

City of Johnstown

Cambria, County, Pennsylvania

ORDINANCE NO. 5239

BILL NO 25 OF 2017

Introduced in Council  
September 13, 2017

AN ORDINANCE INCREASING THE INDEBTEDNESS OF  
THE CITY OF JOHNSTOWN, CAMBRIA COUNTY,  
PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE  
IN THE AMOUNT OF \$ 500,000.00 PROVIDE FOR THE NECESSARY FUNDS  
FOR DEMOLITION PURPOSES;  
FIXING THE FORM, NUMBER, DATE, INTEREST, AND MATURITY  
THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT  
SERVICE ON THE NOTE; PROVIDING FOR THE FILING OF THE REQUIRED  
DOCUMENT; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND  
DEPOSITORY FOR THE NOTE; AND AUTHORIZING EXECUTION, SALE  
AND DELIVERY THEREOF

WHEREAS, it is necessary that the indebtedness of the City of Johnstown, Cambria  
County, Pennsylvania be increased for the following purpose:

To provide the necessary funds for the purposes of demolishing blighted properties in a  
expeditious and effective fashion; and

WHEREAS, the local government unit has received preliminary realistic cost  
estimates from professional consultants indicating the sum of \$500,000.00 will be needed to  
combat the blight issue with the demolition of blighted properties; and

WHEREAS, the proposed increase of debt, together with its non-electoral indebtedness  
and its lease rental indebtedness presently outstanding, will not cause the limitations of the local  
government unit debt incurring power, pursuant to constitutional and statutory authority to be  
exceeded;

NOW THEREFORE, BE IT ORDAINED AND ENACTED by the City Council of the City of Johnstown, Cambria County, Pennsylvania, and it is hereby ordained and enacted by the authority of same as follows:

SECTION 1. That the aggregate principal amount of the Note of the City of Johnstown, Cambria County, Pennsylvania, proposed to be issued is \$ 500,000.00, with same to be issued for the foregoing purposes and same to be incurred as non-electoral debt.

SECTION 2. The period of useful life of the improvements for which this obligation is to be issued is estimated to be more than ten (10) years.

SECTION 3. Said indebtedness shall be evidenced by one general obligation Note, in fully registered form, in the sum of \$500,000.00 dated and bearing interest from the earliest date of possible issue of said Note under the statutory time requirements as set forth in the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28<sup>th</sup> day of April, 1978, being Act 52 of 1978 Session and known as the Local Government Unit Debt Act, at a varying interest rate at a minimum rate of interest of 2.75% and a maximum rate of interest of 5% per annum, payable on the unpaid balance of said Note on \_\_\_\_\_ 1, 2027 during the term of said Note, together with interest on overdue principal, and to the extent permitted by law, on overdue interest, at a varying interest rate at a minimum rate of interest of 2.75% and a maximum rate of interest of 5% per annum (computed on the basis of 365 days to the year) until paid, which Note shall mature in installments on the annual anniversary date of said Note attached in Exhibit A.

The local government unit reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payments dates thereof, without notice or penalty.

The principal and interest of said Note shall be payable at the office of the sinking fund depository selected for the Note as hereinafter provided.

SECTION 4. The said Note is hereby declared to be a general obligation of the City of Johnstown, Cambria, County Pennsylvania. The local government unit hereby covenants that it shall include the amount of debt service on the Note for each fiscal year in which such sums are payable in its budget for that year; shall appropriate such amounts to the payment of such debt service; and shall duly and punctually pay or cause to be paid the principal of the Note and the interest thereon at the dates and places and in the manner stated in the Note according to the true

intent and meaning thereof, and for such proper budgeting, appropriation, and payment, the full faith, credit and taxing power of the City of Johnstown is hereby irrevocably pledged.

The amounts which the local government unit hereby covenants to pay in each of the following fiscal years on the basis of the current overall debt is presented in Exhibit B.

SECTION 5. The form of said Note shall be substantially as set forth in the attached Exhibit C.

