

Borough of West Newton
Westmoreland, County, Pennsylvania

ORDINANCE NO. 2024-6

AN ORDINANCE INCREASING THE INDEBTEDNESS OF THE BOROUGH OF WEST NEWTON, WESTMORELAND COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION LOAN IN THE MAXIMUM PRINCIPAL AMOUNT OF \$143,663.48 FOR PURPOSES OF FINANCING OF THE REPLACEMENT AND REPAIR OF THE SEWAGE PLANT AERATION SYSTEM; FIXING THE FORM, NUMBER, DATE, INTEREST, AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE LOAN; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENT; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND DEPOSITORY FOR THE NOTE; AND AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF.

WHEREAS, it is necessary that the indebtedness of the Borough of West Newton, Westmoreland County, Pennsylvania be increased for the financing of the replacement and repair of the Sewage Plant aeration system (“Project”); and

WHEREAS, the local government unit has received preliminary realistic cost estimates from professional consultants indicating the sum of \$143,664.48 will be needed complete the transaction; and

WHEREAS, the Borough intends to take on this debt s nonelectoral debt; and

WHEREAS, the proposed increase of debt, together with the Local Governmental Unit’s nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Local Governmental Unit’s debt incurring power, pursuant to constitutional and statutory authority, to be exceeded.

NOW THEREFORE, BE IT ORDAINED AND ENACTED by the Council for the Borough of West Newton, Westmoreland County, Pennsylvania, and it is hereby ordained and enacted by the authority of same as follows:

SECTION 1. It is necessary that the indebtedness of the Borough of West Newton, County, Pennsylvania, be increased for the purpose of constructing the Project; The aggregate principal amount of the Note propose to be issues is \$143,663.48, same to be issued for the foregoing purposes and same to be incurred as nonelectoral debt.

SECTION 2. The period of useful life of the improvements for which this obligation is to be issued is estimated to be in excess of 50 years.

SECTION 3. Said indebtedness shall be evidenced by one General Obigation Note, in fully registered form, in a sum not to exceed \$143,663.48 (the “Note”) bearing interest from the earliest date of possible issue of said Note under the statutory requirements 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 and known as the Local Government Unit Debt Act (the "Act") at the rate of interest of 6.75% per annum, payable on the unpaid balance of said Note on _____ during the term of said Note, with interest on overdue principal, and to the extent permitted by law, on overdue interest, at the rate of 6.75% per annum (computed on the basis of 365 days to the year) until paid, which Note shall mature in installments on the anniversary date of said Note as shown on **Exhibit A**.

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

The principal and interest of the Note shall be payable at the office of the sinking fund depository selected for the Bond as hereinafter provided.

SECTION 4. The Note is hereby declared to be a general obligation of the Local Government Unit. The Local Government Unit hereby covenants that it shall include the amount of debt service on the Note for each fiscal year in which such 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 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 Local Government Unit is hereby irrevocably pledged.

Further, the Local Government Unit hereby covenants to pay in each of the following fiscal years in respect to the Loan, including the principal maturity and interest are set forth in **EXHIBIT B** attached hereto and incorporated herein by reference thereto.

SECTION 5. The form of the Note shall be substantially set forth in the attached **Exhibit N**.

SECTION 6. The Loan shall be executed in the name and under the corporate seal of the Local Government Unit by the Council President attested to by the Secretary. Each of the Secretary and the Treasurer are hereby authorized and directed to deliver Loan to Commercial Bank & Trust of PA, and receive payment therefor on behalf of the Local Government Unit. The Council President and the Secretary of the Local Government Unit are authorized and directed to prepare, verify and file the debt statement required by Section 8110 of the Act and to take other necessary action, including filing any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 7. Commercial Bank & Trust of PA (Bank or Bank and Trust Company) is hereby designated as the Sinking Fund Depository for the obligation herein authorized, and there is hereby created and established a Sinking Fund, to be known as "Sewage Plant Aeration Loan 2024" for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The Treasurer shall deposit into the Sinking Fund, which shall be maintained until such obligation is paid in full, sufficient amounts for payment of principal and interest on the obligation no

later than the date upon which such payments shall become due. The Bank shall, as and when said payments are due, without further action by the Local Government Unit, withdraw available monies in the Sinking Fund and apply said monies to payment of principal and interest on the obligation.

