Easton, Pennsylvania                                      July 18, 2013

A regular meeting of the Northampton County Council was held on the above date with the following present: John Cusick, President; Margaret L. Ferraro, Vice President; Thomas H. Dietrich; Kenneth M. Kraft; Lamont G. McClure, Jr.; Scott Parsons; Barbara A. Thierry; Robert F. Werner; Frank E. Flisser, Clerk to Council, and Philip D. Lauer, Solicitor to Council. Absent was Bruce A. Gilbert.

Prayer

Mr. Cusick led County Council in prayer to open the meeting.

Pledge of Allegiance

Mr. Cusick led County Council in the pledge of allegiance.

Approval of the Minutes

Mrs. Thierry made the following motion:

Be It Moved By the Northampton County Council that the minutes of the July 2, 2013 meeting shall be approved.

Mr. Kraft seconded the motion.

The minutes were approved by voice acclamation.

Courtesy of the Floor

Ms. Raydene Harwick, Staff Representative for American Federation of State, County and Municipal Employees (AFSCME) District Council 88- stated she represented the Northampton County Court Appointed Professional Union, who recently came to a tentative agreement and ratified a contract. She further stated she wanted to thank her team, who was not here tonight, Mr. Arky Colon, Mr. Kevin Eisenhart, Ms. Debra Budge and Mr. Bernie Mikulski, as well as Ms. Patricia Siemiontkowski, Director of Human Resources, and her team for reaching an agreement that was fair to both sides.
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County Executive’s Report

Mr. John Stoffa, County Executive, advised he wanted to publicly thank Mr. Gary Pulcini, Valco Capital, Ltd. and Mr. Robert Fuller, Capital Markets Management, L.L.C., noting the County was very lucky to have them as its financial advisors. He further advised he hoped Northampton County continued to use their services in the future.

Consideration of the 2013 Bond Issue Ordinance

Mr. Cusick stated the following ordinance was introduced by Messrs. Gilbert and Parsons at the meeting held June 6, 2013. He further stated the public hearing was held on the ordinance at the June 20, 2013 County Council meeting, it was reviewed at the July 2, 2013 County Council meeting and final consideration was scheduled for this meeting:

AN ORDINANCE OF THE COUNCIL OF THE COUNTY OF
NORTHAMPTON, NORTHAMPTON COUNTY, PENNSYLVANIA,
AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL
OBLIGATION BONDS, SERIES OF 2013 (THE "BONDS") IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED TWENTY-FIVE
MILLION DOLLARS ($25,000,000) PURSUANT TO THE LOCAL
GOVERNMENT UNIT DEBT ACT OF THE COMMONWEALTH OF
Pennsylvania, 53 Pa. C.S. Chs. 80-82 (THE ACT);
PROVIDING THE PROCEEDS OF THE BONDS SHALL BE APPLIED
TO FUNDING OF CERTAIN COUNTY IMPROVEMENTS, DESCRIBING
THE COUNTY IMPROVEMENTS (THE IMPROVEMENTS), AND TO
CARRYING OUT THE REFUNDING OF THE REMAINING
OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2006
(THE 2006 BONDS), SETTING FORTH THE ESTIMATED USEFUL
LIFE OF COUNTY IMPROVEMENTS, DETERMINING THAT THE SALE
OF THE BONDS SHALL BE A PRIVATE SALE BY INVITED BID
UNDER THE ACT, AND DETERMINING THAT THE BONDS SHALL BE
NONELECTORAL DEBT OF THE COUNTY; FIXING THE INTEREST
PAYMENT DATES, DENOMINATIONS AND REGISTRATION,
TRANSFER AND EXCHANGE PRIVILEGES OF THE BONDS AND
PROVIDING FOR BOOK ENTRY BONDS THROUGH DEPOSITORY
TRUST COMPANY; SETTING FORTH THE MATURITY DATES,
PRINCIPAL MATURITIES AND CURRENT INTEREST RATES OF
BONDS AND ESTABLISHING A REQUIRED SCHEDULE OF THE
PAYMENTS WITH RESPECT TO THE SINKING FUND, IN ORDER TO
AMORTIZE THE BONDS; ESTABLISHING THE REDEMPTION
PROVISIONS OF THE BONDS; ACCEPTING A BID FOR PURCHASE
CERTAIN OTHER ACTIONS AND APPROVING DOCUMENTATION WITH REGARD TO THE REFUNDING; PROVIDING FOR THE ISSUANCE OF IRREVOCABLE INSTRUCTIONS TO THE PAYING AGENT FOR THE 2006 BONDS SUBJECT TO EARLY OPTIONAL REDEMPTION TO CALL SAID BONDS FOR REDEMPTION ON A CERTAIN SPECIFIED DATE, AND ESTABLISHING THE FORM OF SUCH IRREVOCABLE INSTRUCTIONS AND THE NOTICE OF REDEMPTION; PROVIDING FOR NOTICE TO ANY BOND INSURER; PROVIDING FOR COMPLIANCE WITH SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; PROVIDING FOR SEVERABILITY OF PROVISIONS OF THE ORDINANCE; PROVIDING FOR REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES SO FAR AS THE SAME SHALL BE INCONSISTENT; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.

WHEREAS, the County of Northampton, Northampton County, Pennsylvania (the "County"), is a Local Government Unit, as defined in the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act"); and

WHEREAS, the County did previously authorize, issue and sell a certain series of obligations designated as its General Obligation Bonds, Series of 2006 (the "2006 Bonds"), dated March 15, 2006, in the aggregate principal amount of $13,440,000, for the purpose of advance refunding of the new money portion of 1999 Bonds allocated to capital projects (and to pay the cost of issuance for the 2006 Bonds);

WHEREAS, the 1999 Bonds were issued to: (i) currently refund all of the County's then outstanding General Obligation Bonds, Series of 1992 (the "1992 Bonds"); (ii) currently refund all of the County's then outstanding General Obligation Bonds, Series of 1993 (the "1993 Bonds"); (iii) advance refund all of the County's then outstanding General Obligation Bonds, Series of 1996 (the "1996 Bonds"); (iv) finance the costs of certain capital "Projects" of the County under the Act; and (v) pay the costs related to the issuance of the 1999 Bonds; and

WHEREAS, all of the 2006 Bonds still outstanding, maturing on and after August 15, 2014, are subject to redemption prior to maturity, at the option of the County, on or after August 15, 2013, upon payment of the principal amount together with accrued interest to the date fixed for redemption; and
WHEREAS, the Council, in order to effect a debt service savings resulting from currently available interest rates, has determined to currently refund the remaining 2006 Bonds, maturing on or after August 15, 2014, in accordance with the provisions of Section 8241 of the Act, by providing for the payment of the interest to and principal at maturity or redemption on such 2006 Bonds on August 15, 2013, pursuant to a refunding program (the "Refunding Program"), encompassing the refunding of the 2006 Bonds; and

WHEREAS, additionally and as part of the Refunding Program, as submitted to the County by its financial consultant, VALCO Capital, Ltd. (the "Financial Consultant"), the necessary funds will be deposited with U.S. Bank, National Association, successor in interest to Wachovia Bank, National Association, the paying agent for the 2006 Bonds, in the capacity of the paying Agent (the "2006 Paying Agent"), the funds so deposited with the 2006 Paying Agent to be held uninvested in cash and applied by the 2006 Paying Agent. The principal to be directly deposited with the Paying Agent, is adequate as to amount and to pay the interest on and principal at maturity or redemption of the 2006 Bonds still outstanding; and

