

RECONVENED MEETING OF THE
LANCASTER COUNTY COMMISSIONERS
JULY 28, 2016 AT 3:30 P.M.



1. Meeting Called to Order: The July 20, 2016 Commissioners' Meeting will be reconvened by Commissioner Dennis Stuckey on July 28, 2016 at 3:30 p.m.
2. Old Business:
 - a. **Ordinance No. 121 of 2016**
Donna Kreiser, Esquire, McNees Wallace and Nurick
Tim Horstmann, Esquire, McNees Wallace and Nurick
3. Adjourn

**ORDINANCE NO. 121
OF THE BOARD OF COMMISSIONERS
OF THE
COUNTY OF LANCASTER, PENNSYLVANIA**

APPROVING CERTAIN AMENDMENTS TO ORDINANCE NO. 108 OF THE COUNTY ENACTED ON JULY 10, 2013; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE CONTINUING COVENANT AGREEMENT DATED AUGUST 1, 2013, BETWEEN THE COUNTY OF LANCASTER, PENNSYLVANIA AND WELLS FARGO MUNICIPAL CAPITAL STRATEGIES, LLC IN CONNECTION WITH THE COUNTY'S GENERAL OBLIGATION BONDS, SERIES C OF 2013; AUTHORIZING THE OFFICIALS OF THE COUNTY TO TAKE OTHER APPROPRIATE ACTION; SEVERABILITY OF PROVISIONS AND STATING EFFECTIVE DATE.

On motion of Commissioner _____, seconded by Commissioner _____;

WHEREAS, by Ordinance No. 108, enacted on July 10, 2013 ("Ordinance No. 108"), the County of Lancaster, Pennsylvania (the "County"), authorized, *inter alia*, the current refunding of the County's General Obligation Bonds, Series of 2005, through the issuance of its General Obligation Bonds, Series C of 2013 (the "2013C Bonds"); and

WHEREAS, all capitalized terms used in this Ordinance and not defined herein shall have the meanings set forth in Ordinance No. 108; and

WHEREAS, in accordance with Ordinance No. 108 the County sold the 2013C Bonds to Wells Fargo Municipal Capital Strategies, LLC (the "Bank"), and in connection with such sale entered into a Continuing Covenant Agreement dated August 1, 2013 (the "Continuing Covenant Agreement"), with the Bank; and

WHEREAS, under Ordinance No. 108 the 2013C Bonds were originally issued as Index Rate Bonds bearing interest at the LIBOR Index Rate during the Initial Period; and

WHEREAS, pursuant to Ordinance No. 108 the Initial Period will end on the Initial Bank Purchase Date, which is August 1, 2016; and

WHEREAS, the County and the Bank desire to, *inter alia*, extend the Initial Bank Purchase Date to August 1, 2019 and in connection therewith will enter into a First Amendment to Continuing Covenant Agreement dated July 28, 2016 (the "Amended Continuing Covenant Agreement"), and

WHEREAS, the County desires to amend Ordinance No. 108 to extend the Initial Bank Purchase Date and to make certain other changes, as set forth below; and

WHEREAS, the Bank, as the sole owner of the 2013C Bonds, is willing to consent to the changes to Ordinance No. 108 on the terms set forth in the Amended Continuing Covenant Agreement.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED, by the Board of Commissioners of the County of Lancaster, Pennsylvania, as follows:

Section 1. Amendment of Ordinance No. 108. The County hereby approves the following amendments of Ordinance No. 108:

(a) Article I, Section 1.01: The definition of the term “Applicable Spread” is deleted and replaced with the following:

“Applicable Spread” means, with respect to each Index Rate Period, the following:

(a) *During the Initial Period, initially 60 basis points (0.60%); provided, however, that in the event of any change in any credit rating assigned to the long-term unenhanced general obligation debt of the County by Moody’s or S&P, the Applicable Spread shall be the number of basis points associated with such new rating as set forth in the following schedule:-*

<i>Tier</i>	<i>Credit Ratings (Moody’s/S&P)</i>	<i>Applicable Spread</i>
<i>I</i>	<i>A1/A+ or above</i>	<i>60bps</i>
<i>II</i>	<i>A2/A</i>	<i>75bps</i>
<i>III</i>	<i>A3/A-</i>	<i>90bps</i>
<i>IV</i>	<i>Baa1/BBB+</i>	<i>115bps</i>
<i>V</i>	<i>Baa2/BBB</i>	<i>150bps</i>
<i>VI</i>	<i>Baa3/BBB- or below</i>	<i>200bps</i>

