

COUNTY COMMISSIONERS' MINUTES
TUESDAY, SEPTEMBER 13, 2022

The Board of County Commissioners met this evening for a Commissioners' Meeting at the Drumore Township Municipal Building.

Present at today's meeting were: **Ray D'Agostino, Chairman**
 Joshua G. Parsons, Vice-Chairman
 John B. Trescot
 BOARD OF COUNTY COMMISSIONERS

Lawrence M. George
 CHIEF CLERK/COUNTY ADMINISTRATOR

Tammy Moyer
 DEPUTY CHIEF CLERK

Also present were: **Peter Edelman, Chair of Tax-Exempt Finance Department**
 STEVENS & LEE

Tim Horstman, Bond Attorney
 MCNEES WALLACE

Kevin Molloy, Executive Director
 LANCASTER COUNTY CONVENTION CENTER AUTHORITY

Jackie Pfursich
 SOLICITOR

Matt Luciani, Deputy Director
 CONTROLLER'S OFFICE

Commissioner D'Agostino called the meeting to order at 7:00 p.m. followed by the Pledge of Allegiance.

Commissioner D'Agostino announced approval of the September 7, 2022, Commissioners' Meeting Minutes.

The Board welcomed attendees and thanked Drumore for hosting the meeting.

ORDINANCE NO. 154

OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF LANCASTER, PENNSYLVANIA

APPROVING A CERTAIN PROJECT BEING UNDERTAKEN BY THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY (THE "AUTHORITY") CONSISTING OF, *INTER ALIA*, THE CURRENT REFUNDING OF THE AUTHORITY'S HOTEL ROOM RENTAL TAX REVENUE BONDS, SERIES OF 2014 (THE "PRIOR BONDS") AND THE PAYMENT OF THE COSTS OF TERMINATING CERTAIN INTEREST RATE SWAPS RELATED TO THE PRIOR BONDS; DESCRIBING THE PROJECTS FOR WHICH SUCH PRIOR BONDS WERE ISSUED, RATIFYING AND CONFIRMING THE ESTIMATED USEFUL LIFE THEREOF AND SETTING FORTH THE ESTIMATED COMPLETION DATE FOR THE PROJECT; AUTHORIZING THE INCURRENCE OF LEASE RENTAL DEBT BY THE COUNTY EVIDENCED BY THE GUARANTY AGREEMENT, AS SUCH TERM IS DEFINED HEREIN, IN CONNECTION WITH THE HOTEL ROOM RENTAL TAX REVENUE BONDS, SERIES OF 2022 BEING ISSUED BY THE AUTHORITY; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO PREPARE, CERTIFY AND FILE WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, WITH A CERTIFIED COPY OF THIS ORDINANCE AND PROOFS OF PUBLICATION, AS REQUIRED BY THE LOCAL GOVERNMENT UNIT DEBT ACT, AND TO PAY ANY NECESSARY FILING FEES; APPROVING THE FORM OF GUARANTY AGREEMENT AMONG THE COUNTY, THE AUTHORITY AND THE TRUSTEE, AS SUCH TERM IS DEFINED HEREIN, AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF; APPROVING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE AND COVENANTING TO COMPLY WITH THE PROVISIONS THEREOF; STATING THE ANNUAL AMOUNTS OF PRINCIPAL AND INTEREST TO BE PAID UNDER THE GUARANTY AGREEMENT, COVENANTING THE PAYMENT THEREOF AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY THEREFOR; SETTING FORTH CERTAIN CONDITIONS TO THE EXECUTION AND DELIVERY OF THE GUARANTY AGREEMENT, INCLUDING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF A REIMBURSEMENT AGREEMENT WITH THE COUNTY; AUTHORIZING AND DIRECTING THE PREPARATION OF A SELF-LIQUIDATING DEBT REPORT AND THE FILING THEREOF AND THE PREPARATION AND FILING OF ANY OTHER STATEMENTS AND REPORTS REQUIRED TO QUALIFY THE LEASE RENTAL DEBT INCURRED HEREBY OR ANY PORTION THEREOF FOR EXCLUSION FROM THE APPROPRIATE DEBT LIMIT OF THE COUNTY AS SELF-LIQUIDATING; RATIFYING PRIOR ACTION; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO TAKE OTHER APPROPRIATE ACTION; REPEALING ALL ORDINANCES AND RESOLUTIONS INCONSISTENT HEREWITH; AND STATING THE EFFECTIVE DATE.

