

Northampton, Bucks County, Municipal Authority

Minutes of the Public Meeting held on October 6, 2021

Board Members: Edward Farling III, Chairman
Stephen McGill, Vice Chairman
Francis O'Donnell, Secretary
Charles Rehm, Treasurer
Vincent Deon, Assistant Secretary-Treasurer

Others: Thomas A. Zeuner, Executive Director
Edward Rudolph, Esq., Rudolph Clarke LLC
Christopher Walker P.E., Pennoni Assoc.
Jeffrey Greenwood, Chief of Operations -excused
Robert Tagert, Chief Technical Director
Debra Wirtz, Executive Assistant

Mr. Farling, Chairman, called the meeting to order at 6:30 p.m.

1. Pledge of Allegiance

Chairman Farling lead the Pledge of Allegiance and requested a moment of silence for our men and women serving in harm's way.

2. Executive Director's Report

Mr. Zeuner briefed the Board on following topics:

EMERGENCY STREAMBANK STABILIZATION PROJECT:

The emergency declaration to complete emergency repairs along the Mill Creek is progressing at a rapid pace. The 637 tons of stone used to stabilize the streambank has been installed. The easement restoration contract was signed with anticipated completing over the next week. The 2,000+/- linear feet of cured in place lining will start in couple of weeks with an anticipated completion mid-November. The manhole lining will be completed by the end of the year.

2022 NARRATIVE AND BUDGETS (Operational and Capital):

The Authority administration is working on the Operational & Capital budgets for our upcoming year. A preliminary "draft" Capital Plan for fiscal year was summarized by the Executive Director for 2022. Initiatives include public relations, H2O tank mixers, debt restructuring, sanitary sewer infrastructure rehabilitation, asset management planning, and cybersecurity. The budget does not recommend a rate increase for public water and or sanitary sewer service. The last time the Authority raised its rates to its customers was November 2016 (5 years ago).

SUPPLY CHAIN ISSUES:

This Authority along with all other industries are being adversely impacted by supply chain shortages. By way of example, a pick-up truck made to order had a four (4) to six (6) week lead-time only a year and a half ago. This evening, management is recommending purchasing two (2) new trucks. We have been advised that delivery cannot be confirmed, but we should anticipate a lead-time of thirty-six (36) to forty-two (42) weeks. The generator for this administration building recently awarded by the Board use to have a lead-time of four (4) to six (6) weeks is now unknown, awaiting confirmation. A common commodity, such as ductile iron pipe was typically a stock item is now quoted at eight (8) to nine (9) months for volume purchases.

3. Citizens' Concerns

None

4. Approval of the Minutes of September 1, 2021 & September 15, 2021

A motion (Deon-McGill) made to approve the Minutes of September 1 & September 15, 2021, passed with 5 ayes.

5. Check Requisitions / Accounts Payable

A motion (Rehm-McGill) adopting the following resolution passed 5 with ayes.

Requisition No. 2235 dated 09/15/2021 in the amount of \$479,454.17.

The major items paid under **Requisition No. 2235** are as follows: BCWSA – Water - \$165,973.79; C & S Solutions Inc. - \$1,283.45; CSL Services Inc. - \$6,775.00; Custom Care Property Maintenance \$1,020.00; Independence Blue Cross - \$14,523.64; JH Shanahan - \$2,560.00; Karl Hops Inc. - \$1,699.61; Keystone Engineering - \$3,437.73; LookFirst Tech. - \$1,545.00; M & M Landscaping - \$3,582.80; MGK Industries Inc. - \$14,500.00; Mary McFillin - \$2,500.00; Offit Kurman - \$1,858.50; Pennoni Assoc. Inc. - \$60,193.58; Rudolph Clarke LLC - \$17,200.00; Teamsters Health & Welfare Fund - \$17,677.55; Trimble Inc. - \$17,333.10; Upper South MUA - \$52,399.07; USPS - \$7,500.00; Verizon - \$1,602.79 and \$75,000.00 for payroll.