In the case of a split rating or differing ratings as between and among the Rating Agencies, the rating corresponding to the highest numbered tier set forth above and corresponding to the lowest rating shall apply for all purposes of determining the Applicable Spread. References in this definition of Applicable Spread are to rating categories as presently determined by the

Rating Agencies, and in the event of the adoption of any new or changed rating system or a "global" rating scale by any such Rating Agency, the rating categories shall be adjusted accordingly to a new rating which most closely approximates the requirements as set forth herein. Any change in the Applicable Spread shall apply to the LIBOR Index Reset Date or SIFMA Rate Reset Date, as applicable, next succeeding the date on which the change occurs.

(b) During any Index Rate Period other than the Initial Period, the number of basis points determined by the Market Agent on or before the first day of such Index Rate Period and designated by the County in accordance with Section 4.08 (which may include a schedule for the Applicable Spread based upon the ratings assigned to the long-term unenhanced general obligation debt of the County as described in subparagraph (a) in this definition) that, when added to the SIFMA Index (and multiplied by the Margin Rate Factor) or the product of the LIBOR Index multiplied by the Applicable Factor (and multiplied by the Margin Rate Factor), as applicable, would equal the minimum interest rate per annum that would enable the Series C Bonds to be sold on such date at a price equal to the principal amount thereof (without regard to accrued interest, if any, thereon).

(b) Article I, Section 1.01: The definition of the term "Initial Bank Purchase Date" is deleted and replaced with the following:

"Initial Bank Purchase Date" means August 1, 2019.

(c) Article I, Section 1.01: The definition of the term "LIBOR Index" is deleted and replaced with the following:

"LIBOR Index" means the London interbank offered rate for U.S. dollar deposits for a one-month period, which rate appears on the display designated as Reuters Screen LIBOR01 Page (or such other page as may replace Reuters Screen LIBOR01 Page or such other service or services as designated by the Calculation Agent for the purpose of displaying London interbank offered rates for United States dollar deposits), determined as of approximately 11:00 a.m., London time, on each Computation Date for effect on the next succeeding LIBOR Index Reset Date, or if such rate is not available, another rate reasonably determined by the Calculation Agent of which the County has received written notice. Notwithstanding anything in this Ordinance to the contrary, if the LIBOR Index determined as provided above would be less than zero percent (0.0%), then the LIBOR Index shall be deemed to be zero percent (0.0%).

(d) All references to “Applicable Spread”, “Initial Bank Purchase Date” and “LIBOR Index” in Ordinance No. 108 shall be deemed to refer to the respective defined terms contained herein.

Section 2. Ratification and Confirmation of Ordinance No. 108. All terms, conditions, covenants, and agreements of Ordinance No. 108, except to the extent that the same are modified or amended or supplemented hereby, are ratified and confirmed and are declared to be and shall be and shall remain in full force and effect.

Section 3. Amended Continuing Covenant Agreement. The Proper Officers of the County are hereby authorized, directed and empowered on behalf of the County to execute, deliver and perform the Amended Continuing Covenant Agreement with the Bank, in such form as prepared by the Bank and approved by the County solicitor and McNees Wallace & Nurick LLC, as Bond Counsel.

Section 4. Incidental Actions. The Proper Officers of the County are hereby authorized, directed and empowered on behalf of the County to execute any and all papers and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the provisions of this Ordinance.

Section 5. Severability. In case any one or more of the provisions of this Ordinance shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance and this Ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

Section 6. Effective Date. This Ordinance shall become effective on the date set forth below.

I HEREBY CERTIFY that the foregoing is a true and correct copy of an Ordinance duly enacted by the affirmative vote of a majority of the members of the Board of Commissioners of the County of Lancaster, Pennsylvania, at a public meeting held the 20th day of July, 2016 and continued to the 28th day of July, 2016; that proper notice of such meeting was duly given as required by law; and that said Ordinance has been duly entered upon the Minutes of said Governing Body, showing how each member voted thereon.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County this 28th day of July, 2016.