On motion of Commissioner Parsons, seconded by Commissioner Trescot;

WHEREAS, the Lancaster County Convention Center Authority (the "Authority") is a body corporate and politic existing under the Third Class County Convention Center Authority Act, Act of Nov. 3, 1999, P.L. 461, as amended and supplemented, 16 P.S. §2399.1 *et seq.* (the "Authorities Act"); and

WHEREAS, the County of Lancaster (the "County") is a class 2A county and a duly organized and validly existing political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth"), and is a "local government unit" under the provisions of the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. §8001 *et seq.*, as amended (the "Debt Act"); and

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WHEREAS, at the time of the creation of the Authority, the County was a third-class county and thus remains subject to the Authorities Act pursuant to 16 P.S. § 2399.3; and

WHEREAS, the Authority has undertaken to finance a project (the "Project") consisting of, among other things, all or any of the following: (i) the current refunding of the Authority's Amended and Restated Hotel Room Rental Tax Revenue Bonds, Series of 2014 (the "Prior Bonds"); (ii) the payment of the costs of terminating certain interest rate swaps related to the Prior Bonds; and (iii) payment of the costs and expenses associated with the issuance of the hereinafter defined Bonds; and

WHEREAS, the Prior Bonds were originally issued by the Authority to finance, among other things, the refunding of certain outstanding debt of the Authority that was originally incurred to finance the design, acquisition, construction, furnishing and equipping of a anti-purpose convention center facility and related and ancillary facilities containing approximately 200,000 square feet (the "Facilities"); and

WHEREAS, the Authority has determined to issue one or more series of its Hotel Room Rental Tax Revenue Bonds, Series of 2022 in the aggregate principal amount of not to exceed \$88,725,000 (the "Bonds"), the proceeds of which will be applied to the costs of the Project and which will benefit the County; and

WHEREAS, the Bonds will be issued under and secured by a Trust Indenture (the "Indenture"), between the Authority and Wilmington Trust, National Association, as trustee (the "Trustee"); and

WHEREAS, in order to further evidence the Authority's obligation to maintain certain of the reserve funds established under the Indenture (as more fully described in the Indenture), the Authority will issue and deliver to the Trustee its Guaranteed Debt Service Reserve Fund Replenishment Note in the aggregate principal amount of not to exceed \$88,725,000 (the "Note"); and

WHEREAS, the Board of Commissioners (the "Governing Body") of the County has determined, among other things, that the undertaking of the Project is in the best interests of the County and its residents; and

WHEREAS, the County, as an inducement to the Authority to undertake the Project and to authorize and issue its Bonds and Note, and as an inducement to the initial and all future owners of the Bonds to purchase the Bonds and to thereby achieve interest costs and other savings with respect to the Project, will enter into a guaranty agreement (the "Guaranty Agreement") with respect to the Authority's obligations under the Note, in the maximum aggregate principal amount of \$88,725,000, providing for the unconditional guarantee by the County of the timely payment of the principal of, and interest on, the Note and the pledge by the County of its full faith, credit and taxing power to discharge all of its obligations under the Guaranty Agreement, as permitted by and in accordance with the terms and conditions of the Debt Act; and

WHEREAS, the Authority will enter into a reimbursement agreement with the County (the "Reimbursement Agreement") defining certain obligations of the Authority in order to induce the County to enter into the Guaranty Agreement; and

WHEREAS, the Authority will cause to be prepared and submitted to the County a report (the "Self-Liquidating Debt Report") in accordance with Section 8026(a) of the Debt Act to qualify all of the debt of the County incurred pursuant to the Guaranty Agreement as self-liquidating debt under the Debt Act and to exclude such debt from the debt limit of the County; and

WHEREAS, the execution by the County of the Guaranty Agreement constitutes the incurrence of lease rental debt by the County under the Debt Act; and

WHEREAS, the County desires to formally approve the Project and the financing thereof by the Authority, to authorize the incurrence of lease rental debt under the Debt Act, and the execution and delivery of the Guaranty Agreement.

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

Section 1. Approval of Project and Financing Thereof; Prior Project; Remaining Useful Life Thereof; and Estimated Project Completion Date. The County hereby approves the Project, as described above, and the financing thereof. The Prior Bonds were issued to finance and refinance the Facilities, as described above. The County hereby finds and determines that the remaining realistic estimated useful lives of the projects financed or refinanced with the Prior Bonds is at least forty (40) years. The principal amount of the Bonds equal to the cost of the Project have been scheduled to mature prior to the unexpired useful life thereof. The Authority is refunding the Prior Bonds to reduce its annual debt service costs and to eliminate restrictive covenants contained in the Prior Bonds.