WHEREAS, the Council has determined to undertake various County capital projects including the reconstruction of County bridges, renovations and acquisitions of generators at the Courthouse and Graceland, and renovations to the Boiler House at Graceland (the "County Improvements");

WHEREAS, the County has obtained actual bids and/or realistic estimates from its qualified professionals of the costs of the County Improvements, as such costs are defined in Section 8006 of the Act, and has determined to permanently finance a portion of such costs by the issuance of bonded indebtedness under the Act; and

WHEREAS, the Council has determined to implement the foregoing financing of the Refunding Program and County Improvements, including the reimbursement of costs thereof, by authorization, issuance and sale of the County's General Obligation Bonds, Series of 2013 (the "Bonds"); and
WHEREAS, the proceeds of the Bonds, after payment of costs of issuance, together with any other monies available or to be available for the purpose, will provide necessary monies for the funding of the Refunding Program and the County Improvements, including the reimbursement of costs thereof; and

WHEREAS, the Council, in contemplation of the authorization, issuance and sale of the Bonds, has determined that the Bonds shall be offered for sale, which sale shall be private sale by invitation, in accordance with Section 8107 of the Act, which it believes is in the best interests of the County and has requested the Financial Consultant, to circulate an Invitation to Bid (the "Invitation to Bid") on behalf of the County; and

WHEREAS, the Council has received and reviewed a Bid (the "Bond Purchase Agreement") to purchase the Bonds from (the "Underwriters" or "Investment Bankers"), and, upon the recommendation of the Financial Consultant has determined to accept the Bid; and

WHEREAS, the Council desires to award the Bonds to the Investment Bankers at private sale by invitation and to accept their Bid in the form submitted, the Bid together with the Invitation to Bid constituting a Bond Purchase Agreement with the Investment Banker; to authorize issuance of nonelectoral debt in the aggregate principal amount of the Bonds pursuant to the "Financing Study" prepared by the Financial Consultant; and to take appropriate action and to authorize such action in connection with the Refunding Program and County Improvements, all in accordance with and pursuant to provisions of the Act.

NOW, THEREFORE, BE IT ORDAINED by the County Council of the County of Northampton, as follows:

Section 1. The Council does authorize and direct the issuance of its General Obligation Bonds, Series of 2013, pursuant to this Ordinance, in the aggregate principal amount of $____________, for the purposes of carrying out the funding of the County Improvements, including the reimbursement of the costs thereof, and the Refunding Program, and paying the cost of issuing Bonds. The Bonds will be general obligations of the County payable from the general revenues of the County.
Section 2. (a) A brief description of the County Improvements, for which a portion of the debt evidenced by the Bonds will be incurred, is contained in the preamble hereof. The County hereby determines that the estimated useful lives of the capital improvements composing the County Improvements, to be, at least, from 5 to 30 years, and the amortization of the Bonds funding such County Improvements has been structured to fully amortize on a level or earlier basis each component of the capital improvements before the expiration of their respective useful lives.

(b) A brief description of the Refunding Program for which a portion of the debt is to be incurred, of which the Bonds shall be evidence, is contained in the preamble hereof. The realistic estimated useful lives of the capital projects financed by the 2006 Bonds and the 1999 Bonds, which were "Projects" as defined in Section 8002 of the Act, were previously determined to be as follows:

(i) The amortization of the 2006 Bonds were structured to fully amortize on a level or earlier basis each component of the Projects of the 2006 Bonds and 1999 Bonds before the expiration of their useful lives. The useful lives of such Projects is not less than previously determined, and the portion of the 2013 Bonds, the proceeds of which are designated to the Refunding Program, as structured will fully amortize on a level or earlier basis each component of the Projects before the expiration of their useful lives.

Section 3. The Bonds shall be combined for sale, and shall be sold at private sale by invited bid, which this Council has determined to be in the best interests of the County. The Council has determined that the debt, of which the Bonds shall be evidence, shall be nonelectoral debt of the County. The Bonds may be sold in one or more series.

Section 4. (a) The Bonds shall be dated as of date of delivery ("Dated Date"), and shall bear interest payable semiannually on February 15 and August 15 of each year, beginning February 15, 2014, or such other date as may be determined by the parties, to the registered owners thereof, at the rate per annum stated thereon, from the interest payment date next preceding the date of registration and authentication of a Bond, unless the Bond is registered and authenticated as of
an interest payment date, in which event the Bond shall bear interest from such interest payment date, or unless the Bond is registered and authenticated prior to the Record Date next preceding February 15, 2014, in which event the Bond shall bear interest from the Dated Date, or unless, as shown by the records of the Paying Agent (hereinafter identified), interest on the Bond shall be in default, in which event the Bond shall bear interest from the date on which interest was last paid on the Bond, until said principal sum is paid. Payment of interest on a Bond shall be made to the registered owner thereof whose name and address shall appear, at the close of business on the last day next preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of the Bond subsequent to such Record Date and prior to such interest payment date, unless the County shall be in default in payment of interest due on such interest payment date. In the event of such default, such defaulted interest shall be payable to the person in whose name the Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owner of the Bond not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name the Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing. Interest on the Bonds will be computed on the basis of a 360-day year, consisting of twelve 30 day months.

(b) If any interest payment date for the Bonds shall be a Saturday, Sunday or legal holiday or a day on which banking institutions in the City of Philadelphia, where the Pennsylvania corporate trust office of the Paying Agent is located are authorized by law or executive order to close, then the date for payment of such principal of or interest on the Bonds shall be the next succeeding day which is not a Saturday, Sunday or legal holiday or day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

(c) Depository Trust Company ("DTC") will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity of each series, each in the aggregate principal amount of such maturity, will be registered
in the name of Cede & Co., as nominee for DTC. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bondholders, Bond owners or registered owners of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Bonds.

(d) DTC is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC was created to hold securities of its participants (the "DTC Participants") and to facilitate the clearance and settlement of securities transactions among DTC Participants in such securities through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of securities certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of whom (and/or their representatives) own DTC. Access to the DTC system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (the "Indirect Participants").

(e) Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. Such DTC Participants and the persons for whom they acquire interests in the Bonds as nominees will not receive a bond certificate, but each DTC Participant will receive a credit balance in the records of DTC in the amount of such DTC Participant's interest in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Beneficial owners of Bonds will not receive certificates representing their beneficial ownership interests in the Bonds, unless use of the book-entry only system is discontinued as described below.

(f) Transfers of beneficial ownership interests in the Bonds which are registered in the name of Cede & Co., as nominee of DTC, will be accomplished by book entries made by DTC and in turn by the DTC Participants and Indirect Participants who act on behalf of the beneficial owners of Bonds. For every transfer and exchange of beneficial ownership in the Bonds, the
beneficial owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

(g) For so long as the Bonds are registered in the name of DTC or its nominee, Cede & Co., the County and the Paying Agent will recognize only DTC or its nominee, Cede & Co., as the owner of the Bonds for all purposes, including notices and voting. Conveyance of notices and other communications by DTC to DTC Participants, by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to beneficial owners of the Bonds, will be governed by arrangements among DTC, DTC Participants, Indirect Participants and beneficial owners, subject to any statutory and regulatory requirements as may be in effect from time to time.