SECTION 6. The said Note shall be executed in the name and under the corporate seal of the local government unit by the Mayor and City Manager and attested to by the Secretary. The Treasurer is hereby authorized and directed to deliver said Note to the purchaser, and receive payment therefore on behalf of the local government unit. The City Manager and Secretary of the local government unit are authorized and directed to prepare, verify and file the debt statement required by Section 8110 of the Act and to take other necessary action, including, if necessary or desirable, any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 7. First Summit Bank is hereby designated as the Sinking Fund Depository for the obligation herein authorized, and there is hereby created and established a Sinking Fund, to be known as "Sinking Fund 2017 Demolition General Obligation Note" for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The Treasurer shall deposit into the Sinking Fund, which shall be maintained until such obligation is paid in full, sufficient amounts for payment of principal and interest on the obligation no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, as and when said payments are due, without further action by the local government unit, withdraw available monies in the Sinking Fund and apply said monies to payment of principal and interest on the obligation.

SECTION 8. The Mayor and the City Manager of the local government unit are hereby authorized to contract with First Summit Bank for its services as Sinking Fund Depository for the Note and paying agent for the same.

SECTION 9. In compliance with Section 8161 of the Act, the members of the governing body have determined that a private sale by negotiation rather than public sale is in the best financial interest of the local government unit. Therefore, the general obligation Note in the amount of \$500,000.00, herein authorized to be issued and sold is hereby awarded and sold to

First Summit Bank in accordance with its proposal to purchase the said Note at par; provided the said Note is dated the delivery thereof to the First Summit Bank; and further provided that the proceedings have been approved by the Department of Community and Economic Development if such approval is required under the provisions of the Act and the Court of Common Pleas of Cambria County.

SECTION 10. The action of the proper officers and the advertising of a summary of this Ordinance is required by law in the Johnstown Tribune Democrat, a newspaper of general circulation. The advertisement in said paper of the enactment of the ordinance is hereby directed to occur within fifteen (15) days following the day of final enactment.

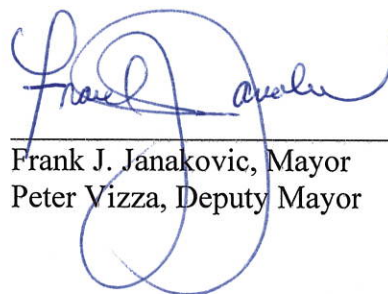
SECTION 11. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

PASSED FINALLY IN COUNCIL:            10<sup>th</sup> day of October, 2017.

By the following vote:

Yeas: Mayor Janakovic, Mr. Johncola, Mrs. Mock, Mr. Vitovich, Mr. Vizza. (5)

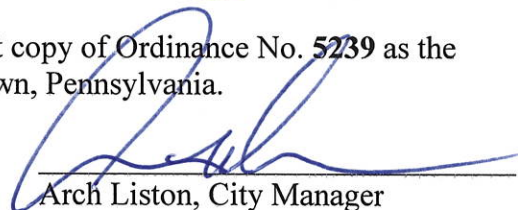
Nays: Mr. Williams, Mrs. Stanton. (2)



Frank J. Janakovic, Mayor  
Peter Vizza, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Ordinance No. **5239** as the same adopted by the City Council of the City of Johnstown, Pennsylvania.



Arch Liston, City Manager

City of Johnstown

Cambria, County, Pennsylvania

ORDINANCE NO. 5240 of 2017

BILL NO. 26 OF 2017

Introduced in Council  
September 13, 2017

AN ORDINANCE INCREASING THE INDEBTEDNESS OF THE CITY OF JOHNSTOWN, CAMBRIA COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GUARANTEED REVENUE NOTE IN THE MAXIMUM PRINCIPAL AMOUNT OF \$5,580,000.00, FOR PURPOSES OF REHABILITATING THE INNER CITY SANITARY SEWER SYSTEM.