Requisition No. 2236 dated 09/30/2021 in the amount of \$657,582.41.

The major items paid under **Requisition No. 2236** are as follows: Analytical Laboratories - \$14,450.00; BCWSA – Sewer - \$429,978.68; Chet's Printing - \$1,140.00; Coyne Chemical - \$1,180.40; Eclipse Exterior Cleaning - \$6,750.00; First National Bank of Newtown - \$59,129.38; Guardian - \$4,052.43; Hannon Auto Service - \$2,255.49; Industrial Trainers of America - \$2,985.00; Karl Hops Inc. - \$1,085.54; LB Water Service - \$3,746.86; Passerini & Sons Inc. - \$17,668.26; RIO Supply Inc. - \$6,686.51; Warminster MUA - \$23,324.36 and \$75,000.00 for payroll.

Requisition No. 2237 dated 10/06/2021 in the amount of \$223,880.88.

The major items paid under **Requisition No. 2237** are as follows: Cues - \$2,950.00; Frank O'Donnell - \$1,099.00; Gannett Fleming Co. - \$1,900.00; Link Computer Corp. - \$3,803.79; M & M Landscaping - \$4,022.20; PECO - \$14,008.52; Pollard Water - \$1,367.60; RIO Supply Inc. - \$30,375.00; Teamsters

Health & Welfare Fund - \$17,677.55; Upper South MUA - \$56,063.78; USPS - \$7,500.00; Verizon - \$1,602.79 and \$75,000.00 for payroll.

6. Finances – Modification Resolution #2021-1251

A motion (O'Donnell-McGill) made to approve Resolution #2021-1251 dated October 6, 2021, as follows:

RESOLUTION NO. 2021-1251

OCTOBER 6, 2021

NORTHAMPTON, BUCKS COUNTY, MUNICIPAL AUTHORITY BUCKS COUNTY, PENNSYLVANIA

A RESOLUTION AUTHORIZING THE MODIFICATION OF THE A NOTE ISSUED BY THE NORTHAMPTON, BUCKS COUNTY, MUNICIPAL AUTHORITY (THE "AUTHORITY") OF ITS WATER AND SEWER REVENUE NOTE (THE "2017 NOTE"), ORIGINALLY ISSUED IN THE PRINCIPAL AMOUNT OF SIX MILLION TWO HUNDRED SEVENTY TWO THOUSAND THREE HUNDRED FORTY NINE DOLLARS AND FORTY FIVE CENTS (\$6,272,349.45); ACCEPTING A PROPOSAL FOR THE MODIFICATION OF 2017 NOTE; AUTHORIZING THE PROPER OFFICERS OF THE AUTHORITY TO EXECUTE AND DELIVER THE MODIFIED 2017 NOTE (DEFINED BELOW) AND OTHER LOAN DOCUMENTS REQUIRED IN CONNECTION THEREWITH; APPROVING, RATIFYING AND CONFIRMING THE ACTION OF SUCH OFFICERS; MAKING COVENANTS, REPRESENTATIONS AND WARRANTIES AS TO CERTAIN TAX MATTERS; APPOINTING NOTE COUNSEL TO THE AUTHORITY; PROVIDING FOR THE EFFECTIVE DATE OF THE RESOLUTION; DECLARING THE EFFECTIVENESS OF THE BALANCE OF THE RESOLUTION UPON INVALIDITY OF ANY PROVISION, SECTION, SENTENCE, CLAUSE OR PART OF THIS RESOLUTION; AND REPEALING INCONSISTENT PROVISIONS.