(h) Payments made by the Paying Agent to DTC or its nominee shall satisfy the County's obligations with respect to the Bonds to the extent of the payments so made.

(i) Principal, redemption price and interest payments on the Bonds shall be made by the Paying Agent to DTC or to its nominee, Cede & Co., as registered owner of the Bonds. Disbursement of such payments to the beneficial owners shall be solely the responsibility of DTC, the DTC Participants and, where appropriate, Indirect Participants. Upon receipt of moneys, DTC's current practice is to credit immediately the accounts of the DTC Participants in accordance with their respective holdings shown on the records of DTC. Payments by DTC Participants and Indirect Participants to beneficial owners shall be governed by standing instructions of the beneficial owners and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in "street name." Such payments shall be the sole responsibility of such DTC Participant or Indirect Participant and not of DTC, the County or the Paying Agent, subject to any statutory and regulatory requirements as may be in effect from time to time.

(j) The County and the Paying Agent cannot and do not give any assurances that DTC, the DTC Participants or the Indirect Participants will distribute to the beneficial owners of the Bonds (I) payments of principal or redemption price of or interest on the Bonds, (II) certificates representing an
ownership interest or other confirmation of beneficial ownership interests in Bonds, or (III) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will do so on a timely basis or that DTC, DTC Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

(k) Neither the County nor the Paying Agent will have any responsibility or obligation to any DTC Participant, Indirect Participant or beneficial owner or any other person with respect to: (1) the Bonds; (2) the accuracy of any records maintained by DTC or any DTC Participant or Indirect Participant; (3) the payment by DTC or any DTC participant or Indirect Participant of any amount due to any beneficial owner in respect of the principal or redemption price of or interest on the Bonds; (4) the delivery by DTC or any DTC Participant or Indirect Participant of any notice to any beneficial owner which is required or permitted under the terms of this Resolution to be given to Bondholders; (5) the selection of the beneficial owners to receive payment in the event of any partial redemption of the bonds; or (6) any other action taken by DTC as Bondholder.

(l) DTC may determine to discontinue providing its service with respect to the Bonds at any time by giving notice to the County and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In addition, the County may discontinue the book-entry only system for the Bonds at any time if it provides thirty (30) days' notice of such discontinuation to the Paying Agent and DTC that continuation of the book-entry only system is not in the best interests of the County. Upon the giving of such notice, the book-entry only system for the Bonds will be discontinued unless a successor securities depository is appointed by the County.

Section 5. The Bonds shall be issued in the aggregate principal amounts, shall be numbered consecutively within maturities, and shall mature on the dates, and in the amounts, and shall bear interest at the rates and require the amortization payments to the sinking fund hereinafter
established, all as set forth in the schedules contained in the attached Schedule "A" of this Ordinance.

Section 6. The Bonds are subject to mandatory redemption prior to maturity from monies to be deposited in the sinking fund, upon payment of the principal amount together with interest to the date of such redemption, as set forth in Schedule "B" attached to this Ordinance.

Section 7. The Bonds shall be subject to redemption prior to maturity, at the option of the County, upon payment of the principal amount, together with accrued interest to the date fixed for redemption, as set forth in Schedule "C" attached to this Ordinance.

Section 8. Bonds subject to redemption and issued in denominations larger than $5,000 may be redeemed in part. For the purposes of redemption, such Bonds shall be treated as representing that number of Bonds which is obtained by dividing the denomination thereof by $5,000, each $5,000 portion of such Bonds being subject to redemption. In the case of partial redemption of such Bonds, payment of the redemption price shall be made only upon surrender of the Bond in exchange for Bonds of like form, series and maturity, of authorized denominations in aggregate amount equal to the unredeemed portion thereof.

(a) Any redemption of Bonds pursuant to Section 6 and 7 above shall be made after notice by mailing by first class mail a notice thereof to the registered owners of all Bonds to be redeemed and to any bond insurer then insuring the Bonds, not less than thirty (30) days but not more than forty-five (45) days prior to the date fixed for redemption, or after waivers of such notice executed by the registered owners of all Bonds to be redeemed shall have been filed with the Paying Agent. Failure to mail any notice or any defect therein or in the mailing thereof, with respect to any particular Bond, shall not affect the validity of the proceedings for redemption of any other Bond. Any notice of redemption mailed in accordance with these requirements shall be conclusively presumed to have been duly given, whether or not such registered holder actually receives the notice. Notice having been so given or waived, and provision having been made for redemption from funds on deposit with the Paying Agent, all interest on the Bonds called for redemption accruing after the date fixed for redemption shall cease, and
the registered owners of the Bonds called for redemption shall have no security, benefit or lien under this Ordinance or any right except to receive payment of the principal of and accrued interest on such Bonds to the date fixed for redemption.

(b) Any such notice shall be dated, shall be given in the name of the County, and shall state the following information:

(i) the identification numbers and the CUSIP numbers, if any, of the Bonds being redeemed, provided that any such notice shall state that no representation is made as to the correctness of CUSIP numbers either as printed on such Bonds or as contained in the notice of redemption and that reliance may be placed only on the identification numbers contained in the notice or printed on such Bonds;

(ii) any other descriptive information needed to identify accurately the Bonds being redeemed, including, but not limited to, the original issuance date and maturity date of, and interest rate on, such Bonds;

(iii) in the case of partial redemption of any Bonds, the respective principal amounts thereof to be redeemed;

(iv) the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(vii) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Paying Agent for the Bonds;

(c) In addition to the foregoing notice, further notice of any redemption of Bonds hereunder shall be given, at least two (2) business days in advance of the mailed notice to Bondholders, by first class mail to all agencies or depositories to which notice is required by the Continuing Disclosure
Agreement (as hereinafter defined), and to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being Depository Trust Company of New York, New York), and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds (such as Financial Information Inc.'s "Daily Called Bond Service", Kenny Information Services' "Called Bond Service", Moody's "Municipal and Government", and Standard & Poor's "Called Bond Record"). Such further notice shall contain the information required in the notice to Bondholders. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given to the Bondholders as prescribed above.

(d) If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the applicable corporate trust office of the Paying Agent is located are authorized by law or executive order to close, then the date for payment of the principal and interest upon such redemption shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

(e) If at the time of mailing a notice of optional redemption the County shall not have deposited with the Paying Agent for the Bonds moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Section 9. The Council shall and does accept the proposal of the Investment Bankers for purchase of the Bonds, which Bonds shall be and are awarded to the Investment Bankers, in accordance with the terms and conditions of the Bond Purchase Agreement, at private sale, by invitation at dollar prices of $__________ for the Bonds (which consists of the par amount of the Bonds, (plus reoffering premium) or less original issue discount of $__________ and less an underwriting discount of $__________); together with accrued interest from the dates
thereof to the date of delivery thereof in each case, the Underwriters having submitted their proposal in accordance with provisions of the Act. Appropriate officers of the County are authorized and directed to execute the Bond Purchase Agreement. The Financing Study as submitted by the Financial Consultant is hereby accepted and approved. The Preliminary Official Statement relating to the Bonds in the form presented is hereby approved and the prior distribution thereof authorized and ratified. The Preliminary Official Statement is (as of its date) deemed final within the meaning of Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934. The Underwriters are hereby authorized to distribute copies of the Official Statement for the Bonds as finally executed, to persons who may be interested in the purchase of the Bonds, and are directed to deliver copies to all actual purchasers of the Bonds. The County Executive is hereby authorized and directed to execute the final Official Statement for the Bonds in such form as he or she may approve.