THE PROJECT IS LOCATED WITHIN THE OHIO STREET SANITARY STORM SEWER SEPARATION PHASE AREAS OF THE CITY OF JOHNSTOWN. THE EXISTING SANITARY SEWER SYSTEM IS MORE THAN 80 YEARS OLD CONSISTING OF VITRIFIED CLAY PIPE COLLECTION LINES THAT ARE ALLOWING GROUNDWATER (INFILTRATION) TO ENTER THE SYSTEM THROUGH NON-GASKETED PIPE JOINTS AND PIPE FAILURES. ADDITIONALLY, SURFACE WATER (INFLOW) ENTERS THE SANITARY SEWER SYSTEM BY WAY OF CONNECTIONS BETWEEN THE SANITARY AND STORM SEWERS THAT WERE MADE TO ALLEVIATE STORM SEWER BACK-UPS. THE GOAL OF THIS PROJECT IS REHABILITATION OF THE OHIO STREET SANITARY STORM SEWER SEPARATION LINES TO REMOVE INFILTRATION & INFLOW TO THE SANITARY SEWER SYSTEM BY REHABILITATING THE COLLECTION LINES AND ELIMINATING INTERCONNECTIONS BETWEEN THE SANITARY AND STORM SEWER SYSTEMS.

FIXING THE FORM, DATES, INTEREST, AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE NOTE; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENTATION WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO INCUR AND EXCLUDE ADDITIONAL DEBT OF THE GOVERNMENTAL UNIT; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND DEPOSITORY FOR THE NOTE; PROVIDING FOR THE AUTHORIZED SIGNATORIES AND AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF.

WHEREAS, it is necessary that the indebtedness of the City of Johnstown, Cambria County, Pennsylvania ("Local Government Unit") be increased for the purpose of rehabilitating

the inner city sanitary sewer system. The project is located within the Ohio Street Sanitary Storm Sewer Phase areas of The City of Johnstown. The existing sanitary sewer system is more than 80 years old consisting of vitrified clay pipe collection lines that are allowing groundwater (infiltration) to enter the system through non-gasketed pipe joints and pipe failures. Additionally, surface water (inflow) enters the sanitary sewer system by way of connections between the sanitary and storm sewers that were made to alleviate storm sewer back-ups. The goal of this project is rehabilitation of the Ohio Street Sanitary Storm Sewer Phase lines to remove infiltration & inflow to the sanitary sewer system by rehabilitating the collection lines and eliminating interconnections between the sanitary and storm sewer systems;

WHEREAS, the Local Government Unit has received preliminary realistic cost estimates from professional consultants indicating the sum of \$5,580,000.00, will be needed to complete the project;

WHEREAS, the Pennsylvania Infrastructure Investment Authority ("PENNVEST") has approved funding for the Project, subject to the approval of debt proceedings.

WHEREAS, the Local Government Unit shall file debt proceedings with the Department of Community and Economic Development to qualify the indebtedness hereafter authorized as self-liquidating debt; and

WHEREAS, provided the debt related to the project qualifies as self-liquidating, as aforesaid, the proposed increase of debt, together with the Local Governmental Unit's non-electoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Local Governmental Unit's debt incurring power, pursuant to constitutional and statutory authority, to be exceeded.

NOW THEREFORE, BE IT ORDAINED AND ENACTED by the City of Johnstown City Council, Cambria County, Pennsylvania, and it is hereby ordained and enacted by the authority of same as follows:

SECTION 1. It is necessary that the indebtedness of the City of Johnstown, Cambria County, Pennsylvania, be increased for the purpose of constructing the Project;

SECTION 2. The period of useful life of the improvements for which this obligation is to be issued is set forth in **EXHIBIT A**.

SECTION 3. Said indebtedness shall be incurred as non-electoral debt and shall be evidenced by one guaranteed revenue note, in fully registered form, in a sum not to exceed \$5,580,000.00, (the "PENNVEST Guaranteed Revenue Note") bearing interest at a rate of 1.000% per annum for the years 1-5 during the interest only period and the first five years of principal amortization and 1.000% for the remainder of the five or more year term for a total of twenty years. The form of the PENNVEST Guaranteed Revenue Note is set forth in **EXHIBIT A**.

