

ORDINANCE NO. 28

First Reading: December 5, 1984

Adopted: December 11, 1984

An ordinance of the Board of County Commissioners of Lackawanna County authorizing and approving an Inter-County Guaranty and Assumption Agreement ("Inter County Agreement") between Lackawanna County and Luzerne County with respect to the construction of a runway extension at the Wilkes-Barre/Scranton International Airport and the guarantee of certain obligations under notes to be issued in connection therewith, describing the project, stating the estimated useful life thereof, stating the aggregate principal amount of the notes, stating that the debt is to be incurred as nonelectoral debt, authorizing and directing specified officers of the County to prepare, certify and file the debt statement required by Section 410 of the Pennsylvania Local Government Unit Debt Act, as amended ("ACT"), and to take certain other required action, authorizing the exclusion of a certain portion of the indebtedness as subsidized debt or self-liquidating debt, providing that this County shall include the amount payable in respect of its guarantee for each fiscal year in which such sums are payable in its budget for that year, providing that this County shall appropriate such amounts from its revenues for the guarantee, providing that this County shall duly and punctually pay or cause to be paid from its revenues or funds the principal of and interest on every such note to the extent of its obligations as provided in the Inter-County Agreement, providing that, for such budgeting, appropriation and payment in respect of its guarantee of the notes, this County is pledging its full faith, credit and taxing power, providing that these covenants are being made with the holders, from time to time, of the notes, covenanting that the notes shall not be Arbitrage Notes, making provision for separability within the Ordinance and repealing inconsistent Ordinances.

Section 1. The Inter County Agreement with Luzerne County with respect to the construction of a runway extension at the Wilkes-Barre/Scranton International Airport ("Project"), in the form attached hereto, made a part hereof, and incorporated herein by reference, is hereby approved and shall be executed by the County Commissioners on behalf of the County, such Agreement providing that Lackawanna County shall assume 50% of Luzerne County's obligations with regard to payment of principal of and interest on Luzerne County's general obligation notes ("Notes") maturing June 15, 1987 in the aggregate principal amount of \$5,800,00 (estimated). Lackawanna and Luzerne Counties shall each be responsible for, and pay, when due and payable, 50% of the excess of the costs of construction of the Project and related costs including costs of issuance of the Notes, over and above the available funding proceeds. The form of note and other provisions relating to the Notes and the issuance thereof are contained in an ordinance being adopted at this time by the Board of County Commissioners of Luzerne County.

Section 2. The Board of County Commissioners (the "Governing Body") of Lackawanna County (the "County") does hereby confirm that the Notes being guaranteed are being issued (1) for and toward the cost of construction of a runway extension at the Wilkes-Barre/Scranton International Airport pending receipt of funds expected to become available under a grant from the Federal Aviation Administration. (2) for the payment of interest on such Notes to maturity, and (3) for the payment of the costs and expenses related to the issuance of such Notes. The realistic estimated useful life of the Project is twenty years and upwards, prior to which time the Notes shall mature. The aggregate principal amount of the Notes is \$5,800,000. (estimated) which is to be incurred as non electoral debt. The County Commissioners and the Chief Clerk of the Board of County Commissioners, respectively, of the County, which shall include their duly qualified successors in office, if applicable, are authorized and directed, as required,

necessary and/or appropriate: (a) to prepare, certify and file the debt statement required by Section 410 of the Act; (b) to prepare and file with the Pennsylvania Department of Community Affairs ("Department") any statements required by Article II of the Act which are necessary to qualify all or any portion of the debt of the County that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit of the County as self-liquidating or subsidized debt; (c) to prepare and file the application with the Department, together with a complete and accurate transcript of the proceedings for the required approval relating to the debt; (d) to pay or to cause to be paid to the Department all proper filing fees required in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action. The County covenants to and with the registered owners from time to time, of the Notes, that the County: (1) shall include the amount payable in respect of its guarantee for each fiscal year in which such sums are payable in its budget for that fiscal year, (2) shall appropriate such amounts from its revenues for the payment of such guarantee, and (3) shall duly and punctually pay or cause to be paid from its revenues or funds the principal of and interest on every such Note, to the extent of its obligations as provided in the Inter-County Agreement, and for such budgeting, appropriation and payment, the County shall and does pledge irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of the County shall be specifically enforceable.

Section 3. The County covenants to and with purchasers of this issue which constitutes the Notes that it will make no use of the proceeds of such issue which, if such use reasonably had been expected on the date of issue of the Notes, would have caused the Notes to be arbitrage notes; and the County further covenants to comply with the requirements of Section 103 (c) on the Internal Revenue Code of 1954, as amended, and with the regulations implementing said Section 103 (c) that duly have been published in the Federal Register or with such other regulations implementing said Section 103 (c), if and to the extent applicable, during the term of such issue.

Section 4. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section sentence, clause or part of this Ordinance, it being the intent of this County that such remainder shall be and shall remain in full force and effect.

Section 5. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be, and the same expressly are, repealed.

LACKAWANNA COUNTY

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ATTEST:

Gerald L. Stanvitch

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 Administrative Director