(Asst.) Chief Clerk

(SEAL)

CONSENTED AND AGREED TO BY THE BANK:

Wells Fargo Municipal Capital Strategies, LLC

By _____
Authorized Officer

INCUMBENCY CERTIFICATE
COUNTY OF LANCASTER, PENNSYLVANIA
\$18,630,000 General Obligation Bonds, Series C of 2013

This certificate (the "Closing Certificate") dated as of July 28, 2016 is made by the County of Lancaster (the "County") and is being delivered in connection with its enactment this day of Ordinance No. 121 ("Ordinance No. 121"), amending Ordinance No. 108 originally enacted July 10, 2013 ("Ordinance No. 108"), and pursuant to which the County, *inter alia*, issued its \$18,630,000 General Obligation Bonds, Series C of 2013 (the "Series C Bonds").

The Series C Bonds were sold to Wells Fargo Municipal Capital Strategies, LLC (the "Bank"), in accordance with Ordinance No. 108 and upon the terms set forth in the Continuing Covenant Agreement dated as of August 1, 2013 (the "Continuing Covenant Agreement"), between the County and the Bank. The County and the Bank desire to, *inter alia*, extend the Initial Bank Purchase Date for the Series C Bonds to August 1, 2019 and in connection therewith the County is enacting Ordinance No. 121 with the consent of the Bank, and the parties will enter into a First Amendment to Continuing Covenant Agreement dated July 28, 2016 (the "First Amended CCA"). Terms not otherwise defined herein shall have such meanings as described in Ordinance No. 108.

WE, THE UNDERSIGNED OFFICERS OF THE COUNTY, HEREBY CERTIFY THAT:

1. The County is a third class county and a duly organized and validly existing political subdivision of the Commonwealth of Pennsylvania with full power and authority to consummate the transactions contemplated by Ordinance No. 121 and by the specific documents mentioned herein;

2. The persons named below are now and, in connection with the issuance of the Bonds, have been all of the members of the Board of Commissioners (the "Board") of the County and that they now hold and at all pertinent times have held the respective offices indicated below:

<u>MEMBER</u>	<u>OFFICE</u>
Dennis Stuckey	Chairman
Joshua Parsons	Vice Chairman
Craig Lehman	Secretary

3. The County has duly authorized, executed and delivered or approved, as the case may be, such agreements and documents necessary or appropriate to consummate the transactions contemplated by Ordinance No. 121, including, but not limited to, the First Amended CCA (all documents specifically mentioned in this paragraph together with any other documents, certificates or agreements delivered by the County in connection with the enactment of Ordinance No. 121, are hereinafter collectively referred to as the "Amendment Documents," unless otherwise noted);

4. The names and the true and correct specimen signatures of the Board members and officers of the County who signed the Amendment Documents or whose facsimile signatures are affixed thereto are as set forth in Exhibit A attached hereto and who are each authorized to execute and deliver the Amendment Documents;

5. Each of the foregoing Board members and officers is now and was to the time the Amendment Documents were executed and attested, duly elected, qualified and acting;

6. Attached hereto as Exhibit B is a true, correct and complete copy of Ordinance No. 121 of the County duly enacted by the Board of the County at a public meeting held, after notice thereof had been duly given in accordance with all requirements of law and procedural rules of the County, approving the amendments to Ordinance No. 108 specified therein and the execution and delivery of the Amendment Documents, and such Ordinance No. 121 has been duly recorded in the minutes of such meeting, has not been amended, altered, repealed or otherwise modified and is in full force and effect on and as of the date hereof.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, we have hereunto set our signatures as such officers of the County as of the day and year first written above.

COUNTY OF LANCASTER

By: _____
(Vice) Chairman

By: _____
Chief Clerk

INCUMBENCY CERTIFICATE
COUNTY OF LANCASTER, PENNSYLVANIA
\$18,630,000 General Obligation Bonds, Series C of 2013

EXHIBIT A – Specimen Signatures

<u>Name</u>	<u>Title</u>	<u>Specimen Signature</u>
Dennis Stuckey	Chairman	_____
Joshua Parsons	Vice Chairman	_____
Craig Lehman	Commissioner	_____
Robert Still	Chief Clerk	_____

INCUMBENCY CERTIFICATE
COUNTY OF LANCASTER, PENNSYLVANIA
\$18,630,000 General Obligation Bonds, Series C of 2013

EXHIBIT B – Ordinance No. 121