Section 10. The Council does hereby designate, subject to its acceptance, U.S. Bank, National Association, a banking institution having corporate trust offices in the City of Philadelphia, Pennsylvania, as the "Paying Agent" for purposes of the Bonds.

Section 11. The principal of and premium, if any, on the Bonds shall be payable at the corporate trust offices of U.S. Bank, National Association, located in Philadelphia, Pennsylvania, in its capacity as Paying Agent, and interest thereon is payable by check mailed to the registered owner at the address shown on the registration books as of the close of business on the Record Date set forth elsewhere herein and in the face of the Bonds, in lawful moneys of the United States of America, without deduction of any tax or taxes now or hereafter levied or assessed thereon under any present or future law of the Commonwealth of Pennsylvania (the "Commonwealth"), which tax or taxes this County assumes and agrees to pay; provided, however, that the foregoing shall not be applicable to gift, estate or inheritance taxes or to other taxes not levied or assessed directly on the Bonds or the interest paid thereon.
Section 12. The forms of the Bonds, and of the Paying Agent's Certificates of Authentication to be endorsed thereon, with appropriate insertions, omissions and variations, shall be substantially as set forth in Schedule "D" attached to this Ordinance.

Section 13. The Bonds shall be executed in the name of and on behalf of this County by the signature or facsimile signature of the County Executive of the County, and the official seal of this County or a facsimile thereof shall be affixed thereunto, attested by the signature or facsimile signature of the Clerk to County Council. Bonds executed and bearing signatures or facsimile signatures as above provided may be issued and shall, upon request of the County, be authenticated by the Paying Agent, notwithstanding that one or more of the officers signing such Bonds shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bonds. U.S. Bank, National Association, in its capacity as Paying Agent, hereby is authorized, requested and directed to authenticate the Bonds by execution of the Certificate of Authentication endorsed on the Bonds by a duly authorized officer. No Bonds shall be valid until the Certificate of Authentication shall have been duly executed by the Paying Agent, and such authentication shall be proof that the registered owner is entitled to the benefit of the Ordinance.

Section 14. The Bonds shall be issued only in registered form, without coupons, as provided, may be exchanged for a like aggregate principal amount of the same series and maturity of other authorized denominations, and the following conditions in addition to those set forth in the Bond forms themselves shall apply with respect thereto:

(a) The County shall keep, at a corporate trust office of the Paying Agent, books for the registration and transfer of the Bonds, and hereby appoints the Paying Agent its registrar and transfer agent to keep such books and make such registrations and transfers under such reasonable regulations of the County or the registrar and transfer agent may prescribe, and as set forth in the forms of Bonds herein. Registrations and transfers shall be at the expense of the County, but the Bondholder shall pay any taxes or other governmental charges on
all registrations and transfers and shall pay any costs of insuring Bonds during shipment.

(b) Bonds may be transferred upon the registration books upon delivery to the Paying Agent of such Bond, accompanied by a written instrument or instruments of transfer, in form and with guaranty of signature satisfactory to the Paying Agent, duly executed by the owner of the Bonds to be transferred or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bonds, and other information requested by the County pursuant to the Ordinance or by the Paying Agent in its regulations. No transfer of any Bond will be effective until entered on the registration books and until payment from the registered owner of all taxes and governmental charges incidental to such transfer is received.

(c) In all cases of the transfer of a Bond, the Paying Agent will enter the transfer of ownership in the registration books and, if requested, will authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the other provisions of this Ordinance.

(d) The County and the Paying Agent will not be required to issue or transfer or exchange any Bonds during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business day on which the applicable notice of redemption is given, or to transfer any Bonds which have been selected or called for redemption in whole or in part until after the redemption date.

(e) If any Bond shall become mutilated, the County shall execute and the Paying Agent shall thereupon authenticate and deliver a new Bond of like tenor and denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of such mutilated Bond for cancellation, and the County and the Paying Agent may require reasonable indemnity therefor. If any Bond shall be reported lost, stolen or destroyed, evidence as to the ownership and the
loss, theft or destruction thereof shall be submitted to the County and the Paying Agent; and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the County shall execute, and thereupon the Paying Agent shall authenticate and deliver, a new Bond of like tenor and denomination. The cost of providing any substitute Bond under the provisions of this Section shall be borne by the Bondholder for whose benefit such substitute Bond is provided. If any such mutilated, lost, stolen or destroyed Bond shall have matured or be about to mature, the County may, with the consent of the Paying Agent, pay to the owner the principal amount of and accrued interest on such Bond upon the maturity thereof and the compliance with the aforesaid conditions by such owner, without the issuance of a substitute Bond therefor.

Every substituted Bond issued pursuant to this subsection shall constitute an additional contractual obligation of the County, whether or not the Bond to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued hereunder.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

(f) Pending preparation of definitive Bonds, or by agreement with the purchasers of all Bonds, the County may issue and, upon its request, the Paying Agent shall authenticate in lieu of definitive Bonds one or more temporary printed or typewritten Bonds in denominations of $5,000 and multiples thereof, of substantially the tenor recited above, in fully registered form. Upon request of the County, the Paying Agent shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same right, remedies and security hereunder as definitive Bonds.
Section 15. The County covenants to and with holders or registered owners of the Bonds which shall be outstanding, from time to time, pursuant to the Ordinance, that the County shall include the amount of the debt service, as set forth in the appropriate schedule annexed to Section 5 hereof, for each fiscal year of this County in which such sums are payable, in its budget for such fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid not later than the due date thereof to the sinking fund hereinafter established the principal of each of the Bonds and the interest thereon on the dates and place and in the manner stated therein according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this County shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of this County shall be enforceable specifically.

Furthermore:

(a) There is created pursuant to Section 8221 of the Act, a sinking fund for the Bonds, to be known as the "Sinking Fund--General Obligation Bonds, Series of 2013" or the "2013 General Obligation Bonds Sinking Fund", which sinking fund shall be administered in accordance with applicable provisions of the Act.

(b) From the funds deposited in the Sinking Fund, the Paying Agent, without further action of the County, is hereby authorized and directed to pay the principal of and interest on the Bonds of each respective issue, and the County hereby covenants that such monies, to the extent required, will be applied to such purpose, as follows: The Paying Agent shall pay all interest on the Bonds as and when the same shall become due and payable and the principal on all Bonds, as and when such Bonds shall mature by their express terms, or by reason of selection by lot under any mandatory redemption provisions applicable thereto.