SECTION 4. The PENNVEST Guaranteed Revenue Note is being issued as provided in the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978, being Act 52 of 1978 Session and known as the Local Government Unit Debt Act (the "Act"). The Authority shall begin principal amortization of the PENNVEST Note on the earlier of: (i) three (3) months after the estimated date of completion of the Project, (ii) the first day of the calendar month following actual completion of the Project, or (iii) three (3) years from the date of settlement. Notwithstanding the foregoing, principal amortization on the PENNVEST Note shall not be deferred beyond the later of two (2) years from the date of settlement or one (1) year after completion of the Project in accordance with Section 8142(c) of the Act. As of the date of this Ordinance, the projected estimated date of completion of the Project is five or more years.

The Local Government Unit reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payments dates thereof, without notice or penalty.

The principal and interest of the PENNVEST Guaranteed Revenue Note shall be payable at the office of the sinking fund depository selected for the Note as hereinafter provided.

SECTION 5. The PENNVEST Guaranteed Revenue Note is hereby declared to be a general obligation of the Local Government Unit. The Local Government Unit hereby covenants that it shall include the amount of debt service on the PENNVEST Guaranteed Revenue Note for each fiscal year in which such sums are payable in its budget for that year; shall appropriate such amounts to the payment of such debt service; and shall duly and punctually pay or cause to be paid the principal of the PENNVEST Guaranteed Revenue Note and the interest thereon at the dates and places and in the manner stated in the PENNVEST Guaranteed Revenue Note according to

the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment, the full faith, credit and taxing power of the Local Government Unit is hereby irrevocably pledged.

In addition, the Local Government Unit grants to PENNVEST a lien and security interest in all other gross revenues or receipts of the Local Government Unit generated or produced from the Local Government Unit's sewer revenue system (the "System") as it now exists and upon completion of the Project, including but not limited to, a security interest in all existing and future accounts, contract rights and general intangibles arising out its operation of the System. The grant of a lien and security interest created hereby shall be evidenced in the Loan Documents entered into between the Local Government Unit and PENNVEST, as the registered owner of the PENNVEST Guaranteed Revenue Note.

Further, the Local Government Unit hereby covenants to pay in each of the following fiscal years in respect to the PENNVEST Guaranteed Revenue Note, including the principal maturity and interest are set forth and referenced herein.

SECTION 6. The PENNVEST Guaranteed Revenue Note shall be executed in the name and under the corporate seal of the Local Government Unit by the City of Johnstown City Council and attested to by the Secretary. The City of Johnstown City Council hereby authorizes and directs the Treasurer to deliver the PENNVEST Guaranteed Revenue Note to PENNVEST, and receive payment therefor on behalf of the Local Government Unit. The Solicitor and the Secretary of the Local Government Unit are authorized and directed to prepare, verify and file the debt statement required by Section 8110 of the Act and to take other necessary action, including filing any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 7. First Summit Bank is hereby designated as the Sinking Fund Depository for the obligation herein authorized, and there is hereby created and established a Sinking Fund, to be known as "Sinking Fund Sewer Rental Account" for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The Treasurer shall deposit into the Sinking Fund, which shall be maintained until such obligation is paid in full, sufficient amounts for payment of principal and interest on the obligation no later than the date upon which such payments shall become due. PENNVEST shall, as and when said payments are due, without further action by the Local



Government Unit, withdraw available monies in the Sinking Fund and apply said monies to payment of principal and interest on the obligation.

SECTION 8. The City of Johnstown City Council and the Finance Director of the City of Johnstown are hereby authorized to contract with First Summit Bank for its services as Sinking Fund Depository for the PENNVEST Guaranteed Revenue Note and paying agent for the same..