WHEREAS, the Northampton, Bucks County, Municipal Authority, Bucks County, Pennsylvania (the "Authority"), is a municipal authority incorporated under the laws of the Commonwealth of Pennsylvania for the purposes set forth in the Municipalities Authorities Act, 53 Pa.C.S. §§5601 et seq. (the "Authorities Act"); and

WHEREAS, on July 10, 2017, the Authority issued its tax-exempt Water and Sewer Revenue Note, in the amount of \$6,272,349.45 (the "2017 Note"), which 2017 Note was purchased by First National Bank and Trust Co. of Newtown (the "Bank");

WHEREAS, the proceeds of the 2017 Note were used by the Authority to refund the Authority's Water and Sewer Revenue Bonds, Series of 2006 (the "2006 Bonds");

WHEREAS, the proceeds of the 2006 Bonds were used (i) to fund the Authority's capital improvement program; (ii) to fund a bond reserve fund; and (iii) to pay certain expenses related to the issuance of the 2006 Bonds (the "2006 Project");

WHEREAS, the Authority and the Bank have agreed to modify the 2017 Note to reduce the tax-exempt interest rate that accrues on the 2017 Note, beginning as of September 1, 2021, from the current annual interest rate of 2.50% to an annual interest rate of 1.65% per annum (the "Modification");

WHEREAS, the Modification of the 2017 Note is a "significant modification" as defined under Treasury Regulation §1.1001-3 and as a result, the Modification of the 2017 Note is treated as a reissuance for federal income tax purposes whereby the 2017 Note is deemed to be exchanged for the Modified 2017 Note.

WHEREAS, the Bank's proposal to modify the 2017 Note has been received and reviewed by the Board of Directors of the Authority (the "Board"), and the Board has determined to accept the Bank's proposal, which is attached hereto Exhibit A and incorporated herein;

WHEREAS, the Authority desires by this resolution (the "Resolution") to authorize and approve all actions necessary and appropriate to facilitate the modification of the 2017 Note, and the execution and delivery of a Loan Modification Agreement (the "Modification Agreement") and such other related documents as are necessary to consummate the modification transaction contained in the Bank's proposal (all such documents collectively, the "Modification Documents"), all in accordance with the Authorities Act and other applicable law; and

NOW, THEREFORE, BE IT RESOLVED, by the Board that:

SECTION 1. Authorization and Issuance of Note and Approval of 2017 Project. The Authority hereby approves the modification of the 2017 Note, which currently has an outstanding principal balance of approximately THREE MILLION NINE HUNDRED FORTY NINE THOUSAND DOLLARS AND TWELVE CENTS (\$3,949,292.12). The Authority originally authorized the issuance of the 2017 Note as indebtedness pursuant to the Authorities Act, and hereby confirms such authorization.

SECTION 2. Terms and Form of Note. The 2017 Note, as modified (the "Modified 2017 Note"), shall continue to be a revenue note. The form of the Modified 2017 Note, whether it be a modified note, note allonge, or note amendment, shall be as approved by the Authority and the Authority Solicitor, the execution and delivery thereof to constitute conclusive evidence of Authority approval and approval by the Authority Solicitor. The Authority agrees that it shall include in all future budgets to be adopted by the Authority during the term of the Modified 2017 Note, an appropriation to pay from its revenues in each year, one hundred percent (100%) of the debt service due under the Modified 2017 Note for such year and will duly pay or cause to be paid when due the principal of and interest when due.

SECTION 3. Execution, Authentication and Delivery of Modification Transaction Documents. *The proper officers of the Authority are hereby authorized and directed to execute and deliver the Modified 2017 Note to the Bank as the purchaser and current holder of the 2017 Note, upon compliance with all of the conditions precedent to such delivery required by the Authorities Act, this Resolution and the Modification Documents. Furthermore, the proper officers of the Authority are hereby authorized and directed to execute and delivery the Modification Agreement and all other Modification Documents, and to take such other action as may be necessary or appropriate in order to effectuate the Modification of the 2017 Note, all in accordance with the Resolution, the Authorities Act and the Modification Documents and all substantially in the forms of such documents as may be approved by the Authority and the Authority Solicitor, the execution and delivery thereof to constitute conclusive evidence of Authority's approval thereof. The Modified 2017 Note and the other Modification Documents shall be executed either by the Chairman or Vice Chairman of the Authority and shall have the corporate seal of the Authority affixed thereto and be duly attested by the Secretary or Assistant Secretary (or any acting Secretary or Assistant Secretary appointed for such purpose) of the Authority.*