Section 2. Amount of Note Secured by Bonds Guaranty Agreement; Incurrence of Lease Rental Debt. The aggregate principal amount of the Note to be issued by the Authority and secured by the Guaranty Agreement is \$88,725,000. The County hereby authorizes and directs the incurring of lease rental debt of the County, pursuant to the Debt Act, in the aggregate principal amount of \$88,725,000 to be evidenced by the Guaranty Agreement among the County, the Authority and the Trustee.

Section 3. Approval of Guaranty Agreement; Covenant to Pay Guaranty. The form, terms and provisions of the Guaranty Agreement as presented to this meeting (copies of which shall be filed with the records of the County) are hereby approved. The Chairman or

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Vice Chairman of the County, or any one of them, and/or any other duly authorized or appointed officer of the County, as the case may be (the "Proper Officers"), are hereby authorized and directed, upon receipt of approval from the Pennsylvania Department of Community and Economic Development ("DCED"), to execute the Guaranty Agreement in such form, subject to such changes and modifications, if any, as may be approved by such Proper Officers with the advice of the County's solicitor and McNees Wallace & Nurick LLC, special counsel to the County, the execution of the Guaranty Agreement to be conclusive evidence of such approval, and the Chief Clerk of the County is hereby authorized and directed to affix thereto the corporate seal of the County, to attest the same and to deliver the Guaranty Agreement to the Trustee and the Authority.

The County covenants to and with the holders, from time to time, of the Bonds that it shall:

- (a) include the amounts payable by the County under the Guaranty Agreement for each fiscal year in which such sums are payable in its budget for that year, but in no event shall the budgeted amount exceed the amount of the County's guaranty for such fiscal year as set forth on Exhibit A hereto;
- (b) appropriate such amounts from its general revenues for payment under the Guaranty Agreement; and (c) duly and punctually pay or cause to be paid the amount payable under the Guaranty Agreement on the dates and places and in the manner stated in the Guaranty Agreement according to the true intent and meaning thereof.

For such budgeting, appropriation, and payment the County pledges its full faith, credit and taxing power. As provided in the Debt Act, the foregoing covenants shall be specifically enforceable; subject, however, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally. Nothing in this Section shall be construed to give the County any taxing power not granted by another provision of law.

The maximum annual amounts the County will be required to pay under the Guaranty Agreement is as set forth on Exhibit A hereto. The Guaranty Agreement shall state the exact amount of the guaranty in each fiscal year.

Section 4. Approval of Continuing Disclosure Certificate. The Proper Officers are hereby authorized and directed to execute the Continuing Disclosure Certificate (hereinafter defined) on behalf of the County and the County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Ordinance, failure of the County to comply with the Continuing Disclosure Certificate shall not be considered an event of default; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Section.

As used herein, the term "Continuing Disclosure Certificate" shall mean one or more Continuing Disclosure Certificates to be executed by the County in order to comply with Securities and Exchange Commission Rule 15c2-12, and dated the date of issuance and delivery of the Bonds from time to time, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Section 5. Debt Statement and Borrowing Base Certificate; Debt Proceedings. The Proper Officers are each authorized and directed to prepare and verify the debt statement required by Section 8110 of the Debt Act and to prepare or cause to be prepared a borrowing base certificate, and the Chief Clerk of the County is hereby authorized and directed to certify to DCED, in accordance with the Debt Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder and to pay any filing fees necessary in connection therewith.

Section 6. Authorization for Exclusion of Lease Rental Debt as Self-Liquidating Debt. The Proper Officers and Chief Clerk of the County are further authorized and directed to prepare, or cause to be prepared, and file the Self-Liquidating Debt Report and any statements required under Section 8026(a) of the Debt Act, which are necessary to qualify all or any portion of the lease rental indebtedness incurred hereby for exclusion as self-liquidating debt.

Section 7. Guaranty Agreement; Reimbursement Agreement. The Proper Officers are authorized and directed to execute and deliver, and the Chief Clerk of the County is hereby authorized and directed to affix and attest the corporate seal of the County to, the Guaranty Agreement and the Reimbursement Agreement in such form as the County's solicitor and McNees Wallace & Nurick LLC, special counsel to the County, may advise and the officers executing the same may approve, their approval and the conclusive approval of the County to be evidenced by their execution thereof, and to take any other actions necessary to effectuate the Project and the issuance of the Bonds and the Note by the Authority.