SECTION 8. The Council President and Secretary of the local government unit are hereby authorized to contract with Commercial Bank & Trust of PA (Bank or Bank and Trust Company) for its services as Sinking Fund Depository for the Loan and paying agent for the same.

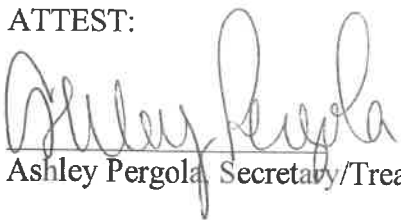
SECTION 9. In compliance with Section 8161 of the Act, the members of the governing body have determined that a private sale by negotiation rather than public sale is in the best financial interest of the Local Government Unit. Therefore, the Loan in the amount not to exceed \$143,663.48 herein authorized to be issued and sold is hereby awarded and sold to the Bank in accordance with its proposal to purchase the Loan at par; provided it is dated the delivery thereof to the Bank and is in the form set forth in this Ordinance as **EXHIBIT A**; and further provided that the proceedings have been approved by the Department of Community and Economic Development if such approval is required under the provisions of the Act, and subject to such further terms and conditions set forth in the Loan Offer attached hereto as **EXHIBIT C** and made a part hereof by reference.

SECTION 10. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Mon Valley Independent, 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.

SECTION 11. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.


ORDAINED AND ENACTED THIS 9TH day of September, 2024.

ATTEST:


Ashley Pergola, Secretary/Treasurer

BOROUGH OF WEST NEWTON

By:


Jason Cooper,
Council President

Examined and approved this 9th day of
September, 2024

BY: Mary Popovich, Mayor
Mary Popovich, Mayor

CERTIFICATE

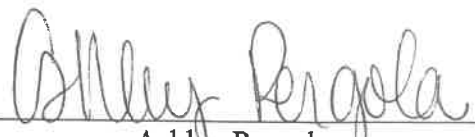
I, the undersigned Secretary of West Newton Borough, Westmoreland County, Pennsylvania, do hereby certify that the foregoing and attached is a true and correct copy of an Ordinance of said local government unit, which was duly enacted by the affirmative vote of the members of the governing body at a meeting thereof duly called and held on the 9th day of September, 2024, after due notice to the members and to the public and which was at all times open to the public, that the same was examined and approved by the members of the governing body and was duly recorded in the Ordinance Book of said local government unit and was published as required by law in the Mon Valley Independent, a newspaper of general circulation in said local government unit.

I further certify that the total number of members of the governing body of the local government unit is seven; that the vote upon said Ordinance was called and duly recorded on the minutes of said meeting and that the members voted in the manner following:

Cooper	yes
Palfey	yes
Berarducci	yes
Johnson	yes
Eckels	yes
Shincovich	yes
Roebuck	not present

WITNESS my hand and the seal of the Borough of West Newton, Westmoreland County, Pennsylvania, this 9th day of September, 2024.

SEAL



Ashley Pergola,
Secretary/Treasurer

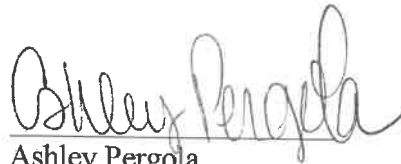
CERTIFICATE

I HEREBY CERTIFY that the attached is a true copy of an ordinance passed finally at a meeting of the Council for the Borough of West Newton, Westmoreland County, Pennsylvania, on Sept. 9th, 2024; that said meeting above referred to was held with proper notice having been given to members and to the public, and was at all times open to the public; that said ordinance was duly signed by the President, attested by the Secretary, and has been duly recorded in the Ordinance Book of the said local government unit.

I FURTHER CERTIFY that a copy of the ordinance was available for inspection by any citizen in the office of the Secretary.

WITNESS my hand and seal of the Borough of West Newton, Westmoreland, County, Pennsylvania, on this 9 th day of Sept., 2024.

SEAL


Ashley Pergola,
Borough Secretary