ORDINANCE NO. 36

ORDINANCE AUTHORIZING IN CURRING OF LEASE RENTAL DEBT OF THE COUNTY IN THE AMOUNT OF UP TO $1,500,000 FOR THE PURPOSE OF ASSISTING Bucks County Community College Authority in obtaining funds for and toward the constructing and equip- ping of a Student Union Building addition and alterations; fixing the estimated useful life thereof; approving and authorizing execution and delivery of Third Supplemental Lease, Third Supplemental Sublease and Assignment; authorizing preparation and filing of debt statement, borrowing base certificate and application for approval of department of community affairs for exclusion of subsidized debt; and repealing or rescinding in- consistent ordinances or resolutions or parts there- of.

WHEREAS, Bucks County Community College Authority (the "Authority") has undertaken as its fourth project the constructing of a Student Union Building addition and alterations for the Bucks County Community College (the "Project"), which Project is to be leased to the County of Bucks (the "County") under an Agreement and Lease dated June 15, 1965, as amended and supplemented by a first Supplemental Agreement and Lease dated August 15, 1966, a Second Supplemental Agreement and Lease dated June 1, 1970 and a Third Supplemental Agreement and Lease to be dated May 15, 1974, all be- tween the Authority and the County; and

WHEREAS, the Board of County Commissioners of the County has determined to increase the lease rental debt of the County in the amount of up to $1,500,000 for the purpose stated in the caption and Section 1 hereof, by execution of the aforesaid Third Supplemental Agreement and Lease to secure an issue of College Building Revenue Bonds, Series of 1974, of the Authority in the amount of up to $1,500,000, including up to $10,000 in the denomination of $100, (the "1974 Series Bonds"); and

WHEREAS, there has been prepared and submitted to this Board of County Commissioners, a form of the said Third Supplemental Agreement and Lease (the "Third Supplemental Lease") to be dated May 15, 1974, between the Authority and the County, setting forth the terms and conditions under which the Authority will lease the Project to the County for use as part of the community college; and
WHEREAS, the Project is to be subleased by the County to the Bucks County Community College (the "Community College") under an Agreement and Lease dated June 15, 1965, as amended and supplemented by a First Supplemental Agreement and Lease dated August 15, 1966, by a Second Supplemental Agreement and Lease dated June 1, 1970 and a Third Supplemental Agreement and Lease to be dated May 15, 1974, all between the County and the Community College; and

WHEREAS, there has been prepared and submitted to this Board of County Commissioners, a form of the said Third Supplemental Agreement and Lease (the "Third Supplemental Sublease") to be dated May 15, 1974, between the County and the Community College, setting forth the terms and conditions under which the County will lease the Project to the Community College for use as part of a community college; and

WHEREAS, there has also been prepared and submitted to this Board of County Commissioners, a form of Assignment (the "Assignment") under which the County assigns, transfers, and sets over unto Girard Trust Bank, as trustee (the "Trustee"), under a Trust Indenture dated June 15, 1965, as amended and supplemented by a First Supplemental Trust Indenture dated August 15, 1966, a Second Supplemental Trust Indenture dated June 1, 1970 and a Third Supplemental Trust Indenture to be dated May 15, 1974, all between the Authority and the Trustee, all right, title and interest of the County in and to the Third Supplemental Sublease as well as all the fixed rental and contributions payable or which may become payable thereunder, to be held in trust and applied by said Trustee as provided in the Indenture.

NOW, THEREFORE, IT IS HEREBY ENACTED AND ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF BUCKS, that:

1. The authorized debt of the County is hereby increased in the sum of up to $1,500,000, consisting of lease rental debt, which together with the other lease rental debt and other debt of the County now existing will not result in a violation of the limitations of the Constitution of the Commonwealth of Pennsylvania or of the Local Government Unit Debt Act, Act. No. 185 of 1972, as amended
(the "Act"). Said lease rental debt is to be incurred for the purpose of assisting the Authority in obtaining funds for and toward the cost of constructing and equipping the Project.

2. The maximum amount of bonds to be secured by rentals payable under the Third Supplemental Lease is $1,500,000, being the above-mentioned 1974 Series Bonds of the Authority. The 1974 Series Bonds are to be issued under the Authority's Trust Indenture dated June 15, 1974, as amended and supplemented by a First Supplemental Trust Indenture dated August 15, 1966, a Second Supplemental Trust Indenture dated June 1, 1970 and a Third Supplemental Trust Indenture to be dated May 15, 1974 (collectively the "Indenture"), which provides that all Bonds issued under the Indenture shall be secured by the pledge of rentals payable by the County under the Lease.

3. The above-mentioned debt to be incurred by the County shall be lease rental debt.

4. The estimated useful life of the Project is not less than thirty (30) years.

5. The said Third Supplemental Lease is hereby approved in substantially the form presented to this Board of County Commissioners with such changes, if any, as may be approved by the Commissioners executing the same, whose execution thereof shall be conclusive evidence of such approval.

6. The County Commissioners, or any two of them, shall execute the Third Supplemental Lease and the Chief Clerk of the County is hereby authorized and directed to affix to the Third Supplemental Lease and attest the seal of the County and then to deliver the same on behalf of the County.

7. The lease rentals to be paid by the County under the Third Supplemental Lease are as follows:

<table>
<thead>
<tr>
<th>Amount of Fixed Rental</th>
<th>Date of Payments (on or before)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$52,750</td>
<td>November 15, 1974 and May 15, 1975</td>
</tr>
<tr>
<td>55,250</td>
<td>November 15, 1975, May 15 and November 15 of each of the years 1976 to 1978, inclusive, and May 15, 1979</td>
</tr>
</tbody>
</table>
8. The said Third Supplemental Sublease is hereby approved in substantially the form presented to this Board of County Commissioners with such changes, if any, as may be approved by the Commissioners executing the same, whose execution thereof shall be conclusive evidence of such approval.

9. The County Commissioners, or any two of them, shall execute the Third Supplemental Sublease and the Chief Clerk of the County is hereby authorized and directed to affix the the Third Supplemental Sublease and attest the seal of the County and them to deliver the same on behalf of the County.

10. The above-mentioned Assignment is hereby approved in the form presented to this Board of County Commissioners, with such changes, if any, as may be approved by the Commissioners executing the same, whose execution thereof shall be conclusive evidence of such approval, and the Chief Clerk of the County is hereby authorized and directed to affix the seal of the County to said Assignment and to attest the same and then to deliver the Assignment to the Trustee.

11. The Chief Clerk is hereby authorized and directed to prepare, to cause to be executed by the appropriate County officials and to file with the Department of Community Affairs of the Commonwealth of Pennsylvania a Debt Statement of the County with an appended Borrowing Base Certificate, certified by the County Controller, and all other documents required by the Act in connection with the execution and delivery of the Third Supplemental Lease; and said officers are hereby authorized to prepare and file any statements required by Article II of the Act necessary to qualify the debt authorized hereby, or so much thereof as may be qualified, for exclusion from the appropriate debt limit of the County as subsidized debt.
12. This ordinance shall become effective on the earliest date permitted by the Act.

13. If any part of this ordinance shall be held to be illegal or invalid, that shall not affect any other parts hereof, all of which shall be construed as if the illegal or invalid part had not been included herein.

14. All ordinances and resolutions or parts thereof insofar as they are inconsistent herewith are hereby repealed or rescinded.

ENACTED AND ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF BUCKS this 16th day of April, 1974.

COUNTY OF BUCKS

By: [Signature]
Chairman

[Seal]
County Commissioners
of the County of Bucks

Attest: [Signature]
Chief Clerk