SECTION 9. In compliance with Section 8161 of the Act, the members of the governing body have determined that a private sale by negotiation rather than public sale is in the best financial interest of the Local Government Unit. Therefore, the PENNVEST Guaranteed Revenue Note in the amount not to exceed \$5,580,000.00, herein authorized to be issued and sold is hereby awarded and sold to PENNVEST (Lender) in accordance with its proposal to purchase the PENNVEST Guaranteed Revenue Note at par; provided it is dated the delivery thereof to the (Lender) and is in the form set forth in this Ordinance as well as **EXHIBIT A**; and further provided that the proceedings have been approved by the Department of Community and Economic Development if such approval is required under the provisions of the Act; and subject to such further terms and conditions set forth in the PENNVEST Funding Offer attached hereto and made a part hereof by reference.

SECTION 10. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Johnstown Tribune Democrat, a newspaper of general circulation, is ratified and confirmed. The advertisement in said paper of the enactment of the ordinance is hereby directed within fifteen (15) days following the day of final enactment.

SECTION 11. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

PASSED FINALLY IN COUNCIL:

October 10, 2017

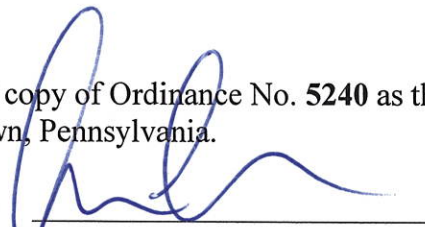
By the following vote:

Yeas: Mayor Janakovic, Mr. Johncola, Mrs. Mock, Mr. Vitovich, Mr. Vizza. (5)

Nays: Mrs. Stanton, Mr. Williams. (2)

ATTEST:

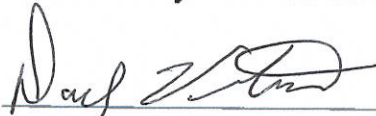
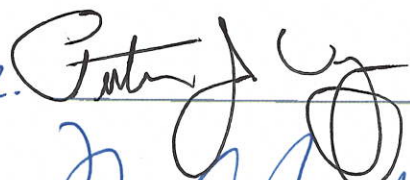
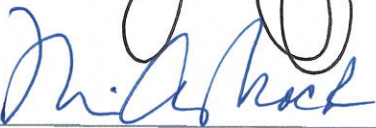
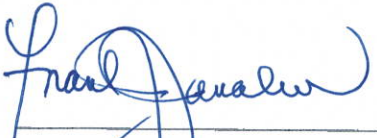
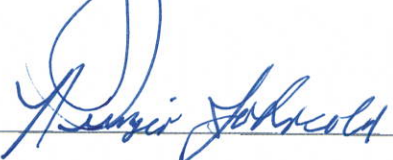
I do hereby certify that the foregoing is a true and correct copy of Ordinance No. **5240** as the same adopted by the City Council of the City of Johnstown, Pennsylvania.



Arch Liston, City Manager

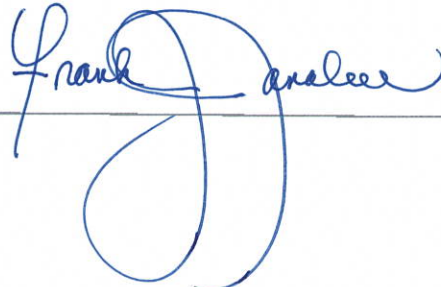
ORDAINED AND ENACTED THIS 10<sup>th</sup> day of October, 2017.

ATTEST: City of Johnstown City Council

1.  DAVID VITOVICH
2.  PETER J. ULZ
3.  MARIE A. MOCK
4.  FRANK J JANAKOVIC
5.  NUNZIO JOHNSON

Secretary 

Approved this 10<sup>th</sup> day of Oct., 2017.