(c) The Paying Agent from time to time, may invest and/or deposit money which shall be in its possession hereunder and which shall not be required for application to payment of principal and/or interest with respect to the Bonds, in such manner as may be permitted by applicable laws of the
Commonwealth of Pennsylvania, for such period of time as will not affect adversely the availability of such money as and when required for application to payment of principal and/or interest with respect to the Bonds for the account and benefit of the County; provided, however, that no such investment and/or deposit shall be made which, in any manner: (1) may impair the principal amount thereof; or (2) may cause the Bonds issued by the County under this Ordinance to be "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986, as amended, including applicable regulations promulgated, from time to time, in connection therewith and pursuant thereto.

(d) If at any time the Paying Agent shall hold in the 2013 Bonds Sinking Fund monies which are in excess of those required to provide for the payment of interest previously due, and principal on Bonds, of each respective, already matured though not yet presented, and such excess monies shall not be required within thirty (30) days to meet the payment of interest on, and principal of Bonds, next maturing or to be called for mandatory redemption; and the County shall not otherwise be in default hereunder; then in that event the Paying Agent shall, upon direction from the County, utilize such excess funds for the purchase of any of the Bonds, as shall be available for purchase, at the lowest available price, but in no case at more than par, with accrued interest to the date of the purchase.

(e) All monies deposited in the Sinking Fund, for the payment of the Bonds and interest thereon, which have not been claimed by the owners thereof after two years from the date when payment is due, except where such monies are held for the payment of outstanding checks, drafts or other instruments of the Paying Agent, shall be returned to the County. Nothing contained herein shall relieve the County of its liability to the holders of unpresented Bonds.

Section 16. The County appoints U.S. Bank, National Association, as the Sinking Fund Depository with respect to the 2013 Bonds Sinking Fund, created pursuant to Section 15 of this Ordinance.
Section 17. The following additional terms and conditions shall apply, as appropriate, to the Bonds:

(a) Should the County fail to provide the Paying Agent with sufficient funds, payable to the appropriate sinking fund, at appropriate intervals, so as to enable the Paying Agent to pay the principal and interest on the Bonds as and when due, or should the County, through the Paying Agent, fail to make such payments as and when due, or should the County fail to perform any other covenant or condition contained in this Ordinance and running to the benefit of the holders or registered owners of the Bonds, or contained in the Act as applicable to the Bonds, such failure shall constitute a default by the County, and the registered owners of the Bonds shall be entitled to all the rights and remedies provided by the Act in the event of default. If any such default occurs, the Paying Agent may, and upon written request of the owner of 25 per cent of the aggregate principal amount of the Bonds then outstanding accompanied by indemnity in such form and in such amount as the Paying Agent shall designate or a Court of competent jurisdiction shall set and establish, shall bring suit upon the Bonds, or by other appropriate legal or equitable action restrain or enjoin any acts by the County which may be unlawful or in violation of the rights of the owners of the Bonds.

(b) With respect to the Bonds hereunder, all such Bonds which shall be paid, purchased or redeemed by the County or the Paying Agent pursuant to the terms and provisions of this Ordinance shall be canceled and cremated or otherwise destroyed by the Paying Agent, which shall then furnish the County with a Certificate of Cremation or Destruction.

(c) The Bonds hereunder shall be deemed to be no longer outstanding if provision for payment at maturity or at redemption, such redemption having been irrevocably undertaken, shall have been made in a manner authorized under Section 8250(b) of the Act.

(d) With respect to the Bonds hereunder, the County may from time to time and at any time, adopt a supplemental ordinance in order to: (1) cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance or (2) grant to or confer upon the owners of the Bonds any additional rights, remedies, powers, authority, or security that
may be lawfully granted to or conferred upon them. This Ordinance may also be amended or modified from time to time, except with respect to the principal or interest payable upon the Bonds, or with respect to the dates of maturity or redemption provisions of the Bonds, and in the case of any such permitted amendment or modification, a certified copy of the same shall be filed with the Paying Agent, following approval in writing by the owners of not less than 67 percent in principal amount of the Bonds then outstanding, other than Bonds provision for payment or redemption of which has been made prior to the effective date thereof as provided in sub-section (c) above, and the written consent of any municipal bond insurance company then insuring the Bonds.

(e) So long as the Bonds shall be insured as to payment to any extent by the bond insurer (the "Bond Insurer") set forth in Schedule "F" hereof, any terms, conditions and covenants set forth in Schedule "E" shall apply.

Section 18. The County Executive, the Director of Fiscal Affairs and the Acting Finance Director, respectively, of this County, which shall include their duly qualified successors in office, if applicable, are authorized and directed as appropriate; (a) to prepare, to certify and to file the debt statement required by Section 8110 of the Act; (b) to prepare and file, as required with the Department of Community and Economic Development (the "Department") of the Commonwealth, statements required by Section 8024, 8025 or 8026 of the Act, which are necessary to qualify certain nonelectoral and lease rental debt of this County and, if necessary, the debt which will be evidenced by the bonds to be issued hereunder; (c) to prepare, execute and to file the application with the Department, together with a complete and accurate transcript of the proceedings relating to the incurring of debt, of which debt the Bonds, upon issue, will be evidence, as required by Section 8111 of the Act; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; and (e) to take other required necessary and/or appropriate action.

Section 19. The officers and officials of this County, including the County Executive, the Director of Fiscal Affairs and the Acting Finance Director, are hereby authorized and directed to execute and deliver such other documents and to take
such other action as may be necessary or appropriate in order to
effect the execution, issuance, sale and delivery of the Bonds,
all in accordance with this Ordinance.

Section 20. The County Executive is authorized and
directed to contract with the U.S. Bank, National Association,
for its services as Sinking Fund Depository and as Paying Agent
in connection with the Bonds, and with the bond insurer (the
"Bond Insurer") designated in the attached Schedule "E", if any,
and is authorized and directed to execute on behalf of the
County at the appropriate time, a Paying Agent Agreement with
the U.S. Bank, National Association, as Paying Agent for the
Bonds, a Continuing Disclosure Agreement or Certificate, and a
commitment to purchase bond insurance from the Bond Insurer.
The County Executive, Director of Fiscal Affairs and Acting
Finance Director are authorized to approve payment by the Paying
Agent at settlement on the sale of the Bonds of all costs and
expenses incidental to such issuance and sale including the bond
insurance in accordance with the estimates contained in the
Financing Study.

Section 21. The portion of the proceeds of the sale of
the Bonds allocated to the County Improvements, after payment of
the costs of issuance, shall be invested, pending application to
the payment of costs of the County Improvements, in investments
(the "Investments"), which are legal investments for Counties
under the laws and statutes of the Commonwealth of Pennsylvania,
and further, to the extent not invested in direct obligations of
the United States, such Investments shall be adequately
collateralized by such obligations. The County Executive,
Director of Fiscal Affairs and Acting Finance Director are
hereby authorized and directed to make appropriate arrangements
for the Investments.

Section 22. It is declared that the debt to be incurred
by the issuance of the Bonds hereby, together with any other
indebtedness of the County, is not in excess of any limitation
imposed by the Act upon the incurring of non-electoral debt by
the County.

Section 23. Proper officers of the County are authorized
and directed to deliver the Bonds upon execution and
authentication thereof as provided for herein, to the Investment
Bankers, but only upon receipt of proper payment of the balance
due therefore, and only after the Department has certified its approval pursuant to Section 8204 of the Act.