SECTION 4. Federal Tax Covenants. *The Authority hereby covenants that it will at all times do and perform all actions and things within its power which are necessary or desirable in order to assure that interest paid on the Modified 2017 Note will, for purposes of federal income taxation, be and remain excludable from the gross income of the recipients thereof and that it will refrain doing or performing any act or things that would cause such interest not to be so excludable and to otherwise comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"). The Authority further covenants that it will make no investment or other use of the proceeds of the Modified 2017 Note, which, if such investment or use had been reasonably expected on the date of issuance of the Modified 2017 Note, would cause the Modified 2017 Note to be "arbitrage bond" within the meaning of Section 148 of the Code, and the regulations applicable thereto and that this covenant shall extend throughout the term of the Modified 2017 Note and shall apply to all amount which are proceeds of the Modified 2017 Note for purposes of said section and regulations. Neither the Treasurer nor any other official or agent of the Authority shall make any investment inconsistent with the foregoing covenant. The Treasurer and all other Authority officials responsible for investment shall follow the advice or direction of note counsel for the Authority ("Note Counsel") as to investments, which may be made in compliance with this covenant. The appropriate officers of the Authority are hereby authorized to execute a tax compliance agreement (the "Tax Compliance Agreement") to carry out the foregoing covenants. The Tax Compliance Agreement shall be in the form acceptable to the Authority's Note Counsel, with such changes as may be approved by the officer executing the Tax Compliance Agreement, upon the advice of Note Counsel, such approval to be conclusively evidenced by such officer's execution of the Tax Compliance Agreement. If required by the Tax Compliance Agreement, there shall be established a "bond rebate fund," which shall be held and maintained by the Authority in accordance with the Tax Compliance Agreement, separate and apart from other funds of the Authority. The foregoing tax covenants may be excused or modified if, and to the extent that, the Authority receives an opinion of nationally recognized Note Counsel that such absence of compliance will not adversely affect the exemption from federal income taxation of interest on the Modified 2017 Note.*

SECTION 5. Qualified Tax-Exempt Obligations. *In accordance with the Code, the Authority hereby represents and warrants, after due investigation and to the best of its knowledge, that: (i) the Modified 2017 Note is not a "private activity bond" 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 bond) issued or to be issued by the Authority (and all other issuers which must be aggregated with the Authority pursuant to the Code), 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 during the 2021 calendar year. The Authority hereby acknowledges that the 2017 Note qualified as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code. The Authority intends the Modified 2017 Note to be a "qualified tax-exempt obligation" for purposes of Section 265(b)(3)(B) of the Code, by reason of being "deemed designated" under Section 265(b)(3)(D)(ii) of the Code. To the extent the Modified 2017 Note is not "deemed designated," the Authority intends to designate the Modified 2017 Note to be a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code to the extent permitted by applicable law. The Authority hereby authorizes the proper officers of the Authority to execute a certificate to that effect at the time of the Modification of the 2017 Note.*

SECTION 6. Appointment of Note Counsel. *In connection with the Modification of the 2017 Note, the Authority hereby appoints the firm of Obermayer Rebmann Maxwell & Hippel LLP as Note Counsel.*

SECTION 7. Further Actions. *The Chairman or Vice Chairman and Secretary or Assistant Secretary (or any Acting Secretary or Assistant Secretary appointed for such purpose), or any duly appointed successors, as the case may be, in the name of and on behalf of the Authority are hereby authorized to execute any agreements, instruments or documents and to do or cause to be done any and all acts and things deemed necessary or appropriate for the carrying out of the purposes of this Resolution and to comply with the Authorities Act and the Modification Documents.*

SECTION 8. Ratification. *The Authority approves, ratifies and confirms all actions heretofore taken by officers of the Authority in connection with the undertakings herein contemplated.*

SECTION 9. Severability. *In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the Authority that such remainder shall be and shall remain in full force and effect.*

SECTION 10. Repealer. *All prior resolutions or parts thereof inconsistent herewith are hereby repealed.*