Section 8. Conditions to Execution of Guaranty Agreement. The Guaranty Agreement shall be executed and delivered by the County as provided in Section 3 hereof only after satisfaction of the following conditions:

- (a) DCED shall have approved the incurrence by the County of the lease rental debt authorized by this Ordinance pursuant to the Debt Act, and the exclusion of such lease rental debt as self-liquidating debt in accordance with the Self-Liquidating Debt Report.
- (b) The Proper Officers shall have approved the principal amount of the Bonds and the Bonds debt service schedule, which approval will be evidenced by execution and delivery of the Guaranty Agreement as set forth in Section 3.
- (c) The County shall have received all closing documents required by the County in such form as the County's solicitor and McNees Wallace & Nurick LLC, special counsel to the County, may advise and County officers may require or approve, including without limitation the Trust Indenture, Reimbursement Agreement, legal opinions from counsel to the various parties, and
- (d) Authority certificates providing assurance as to the Authority's existence, the absence of adverse events, and other appropriate matters. The satisfaction and conclusive approval of the County will be evidenced by execution and delivery of the Guaranty Agreement as set forth in Section 3.

(e) Counsel to the County shall have provided a legal opinion as to the legality and enforceability of this Ordinance and the Guaranty Agreement.

Section 9. Ratification of Prior Action. The Governing Body approves and ratifies all action heretofore taken in connection with the Project by the Proper Officers, the Chief Clerk and other officers and employees of the County.

Section 10. Incidental Actions. The Proper Officers and the Chief Clerk 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, and in connection with the transactions contemplated hereby, including, without limitation, approving the Bond Purchase Proposal of Raymond James & Associates, Inc., presented to the Authority, if necessary.

Section 11. Repeals. All ordinances and resolutions or parts thereof, insofar as the same are inconsistent herewith, are repealed hereby.

Section 12. Severability. 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 the County that the remainder of the Ordinance shall remain in full force and effect.

Section 13. Effective Date. This Ordinance shall become effective on the earliest date permitted by the Debt Act.

EXHIBIT A

Maximum Amounts Payable Under the Guaranty Agreement

FISCAL YEAR ENDED December 31.	MAX ANNUAL DEBT SERVICE
2023	5,580,056.25
2024	5,579,312.50
2025	5,609,581.25
2026	5,581,831.25
2027	5,562,243.75
2028	5,521,081.25
2029	5,517,818.75
2030	5,521,143.75
2031	5,520,793.75
2032	5,516,768.75
2033	5,518,806.25
2034	5,516,643.75
2035	5,520,018.75
2036	5,518,668.75
2037	5,517,462.50
2038	5,521,006.25
2039	5,519,037.50
2040	5,516,425.00
2041	5,517,775.00
2042	5,517,693.75
2043	5,520,787.50
2044	5,516,793.75
2045	5,520,318.75
2046	5,520,837.50
2047	5,518,087.50
2048	5,516,675.00

-Continued-

2049	5,520,943.75
2050	5,520,368.75
2051	5,519,556.25
2052	5,517,981.25
2053	5,519,987.50
2054	5,519,918.75
2055	5,517,250.00
2056	5,521,193.75
2057	5,516,093.75

Ordinance passed unanimously.

On motion of Commissioner Trescot, seconded by Commissioner Parsons, it was agreed for the County of Lancaster to approve the following:

Allocation of Block Grant Funds:

Redevelopment Authority of the County of Lancaster
Lancaster, PA

Purpose:

In accordance with the Agreement between the County of Lancaster and the Lancaster County Redevelopment Authority dated April 1, 2022, the County will allocate funding from Human Services Block Grant funds to the Redevelopment Authority of the County of Lancaster for Homeless Services as outlined in the Agreement.

The Redevelopment Authority of the County of Lancaster shall submit quarterly invoices to the Controller's Office who will then issue payment to provide homeless assistance programming for the County.

Amount:

\$646,833.00

Term:

July 1, 2022, through June 30, 2023

Note:

The contract term is April 1, 2022, through June 30, 2025, with funding allocated and provided for services by the County on an annual basis. There is no increase in the amount from 2021 to 2022.