Section 24. The County hereby covenants with the registered owners, from time to time, of the Bonds that no part of the proceeds of the Bonds or of any moneys on deposit with the Paying Agent and Sinking Fund Depository hereunder will be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be "arbitrage bonds" or "private activity bonds" within the meaning of Sections 141 and 148 of the Internal Revenue Code of 1986 (the "Code") and the Regulations thereunder (the "Regulations") proposed or in effect at the time of such use and applicable to the Bonds, and that it will comply with the requirements of that section of the Code and the Regulations throughout the term of the Bonds.

(a) If the gross proceeds of the Bonds are invested at a yield greater than the applicable yield on the bonds and are not expended within six months from the date of issuance, or within eighteen (18) months therefrom if Section 1.148-7(d) of the Regulations shall be applicable, or within two (2) years therefrom if Section 148(f)(4)(c) of the Code shall be applicable, the County covenants that it will "Rebate" to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Bonds in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Bonds at a yield not in excess of the yield on the Bonds.

Provided however, that the County Executive and Director of Fiscal Affairs are hereby authorized on behalf of the County to exercise an election to pay, in lieu of Rebate, a penalty pursuant to Section 148(f)(4)(c)(vii) of the Code, which election, if made in their discretion, shall be contained in the County's Non-Arbitrage Certificate with respect to the Bonds issued at closing thereon, and shall thereupon become binding upon the County, in which case the County shall pay the appropriate penalties, as applicable, as and when due, in lieu of Rebate.

Section 25. The County does hereby covenant and agree, for the benefit of the holders, and beneficial owners, of the Bonds from time to time, that it will comply with the requirements of Rule 15c2-12 of the Securities and Exchange
Commission ("SEC") with respect to municipal securities disclosure, and authorizes the County Executive to execute and comply with an appropriate Continuing Disclosure Certificate or Agreement as approved by bond counsel as long as the Bonds are outstanding.

Section 26. The County covenants that, concurrently with the delivery of the Bonds to the Underwriters, there will be paid over to and for the account of the Paying Agent by the County an amount of money which, together with other available monies, will be sufficient to provide necessary funds required by the Refunding Program reflected in the schedules attached to the Financing Study and to provide payment of interest to and principal on August 15, 2013, for those 2006 Bonds maturing on or after August 15, 2013 and for the cost of retirement or redemption on such date of 2006 Bonds then outstanding and being refunded in accordance with the Refunding Program.

(a) The County further covenants that the Bonds will not be delivered to the Underwriters unless and until the County prior to or concurrently with such delivery, shall have taken or shall take all action as shall be necessary and/or appropriate to implement and effectuate provisions for the aforesaid defeasance of the 2006 Bonds by refunding pursuant to the Refunding Program. The intent and purpose of the foregoing is to insure that the County will take such action and will cause such action to be taken and will do such things and will cause the Paying Agent to do such things, prior to or concurrently with delivery of the Bonds, as shall be necessary and/or appropriate to implement and effectuate provision of the aforesaid defeasance of the 2006 Bonds, so that simultaneously with delivery of the Bonds to the Underwriters, for purposes of the Act, such 2006 Bonds no longer shall be considered to be outstanding, and the County shall be deemed to have made appropriate provisions of the retirement of the outstanding non-electoral debt which was evidenced thereby.

(b) To the extent necessary, the County shall enter into appropriate escrow agreement (the 2006 Bonds Escrow Agreement), with the Escrow Agent/2006 Paying Agent to cause and require the Escrow Agent/2006 Paying Agent to take actions necessary in order to carry out the Refunding Program. There is created pursuant to Section 8221 of the Act, a sinking fund for the 2006 Bonds to be refunded under the 2006 Bonds Escrow
Agreement to be known as "Escrow Fund", which Sinking Fund shall be administered in accordance with the Act.

Section 27. The County hereby covenants that the portion of the proceeds of the Bonds allocated to the Refunding Program, after the payment of costs and expenses with respect to the issuance of the Bonds, shall be deposited with U.S. Bank, National Association, as 2006 Paying Agent, to provide the appropriate and required funds to refund the 2006 Bonds pursuant to the Refunding Program. The County further covenants that the principal amount of such funds so deposited, and the interest to be earned thereby, if any, together with any other available funds deposited thereunder, shall be adequate, with respect to the 2006 Bonds to be refunded, to make all payments of interest as due, and principal at maturity or redemption, according to the Refunding Program. The County further covenants that the amounts so deposited with said 2006 Paying Agent as aforesaid or as otherwise paid to the 2006 Paying Agent shall also be adequate to pay all fees for the services to be performed by the Paying Agent, including the retirement of the 2006 Bonds when called for redemption, or the County will pay such costs and any other incidental costs and expenses. The remaining proceeds of the Bonds shall be allocated to the County Improvements and deposited as directed by the County.

Section 28. The County hereby desires that the 2006 Paying Agent utilize the proceeds allocated to the Refunding Program, and any other funds available, and any other funds to be deposited thereunder for the purpose, and that such total funds will be adequate to implement the Refunding Program.

Section 29. The County does hereby authorize and direct the issuance of irrevocable instructions (the "Irrevocable Instructions") to the Paying Agent for the 2006 Bonds, calling for the redemption of the 2006 Bonds being refunded and maturing on or after August 15, 2014, such Instructions and the Notice of Redemption to be given thereby to be substantially in the forms set forth in Schedule "F" hereof.

Section 30. In the event that any provision, section, sentence, clause or part of this Ordinance shall be held 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 such remainder shall be and shall remain in full force and effect.

Section 31. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

Section 32. This Ordinance shall be effective in accordance with Section 8003 of the Act.

Mr. Cusick asked Mr. Pulcini and Mr. Michael Gaul, Bond Counsel, to address this matter.

Mr. Pulcini advised tonight, the County was refunding its 2006 Bonds and adding $11.4 million in new money. Mr. Pulcini provided a document pertaining to the debt service for the 2013 Bond Issue (see Attachment #1).

Mr. Pulcini stated the County’s total debt service for 2013 was $10,723,799.86, with the refunding and adding in the $11.4 million, the debt service increased to $11,034,987.50, however, the total impact was $311,187.64. He further stated the savings was $886,893.76, which was well in excess of the 3% guideline.

Mr. Pulcini advised the Bonds were sold today and with County Council’s approval, it would close on August 27, 2013. He further advised the total issuance amount was $19,640,000.00 and the Bonds were sold at premium Bonds which provided an extra $2,195,446.00.

Mr. Pulcini stated the Debt Service Schedule showed it started on February 15, 2014 and would be paid off on August 15, 2023, but since it was only a ten year issue, the Bonds were non-callable. He further stated the true interest cost was 2.49% and the all-inclusive cost was 2.57%. He noted the Pricing Summary showed all the prices were above 100% and the Debt Service Comparison showed a savings of $886,893.76. He further noted the bar graph illustrated the County’s total debt service.

Mr. Gaul reviewed the amendments to be made to this ordinance as described in the “Proposed Amendments at Final Reading of Bill #641” (Attachment #2).
Mr. Cusick asked for a motion to amend the ordinance in accordance with Attachment #2.

Mr. Werner made a motion to amend the ordinance as noted.