SECTION 11. Effective Date. *This Resolution shall take effect on the earliest date permitted by the Act.*

passed with 5 ayes

7. Finances - New Loan Resolution #2021-1252 PRI-USSA Basin Rehabilitation

The Authority must rehabilitate select portions of its oldest sanitary sewer infrastructure in the region that currently flows into the Upper Southampton basin and a basin identified as PR-1 as identified on the Authority's "Corrective Action Plan" (CAP) as filed with the Pennsylvania Department of Environmental Protection. This is a new NOTE (debt instrument) between the Authority and the 1st National Bank of Newtown, with a fixed annual interest rate of 1.65%.

A motion (Deon-McGill) made to approve Resolution #2021-1252 dated October 6, 2021, as follows:

RESOLUTION NO 2021-1252

October 6, 2021

NORTHAMPTON, BUCKS COUNTY, MUNICIPAL AUTHORITY BUCKS COUNTY, PENNSYLVANIA

A RESOLUTION AUTHORIZING THE ISSUANCE BY THE NORTHAMPTON, BUCKS COUNTY, MUNICIPAL AUTHORITY (THE "AUTHORITY") OF ITS WATER AND SEWER REVENUE NOTE (THE "NOTE") IN THE PRINCIPAL AMOUNT OF THREE MILLION EIGHT HUNDRED TWENTY THOUSAND ONE HUNDRED SIXTY TWO DOLLARS AND FIFTY CENTS (\$3,820,162.50); ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE NOTE; AUTHORIZING THE PROPER OFFICERS OF THE AUTHORITY TO EXECUTE AND DELIVER THE NOTE AND OTHER LOAN DOCUMENTS REQUIRED IN CONNECTION THEREWITH; APPROVING, RATIFYING AND CONFIRMING THE ACTION OF SUCH OFFICERS; MAKING COVENANTS, REPRESENTATIONS AND WARRANTIES AS TO CERTAIN TAX MATTERS; AUTHORIZING THE REIMBURSEMENT FROM NOTE PROCEEDS OF CERTAIN PROJECT EXPENDITURES; APPOINTING NOTE COUNSEL TO THE AUTHORITY; PROVIDING FOR THE EFFECTIVE DATE OF THE RESOLUTION; DECLARING THE EFFECTIVENESS OF THE BALANCE OF THE RESOLUTION UPON INVALIDITY OF ANY PROVISION, SECTION, SENTENCE, CLAUSE OR PART OF THIS RESOLUTION; AND REPEALING INCONSISTENT PROVISIONS.

WHEREAS, the Northampton, Bucks County, Municipal Authority, Bucks County, Pennsylvania (the "Authority"), is a municipal authority incorporated under the laws of the Commonwealth of Pennsylvania for the purposes set forth in the Municipality Authorities Act, 53 Pa.C.S. §§5601 et seq. (the "Authorities Act"); and

WHEREAS, the Authority has determined to undertake a project (the "2021 Project"), which consists of the construction of repairs to two sanitary sewer basins within the jurisdiction of the Authority, known more particularly as the Upper Southampton Basin Area 100 and the PR-1 Area 200, and the payment of costs associated with the issuance of the Note (as hereinafter defined);

WHEREAS, the Authority has determined to finance the costs of the 2021 Project by incurring indebtedness and issuing its Water and Sewer Revenue Note (the "Note") in the principal amount of Three Million Eight Hundred Twenty Thousand One Hundred Sixty Two Dollars and Fifty Cents (\$3,820,162.50) in accordance with the Authorities Act; and

WHEREAS, the Board of Directors of the Authority (the "Board") has received a proposal for the purchase of the Note and has determined to award the Note to First National Bank and Trust Co. of Newtown (the "Bank"), pursuant to the Bank's proposal to purchase the Note from the Authority on the terms and conditions set forth in Exhibit A, attached hereto and incorporated herein; and

