning of Section 141 of the Code, and (ii) the aggregate face amount of "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code (which includes qualified 501(c)(3) bonds but not any other private activity bonds) issued or to be issued by the Township (and all other issuers which must be aggregated with the Township pursuant to the Code) during the 2014 calendar year (including the Note, but excluding current refunding obligations not required to be taken into account for purposes of that Section of the Code and further excluding those bonds "deemed designated" under the Code), is not reasonably expected to exceed \$10,000,000. To the extent not "deemed designated," the Township hereby designates the Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code.

### **SECTION IV. – Amendment to and Ratification of Ordinance No. 2013-246**

Ordinance No. 2013-246 is hereby amended to extend the length of time during which monthly payments of interest only are required by the Note, consistent with the terms and conditions of this Ordinance. All terms and conditions of Ordinance No. 2013-246, except to the extent inconsistent herewith, are hereby reaffirmed and ratified.

### **SECTION V. – Severability**

The provisions of this Ordinance are intended to be severable, and if any section, sentence, clause, part or provision hereof shall be held illegal, invalid or unconstitutional by any court of competent jurisdiction, such decision of the court shall not affect or impair the remaining sections, sentences, clauses, parts or provisions of this Ordinance. It is hereby

declared to be the intent of the Board that this Ordinance would have been adopted even if such illegal, invalid or unconstitutional section, sentence, clause, part or provision had not been included herein.

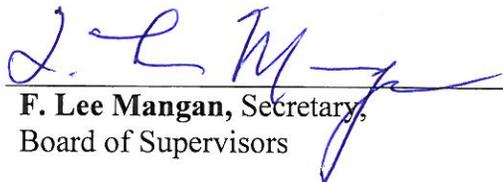
**SECTION VI. – Effective Date**

This Ordinance shall take effect and be in force from and after its approval as required by the law.

**ORDAINED AND ENACTED** by the Board of Supervisors of Worcester Township, Montgomery County, Pennsylvania, this 20th day of August, 2014.

**WORCESTER TOWNSHIP**

By:   
**Arthur C. Bustard**, Chairman,  
Board of Supervisors

Attest:   
**F. Lee Mangan**, Secretary,  
Board of Supervisors