Mr. Parsons seconded the motion.

As there were no further questions or comments, Mr. Flisser called for the vote.

The vote: Werner, "yes"; Parsons, "yes"; Dietrich, "yes"; Ferraro, "yes"; Kraft, "yes"; McClure, "yes"; Thierry, "yes" and Cusick, "yes".

The motion was passed by a vote of 8-0.

Mr. McClure advised if he understood this process correctly, the County was going to fix sixteen bridges and buy generators for Gracedale and the Courthouse for $311,000.

Mr. Cusick called for the vote on the following amended ordinance:

TO THE FEDERAL TAX STATUS OF THE BONDS; PROVIDING FOR COMPLIANCE WITH SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; COVENANTING TO PAY OVER AT SETTLEMENT SUFFICIENT MONIES TO PROVIDE FOR THE PAYMENT OF THE PRIOR 2006 BONDS TO BE REFUNDED IN ACCORDANCE WITH THE REFUNDING PROGRAM AND AUTHORIZING AND DIRECTING CERTAIN OTHER ACTIONS AND APPROVING DOCUMENTATION WITH REGARD TO THE REFUNDING; PROVIDING FOR THE ISSUANCE OF IRREVOCABLE INSTRUCTIONS TO THE PAYING AGENT FOR THE 2006 BONDS SUBJECT TO EARLY OPTIONAL REDEMPTION TO CALL SAID BONDS FOR REDEMPTION ON A CERTAIN SPECIFIED DATE, AND ESTABLISHING THE FORM OF SUCH IRREVOCABLE INSTRUCTIONS AND THE NOTICE OF REDEMPTION; PROVIDING FOR NOTICE TO ANY BOND INSURER; PROVIDING FOR COMPLIANCE WITH SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; PROVIDING FOR SEVERABILITY OF PROVISIONS OF THE ORDINANCE; PROVIDING FOR REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES SO FAR AS THE SAME SHALL BE INCONSISTENT; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.

WHEREAS, the County of Northampton, Northampton County, Pennsylvania (the "County"), is a Local Government Unit, as defined in the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act"); and

WHEREAS, the County did previously authorize, issue and sell a certain series of obligations designated as its General Obligation Bonds, Series of 2006 (the "2006 Bonds"), dated March 15, 2006 in the aggregate principal amount of $13,440,000, for the purpose of advance refunding of the new money portion of 1999 Bonds allocated to capital projects (and to pay the cost of issuance for the 2006 Bonds);

WHEREAS, the 1999 Bonds were issued to: (i) currently refund all of the County's then outstanding General Obligation Bonds, Series of 1992 (the "1992 Bonds"); (ii) currently refund all of the County's then outstanding General Obligation Bonds, Series of 1993 (the "1993 Bonds"); (iii) advance refund all of the County's then outstanding General Obligation Bonds, Series of 1996 (the "1996 Bonds"); (iv) finance the costs of certain capital "Projects" of the County under the Act; and (v) pay the costs related to the issuance of the 1999 Bonds; and
WHEREAS, all of the 2006 Bonds still outstanding, maturing on and after August 15, 2014, are subject to redemption prior to maturity, at the option of the County, on or after August 15, 2013, upon payment of the principal amount together with accrued interest to the date fixed for redemption; and

WHEREAS, the Council, in order to effect a debt service savings resulting from currently available interest rates, has determined to currently refund the remaining 2006 Bonds, maturing on or after August 15, 2014 in accordance with the provisions of Section 8241 of the Act, by providing for the payment of the interest to and principal at maturity or redemption on such 2006 Bonds on August 15, 2013, pursuant to a refunding program (the "Refunding Program"), encompassing the refunding of the 2006 Bonds; and

WHEREAS, additionally and as part of the Refunding Program, as submitted to the County by its financial consultant, VALCO Capital, Ltd. (the "Financial Consultant"), the necessary funds will be deposited with U.S. Bank, National Association, successor in interest to Wachovia Bank, National Association, the paying agent for the 2006 Bonds, in the capacity of the paying Agent (the "2006 Paying Agent"), the funds so deposited with the 2006 Paying Agent to be held uninvested in cash and applied by the 2006 Paying Agent. The principal to be directly deposited with the Paying Agent, is adequate as to amount and to pay the interest on and principal at maturity or redemption of the 2006 Bonds still outstanding; and

WHEREAS, the Council has determined to undertake various County capital projects including the reconstruction of County bridges, renovations and acquisitions of generators at the Courthouse and Gracedale, and renovations to the Boiler House at Gracedale (the "County Improvements");

WHEREAS, the County has obtained actual bids and/or realistic estimates from its qualified professionals of the costs of the County Improvements, as such costs are defined in Section 8006 of the Act, and has determined to permanently finance a portion of such costs by the issuance of bonded indebtedness under the Act; and
WHEREAS, the Council has determined to implement the foregoing financing of the Refunding Program and County Improvements, including the reimbursement of costs thereof, by authorization, issuance and sale of the County's General Obligation Bonds, Series of 2013 (the "Bonds"); and

WHEREAS, the proceeds of the Bonds, after payment of costs of issuance, together with any other monies available or to be available for the purpose, will provide necessary monies for the funding of the Refunding Program and the County Improvements, including the reimbursement of costs thereof; and

WHEREAS, the Council, in contemplation of the authorization, issuance and sale of the Bonds, has determined that the Bonds shall be offered for sale, which sale shall be private sale by negotiation, in accordance with Section 8107 of the Act, which it believes is in the best interests of the County; and

WHEREAS, the Council has received and reviewed a bond purchase agreement (the "Bond Purchase Agreement") to purchase the Bonds from Boenning & Scattergood, acting on its own behalf and as representative of RBC Capital Markets LLC (together, the "Underwriters" or "Investment Bankers"), and, upon the recommendation of the Financial Consultant has determined to accept the Bond Purchase Agreement; and

WHEREAS, the Council desires to award the Bonds to the Investment Bankers at private sale by negotiation and to accept their Bond Purchase Agreement in the form submitted, to authorize issuance of nonelectoral debt in the aggregate principal amount of the Bonds pursuant to the "Financing Study" prepared by the Financial Consultant; and to take appropriate action and to authorize such action in connection with the Refunding Program and County Improvements, all in accordance with and pursuant to provisions of the Act.

NOW, THEREFORE, BE IT ORDAINED by the County Council of the County of Northampton, as follows:

Section 1. The Council does authorize and direct the issuance of its General Obligation Bonds, Series of 2013, pursuant to this Ordinance, in the aggregate principal amount of
$19,640,000, for the purposes of carrying out the funding of the County Improvements, including the reimbursement of the costs thereof, and the Refunding Program, and paying the cost of issuing Bonds. The Bonds will be general obligations of the County payable from the general revenues of the County.

Section 2. (a) A brief description of the County Improvements, for which a portion of the debt evidenced by the Bonds will be incurred, is contained in the preamble hereof. The County hereby determines that the estimated useful lives of the capital improvements composing the County Improvements, to be, at least, from 5 to 30 years, and the amortization of the Bonds funding such County Improvements has been structured to fully amortize on a level or earlier basis each component of the capital improvements before the expiration of their respective useful lives.