WHEREAS, the Authority desires by this resolution (the "Resolution") to authorize and approve all actions necessary and appropriate to facilitate the issuance and sale to the Bank of the Note and the execution and delivery of a Loan and Security Agreement (the "Loan Agreement") and such other related documents as are necessary to complete the 2021 Project (all such documents collectively, the "Loan Documents"), all in accordance with the Authorities Act and other applicable law; and

NOW, THEREFORE, BE IT RESOLVED, by the Board that:

SECTION 1. Authorization and Issuance of Note and Approval of 2021 Project. The Authority hereby approves the 2021 Project and authorizes the incurring of indebtedness pursuant to the Authorities Act by the issuance of the Note in the principal amount of THREE MILLION EIGHT HUNDRED TWENTY THOUSAND ONE HUNDRED SIXTY TWO DOLLARS AND FIFTY CENTS (\$3,820,162.50) for the purpose of providing funds for the 2021 Project. The Note is to be sold and delivered as hereinafter provided.

SECTION 2. Terms and Form of Note. The Note when issued shall be a revenue note and the terms and conditions of such Note and the form of such Note shall be as approved by the Authority and the Authority Solicitor, the execution and delivery thereof to constitute conclusive evidence of Authority approval and approval by the Authority Solicitor. The Authority agrees that it shall include in all future budgets to be adopted by the Authority during the term of the Note, an appropriation to pay from its revenues in each year, one hundred percent (100%) of the debt service due under the Note for such year and will duly pay or cause to be paid when due the principal of and interest when due under the Note.

SECTION 3. Execution, Authentication and Delivery of Note and Other Transaction Documents. The proper officers of the Authority are hereby authorized and directed to execute and deliver the Note to the Bank as purchaser upon receipt of required payment therefor and

upon compliance with all of the conditions precedent to such delivery required by the Authorities Act, this Resolution and the Loan Documents. Furthermore, the proper officers of the Authority are hereby authorized and directed to execute and deliver the Loan Agreement and all other Loan Documents and to take such other action as may be necessary or appropriate in order to effectuate the issuance, sale and delivery of the Note and the consummation of the 2021 Project, all in accordance with the Resolution, the Authorities Act and the Loan Documents and all substantially in the forms of such documents as may be approved by the Authority and the Authority Solicitor, the execution and delivery thereof to constitute conclusive evidence of Authority approval of the Loan Documents (including, without limitation, all instruments and documents attached as exhibits thereto) and approval by the Authority Solicitor. The Note and the other Loan Documents shall be executed either by the Chairman or Vice Chairman of the Authority and shall have the corporate seal of the Authority affixed thereto and be duly attested by the Secretary or Assistant Secretary (or any acting Secretary or Assistant Secretary appointed for such purpose) of the Authority.

SECTION 4. Federal Tax Covenants. The Authority hereby covenants that it will at all times do and perform all actions and things within its power which are necessary or desirable in order to assure that interest paid on the Note will, for purposes of federal income taxation, be and remain excludable from the gross income of the recipients thereof and that it will refrain doing or performing any act or things that would cause such interest not to be so excludable and to otherwise comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"). The Authority further covenants that it will make no investment or other use of the proceeds of the Note, which, if such investment or use had been reasonably expected on the date of issuance of the Note, would cause the Note to be "arbitrage bond" within the meaning of Section 148 of the Code, and the regulations applicable thereto and that this covenant shall extend throughout the term of the Note and shall apply to all amount which are proceeds of the Note for purposes of said section and regulations. Neither the Treasurer nor any other official or agent of the Authority shall make any investment inconsistent with the foregoing covenant. The Treasurer and all other Authority officials responsible for investment shall follow the advice or direction of note counsel for the Authority ("Note Counsel") as to investments, which may be made in compliance with this covenant. The appropriate officers of the Authority are hereby authorized to execute a tax compliance agreement (the "Tax Compliance Agreement") to carry out the foregoing covenants. The Tax Compliance Agreement shall be in the form acceptable to the Authority's Note Counsel, with such changes as may be approved by the officer executing the Tax Compliance Agreement, upon the advice of Note Counsel, such approval to be conclusively evidenced by such officer's execution of the Tax Compliance Agreement. If required by the Tax Compliance Agreement, there shall be established a "bond rebate fund," which shall be held and maintained by the Authority in accordance with the Tax Compliance Agreement, separate and apart from other funds of the Authority. The foregoing tax covenants may be excused or modified if, and to the extent that, the Authority receives an opinion of nationally recognized Note Counsel that such modification or absence of compliance will not adversely affect the exemption from federal income taxation of interest on the Note.