Mayor of City of Johnstown: 

CITY OF JOHNSTOWN  
PENNSYLVANIA

ORDINANCE NO. 5241

BILL NO. 28 OF 2017

INTRODUCED IN COUNCIL  
September 13, 2017

AN ORDINANCE

AMENDING CHAPTER 1048 OF THE CODIFIED ORDINANCES OF THE CITY OF JOHNSTOWN TITLED "INNER CITY SEWAGE SYSTEM," BY AMENDING SECTION 1048.03, AS AMENDED BY ORDINANCE NOS. 4626, 4921, 5033, 5070, 5079, AND 5108, TO CONFORM TO ACTUAL BILLING RATES, AND TO DELETE AND REPEAL AN INCREASE IN SEWER RATES SCHEDULED FOR IMPLEMENTATION IN JANUARY 2018.

Be it enacted and ordained by the Council of the City of Johnstown, Pennsylvania as follows:

Section 1. Chapter 1048 of the Codified Ordinance of the City of Johnstown is hereby amended at Section 1048.03 as follows:

CHAPTER 1048

INNER CITY SEWER SYSTEM

1048.03 RATES

- (a) all persons owning or using property connected to the City Sewage Collection System and served with metered water service by a water utility shall pay a monthly rental or charge for sanitary sewage collection services based on the quantity of water used as evidenced by meter readings for water meters installed for the purpose of measuring water purchased for and furnished by a water utility and such other meters as may be instead pursuant to any provision, as set forth below. There shall be, where applicable, a determination of the total number of billing units for which such persons are responsible, and the following charge shall be imposed for each such billing unit:

ADD:

The following rates structure will be remain in effect immediately upon passage of this ordinance: ~~through December 31, 2017~~

MONTHLEY SEWAGE RATES

0-6,000 gallons	\$55.00 minimum
6001-40,000 gallons	\$9.75 per 1,000 gallons
40,001-100,000 gallons	\$9.50 per 1,000 gallons
100,001-200,000 gallons	\$9.25 per 1,000 gallons
200,001-300,000 gallons	\$9.00 per 1,000 gallons
300,001-400,000 gallons	\$8.75 per 1,000 gallons

Over-400,000 gallons

\$8.50 per 1,000 gallons

DELETE:

The following rates structure will be in effect January 1, 2018:

MONTHLY SEWAGE RATES

0-6,000 gallons	\$59.00 minimum
6001-40,000 gallons	\$10.50 per 1,000 gallons
40,001-100,000 gallons	\$10.25 per 1,000 gallons
100,001-200,000 gallons	\$10.00-25 per 1,000 gallons
200,001-300,000 gallons	\$9.75 per 1,000 gallons
300,001-400,000 gallons	\$9.50 per 1,000 gallons
Over 400,000 gallons	\$9.25 per 1,000 gallons

(b) Such minimum rental and charges shall be imposed on each billing unit the same as if each unit were separate and apart from one another. Sewage collection charges in excess of the minimum charge on each such billing unit shall be determined by dividing the total water consumed by the number of billing units involved and by applying the rate schedule to the quantity so determined.

PASSED FINALLY IN COUNCIL:

October 10, 2017

BY THE FOLLOWING VOTE:

YEAS: Mrs. Mock, Mrs. Stanton, Mr. Vitovich, Mr. Vizza, Mr. Williams, Mayor Janakovic, Mr. Johncola. (7)

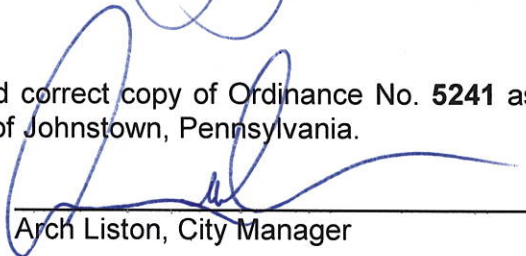
NAYS: None (0)



Frank J. Janakovic, Mayor  
Peter Vizza, Deputy Mayor

ATTEST:

I do hereby certify that the foregoing is a true and correct copy of Ordinance No. 5241 as the same was adopted by the City Council of the City of Johnstown, Pennsylvania.

  
Arch Liston, City Manager