Motion passed unanimously.

On motion of Commissioner Parsons, seconded by Commissioner Trescot, it was agreed for the County of Lancaster to approve the following:

Agreement With:

Redevelopment Authority of the County of Lancaster
Lancaster, PA

Purpose:

To perform reentrant services to individuals upon their release from the Lancaster County Prison.

Amount/Term:

\$55,000.00 for the period August 31, 2022, to June 30, 2023.

Funding:

State - Human Services Block Grant funding.

Motion passed unanimously.

RESOLUTION NO. 86 OF 2022

On motion of Commissioner Trescot, seconded by Commissioner Parsons, it was agreed for the County of Lancaster to approve the following budget adjustments:

REVENUE ACCOUNT:

Sheriff's Office	
AOPC Court Security Project Grant Funding	
6321 A B1711 00000	<u>\$30,000.00 (+)</u>

EXPENDITURE ACCOUNTS:

Sheriff's Office	
7300 A B1711 00000	\$28,917.00 (+)
7200 A B1711 00000	\$1,083.00 (+)
	<u>\$30,000.00 (+)</u>

Motion passed unanimously.

RESOLUTION NO. 87 OF 2022

On motion of Commissioner Parsons, seconded by Commissioner Trescot, it was agreed for the County of Lancaster to approve the following budget adjustments:

REVENUE ACCOUNT:

Lancaster County Prison	<u>\$95,546.29 (+)</u>
State Grant Funding - Vivitrol	
6321-A C1200 22025 (30964)	

EXPENDITURE ACCOUNTS:

Lancaster County Prison	\$95,546.29 (+)
7232 - C1200 22025	
	<u>\$95,546.29 (+)</u>

Motion passed unanimously.

RESOLUTION NO. 88 OF 2022

A RESOLUTION OF THE BOARD OF COMMISSIONERS, COUNTY OF LANCASTER, DESIGNATING THE COUNTY ADMINISTRATOR/CHIEF CLERK AND THE DIRECTOR OF GENERAL SERVICES AS AUTHORIZED SIGNATORIES FOR EXECUTION OF DOCUMENTS, NOTICES AND CONTRACTS AND MANAGEMENT OF PROJECTS THROUGH PENNDOT'S REIMBURSEMENT AGREEMENT (RAS) SYSTEM

On motion of Commissioner Trescot, seconded by Commissioner Parsons;

WHEREAS, the Pennsylvania Department of Transportation (PennDOT) has implemented and requires the use of its Reimbursement Agreement System (RAS) via the Electronic Contract Management System (ECMS) for all agreements; and

WHEREAS, the County of Lancaster currently is a party to such agreements and anticipates continued participation in such agreements as owner of bridges throughout Lancaster County; and

WHEREAS, all statements of interest, bids, notifications, awards, contracts and agreements are to be entered and authorized electronically in RAS via ECMS with no signature line but rather only an electronic acknowledgement of acceptance; and

WHEREAS, there will be no physical agreements and documents presented before the Board of Commissioners for execution; and

WHEREAS, all notifications, selections, awards, agreements and contract executions requiring approval by the Board of Commissioners will be presented as a motion to be approved during a regular public meeting; and

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WHEREAS, upon such motion and approval by the Board of Commissioners, as noted by the duly recorded minutes, the requirements of the County Code naming the Commissioners as the sole contractors of the County will be met; and

WHEREAS, the Board of Commissioners desires to authorize the County Administrator/Chief Clerk and Director of General Services to execute all paperwork upon such approval.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF LANCASTER COUNTY, PENNSYLVANIA that upon motion and approval by the Board of Commissioners of any action or expenditure pertaining to the management and maintenance of Lancaster County bridges, the County Administrator/Chief Clerk and Director of General Services are authorized to approve, as the Board of Commissioners' agent, any and all notices, awards and contracts the County must undertake as owner of County bridges through PennDOT's RAS system via PennDOT's ECMS system funding.

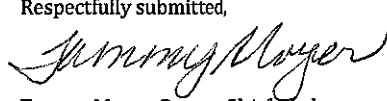
Motion passed unanimously.

The Commissioners fielded questions from the audience regarding internet service in the area.

On motion of Commissioner Parsons, seconded by Commissioner Trescot, the meeting adjourned at 7:32 p.m.

Motion passed unanimously.

Respectfully submitted,



Tammy Moyer, Deputy Chief Clerk
Commissioners' Office