SECTION 5. Qualified Tax-Exempt Obligations. In accordance with the Code, the Authority hereby represents and warrants, after due investigation and to the best of its knowledge, that: (i) the Note is not a "private activity bond" 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 bond) issued or to be issued by the Authority (and all other issuers which must be aggregated with the Authority pursuant to the Code), 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 during the 2021 calendar year. The Authority hereby designates the Note to be a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code. The Authority hereby authorizes the proper officers of the Authority to execute a certificate to the effect at the time of the issuance of the Note.

SECTION 6. Reimbursement of Certain Expenditures. The Authority hereby expresses its official intent to obtain reimbursement from the proceeds of the Note for capital costs of the 2021 Project which either (i) have been paid by it within sixty (60) days prior to the date of adoption of this Resolution, (ii) will be paid by it on or after the date of adoption of this Resolution and before the date of issuance of the Note, (iii) constitute "preliminary expenditures" within the meaning of United States Treasury Regulation 1.150-2(f)(2), or (iv) are reimbursable under the de minimis rule of United States Treasury Regulation 1.150-2(f)(1).

SECTION 7. Appointment of Note Counsel. In connection with the issuance of the Note, the Authority hereby appoints the firm of Obermayer Rebmann Maxwell & Hippel LLP as Note Counsel.

SECTION 8. Further Actions. The Chairman or Vice Chairman and Secretary or Assistant Secretary (or any Acting Secretary or Assistant Secretary appointed for such purpose), or any duly appointed successors, as the case may be, in the name of and on behalf of the Authority are hereby authorized to execute any agreements, instruments or documents and to do or cause to be done any and all acts and things deemed necessary or appropriate for the carrying out of the purposes of this Resolution and to comply with the Authorities Act and the Loan Documents.

SECTION 9. Ratification. The Authority approves, ratifies and confirms all actions heretofore taken by officers of the Authority in connection with the undertakings herein contemplated.

SECTION 10. Severability. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the Authority that such remainder shall be and shall remain in full force and effect.

SECTION 11. Repealer. All prior resolutions or parts thereof inconsistent herewith are hereby repealed.

SECTION 12. Effective Date. This Resolution shall take effect on the earliest date permitted by the Authorities Act.

passed with 5 ayes

8. Acceptance of Dedication – Leehurst Land Development

A motion (O'Donnell-McGill) made to accept dedication from Toll Brothers (Leehurst Land Development) for the public water facilities valued at \$327,970.00 and public sewer facilities valued at \$200,893.00 and further move releasing all Letters of Credit previously posted for this land development. This approval is subject to the developer providing resolution on all outstanding issues by October 31, 2021, to the satisfaction of the Authority Engineer and Solicitor, passed with 5 ayes.

9. Acceptance of Dedication – Holland Estates

A motion (McGill-O'Donnell) made to accept dedication from Holland Estates LP for the public water facilities valued at \$55,400.00 and public sewer facilities valued at \$45,375.00 and further move releasing all Letters of Credit previously posted for this land development. This approval is subject to the developer providing resolution on all outstanding issues by October 31, 2021, to the satisfaction of the Authority Engineer and Solicitor passed with 5 ayes.

10. Woods Pump Station-Replacement Pump – CP-2021-S-22

A motion (Deon-Rehm) made to approve the purchase of one (1) Fairbank Sanitary Sewer Pump from Kappe Associates Inc. of Emmaus Pennsylvania in accordance with their proposal dated August 3, 2021, in the amount of \$34,390.00 under Pennsylvania COSTARS™ Cooperative Purchasing Agreement Contract No. 016-096 under NBCMA Project #CP-2021-S-22 passed with 5 ayes.

11. Vehicle Purchase – CP-2022-W-15 Ford F-350 SD Super Cab

A motion (McGill-O'Donnell) made to award the vehicle purchase of one 2022 Ford F-350 SD Super Cab under Capital Project #CP-2022-W-15 to Chapman Ford of Horsham in accordance with their quote No. 08102021 dated 8/10/2021 under Pennsylvania COSTARS™ Cooperative Purchasing Agreement Contract, Vendor contract #25-170 and outfitted under the direction of Chapman Ford of Horsham to Mid-Atlantic, LLC Lancaster Truck Bodies in accordance with their Quotation No. 075412 under Pennsylvania COSTARS™ Contract 25-206 for a total purchase price of \$73,969.00 passed with 5 ayes.

12. Vehicle Purchase – CP-2022-W-16 Ford F-350 4X4 Regular Cab

A motion (McGill-Rehm) made to award the vehicle purchase of one 2022 Ford F-350 SD Regular Cab under Capital Project #CP-2022-W-16 to Chapman Ford of Horsham in accordance with their quote No. 08112021 dated 8/10/2021 under Pennsylvania COSTARS™ Cooperative Purchasing Agreement Contract, Vendor contract #25-170 in the amount of \$40,393.00 passed with 5 ayes.

13. Fixed Based Network Antenna's/Water System CP-2022-W-14

A motion (Farling-McGill) made to purchase the required "Neptune" fixed base antennas and related equipment as provided on Quote No. 5570 dated September 16, 2021, in the amount of \$48,389.92 from RIO Supply Inc. of Lebanon, Pennsylvania passed with 5 ayes.

14. Contract 1-W-21 Roof Repair

A motion (McGill-O'Donnell) made to award Contract 1-W-21 Roof Repair at 500 Upper Holland Road to Hulton Contracting of Line Lexington, PA in in the amount of \$116,820.00 passed with 5 ayes.

15. Resolution # 2021-1250- Extension of Forbearance Period

A motion (McGill-O'Donnell) made to pass Resolution #2021-1250 for the extension of the forbearance period related to all payments and collections procedures until December 31, 2021, as follows,

RESOLUTION NO. 2021 – 1250

*RESOLUTION OF THE NORTHAMPTON, BUCKS COUNTY, MUNICIPAL AUTHORITY
EXTENSION OF FORBEARANCE PERIOD*

WHEREAS, the Northampton, Bucks County, Municipal Authority ("Authority") adopted Resolution No. 2021-1246 on August 4, 2021, terminating the Period of Forbearance, effective November 1, 2021, and provided for calculations, payments and collection procedures related to the interest and charges on unpaid water and sewer services to become effective November 1, 2021.

WHEREAS, the Authority desires to extend the Period of Forbearance beyond the aforementioned November 1, 2021, date and all related payments and collection procedures extended as set forth hereinbelow.

NOW, THEREFORE, BE IT RESOLVED, that the Period of Forbearance shall be extended to December 31, 2021, and thereafter commencing January 1, 2022, all water and sewer services and collection procedures of the Authority shall be fully in compliance with the then applicable Rules of the Authority related to collection charges and procedures; and

FURTHER RESOLVED, that Resolution No. 2021-1246, is hereby rendered null and void ab initio.

APPROVED AND ADOPTED this 6th day of October 2021.

16. Amendment to Source Water Meter Approval of August 4, 2021

A motion (McGill-Rehm) made to rescind the approval of the purchase of source water meters as directed at the August 4, 2021, Public Meeting, and further authorized the approval and purchase of replacement meters at 10 active wells from RIO Supply Inc. of Lebanon PA in the amount of \$37,046.00 in accordance with their proposal dated June 7, 2021, under Quote #5509 passed with 5 ayes.

Comments

There being no further business Chairman Farling adjourned the meeting at 7:22 P.M.