(b) A brief description of the Refunding Program for which a portion of the debt is to be incurred, of which the Bonds shall be evidence, is contained in the preamble hereof. The realistic estimated useful lives of the capital projects financed by the 2006 Bonds and the 1999 Bonds, which were "Projects" as defined in Section 8002 of the Act, were previously determined to be as follows:

(i) The amortization of the 2006 Bonds were structured to fully amortize on a level or earlier basis each component of the Projects of the 2006 Bonds and 1999 Bonds before the expiration of their useful lives. The useful lives of such Projects is not less than previously determined, and the portion of the 2013 Bonds, the proceeds of which are designated to the Refunding Program, as structured will fully amortize on a level or earlier basis each component of the Projects before the expiration of their useful lives.

Section 3. The Bonds shall be combined for sale, and shall be sold at private sale by negotiation, which this Council has determined to be in the best interests of the County. The Council has determined that the debt, of which the Bonds shall be evidence, shall be nonelectoral debt of the County. The Bonds may be sold in one or more series.
Section 4. (a) The Bonds shall be dated as of date of delivery ("Dated Date"), and shall bear interest payable semiannually on February 15 and August 15 of each year, beginning February 15, 2014, or such other date as may be determined by the parties, to the registered owners thereof, at the rate per annum stated thereon, from the interest payment date next preceding the date of registration and authentication of a Bond, unless the Bond is registered and authenticated as of an interest payment date, in which event the Bond shall bear interest from such interest payment date, or unless the Bond is registered and authenticated prior to the Record Date next preceding February 15, 2014, in which event the Bond shall bear interest from the Dated Date, or unless, as shown by the records of the Paying Agent (hereinafter identified), interest on the Bond shall be in default, in which event the Bond shall bear interest from the date on which interest was last paid on the Bond, until said principal sum is paid. Payment of interest on a Bond shall be made to the registered owner thereof whose name and address shall appear, at the close of business on the last business day of the month next preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of the Bond subsequent to such Record Date and prior to such interest payment date, unless the County shall be in default in payment of interest due on such interest payment date. In the event of such default, such defaulted interest shall be payable to the person in whose name the Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owner of the Bond not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name the Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing. Interest on the Bonds will be computed on the basis of a 360-day year, consisting of twelve 30 day months.

(b) If any interest payment date for the Bonds shall be a Saturday, Sunday or legal holiday or a day on which banking institutions in the City of Philadelphia, where the Pennsylvania corporate trust office of the Paying Agent is located are authorized by law or executive order to close, then the date for payment of such principal of or interest on the Bonds shall be the next succeeding day which is not a Saturday, Sunday or legal holiday or day on which such banking
institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

(c) Depository Trust Company ("DTC") will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity of each series, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bondholders, Bond owners or registered owners of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Bonds.

(d) DTC is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC was created to hold securities of its participants (the "DTC Participants") and to facilitate the clearance and settlement of securities transactions among DTC Participants in such securities through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of securities certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of whom (and/or their representatives) own DTC. Access to the DTC system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (the "Indirect Participants").

(e) Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. Such DTC Participants and the persons for whom they acquire interests in the Bonds as nominees will not receive a bond certificate, but each DTC Participant will receive a credit balance in the records of DTC in the amount of such DTC Participant's interest in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Beneficial owners of Bonds will not receive certificates representing their beneficial ownership.
interests in the Bonds, unless use of the book-entry only system is discontinued as described below.

(f) Transfers of beneficial ownership interests in the Bonds which are registered in the name of Cede & Co., as nominee of DTC, will be accomplished by book entries made by DTC and in turn by the DTC Participants and Indirect Participants who act on behalf of the beneficial owners of Bonds. For every transfer and exchange of beneficial ownership in the Bonds, the beneficial owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

(g) For so long as the Bonds are registered in the name of DTC or its nominee, Cede & Co., the County and the Paying Agent will recognize only DTC or its nominee, Cede & Co., as the owner of the Bonds for all purposes, including notices and voting. Conveyance of notices and other communications by DTC to DTC Participants, by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to beneficial owners of the Bonds, will be governed by arrangements among DTC, DTC Participants, IndirectParticipants and beneficial owners, subject to any statutory and regulatory requirements as may be in effect from time to time.

(h) Payments made by the Paying Agent to DTC or its nominee shall satisfy the County's obligations with respect to the Bonds to the extent of the payments so made.

(i) Principal, redemption price and interest payments on the Bonds shall be made by the Paying Agent to DTC or to its nominee, Cede & Co., as registered owner of the Bonds. Disbursement of such payments to the beneficial owners shall be solely the responsibility of DTC, the DTC Participants and, where appropriate, Indirect Participants. Upon receipt of moneys, DTC's current practice is to credit immediately the accounts of the DTC Participants in accordance with their respective holdings shown on the records of DTC. Payments by DTC Participants and Indirect Participants to beneficial owners shall be governed by standing instructions of the beneficial owners and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in "street name." Such payments shall be the sole responsibility of such DTC Participant or Indirect
Participant and not of DTC, the County or the Paying Agent, subject to any statutory and regulatory requirements as may be in effect from time to time.

(j) The County and the Paying Agent cannot and do not give any assurances that DTC, the DTC Participants or the Indirect Participants will distribute to the beneficial owners of the Bonds (I) payments of principal or redemption price of or interest on the Bonds, (II) certificates representing an ownership interest or other confirmation of beneficial ownership interests in Bonds, or (III) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will do so on a timely basis or that DTC, DTC Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

(k) Neither the County nor the Paying Agent will have any responsibility or obligation to any DTC Participant, Indirect Participant or beneficial owner or any other person with respect to: (1) the Bonds; (2) the accuracy of any records maintained by DTC or any DTC Participant or Indirect Participant; (3) the payment by DTC or any DTC participant or Indirect Participant of any amount due to any beneficial owner in respect of the principal or redemption price of or interest on the Bonds; (4) the delivery by DTC or any DTC Participant or Indirect Participant of any notice to any beneficial owner which is required or permitted under the terms of this Resolution to be given to Bondholders; (5) the selection of the beneficial owners to receive payment in the event of any partial redemption of the bonds; or (6) any other action taken by DTC as Bondholder.

(l) DTC may determine to discontinue providing its service with respect to the Bonds at any time by giving notice to the County and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In addition, the County may discontinue the book-entry only system for the Bonds at any time if it provides thirty (30) days' notice of such discontinuation to the Paying Agent and DTC that continuation of the book-entry only system is not in the best interests of the County. Upon the giving of such notice, the
book-entry only system for the Bonds will be discontinued unless a successor securities depository is appointed by the County.

Section 5. The Bonds shall be issued in the aggregate principal amounts, shall be numbered consecutively within maturities, and shall mature on the dates, and in the amounts, and shall bear interest at the rates and require the amortization payments to the sinking fund hereinafter established, all as set forth in the schedules contained in the attached Schedule "A" of this Ordinance.

Section 6. The Bonds are subject to mandatory redemption prior to maturity from monies to be deposited in the sinking fund, upon payment of the principal amount together with interest to the date of such redemption, as set forth in Schedule "B" attached to this Ordinance.

Section 7. The Bonds shall be subject to redemption prior to maturity, at the option of the County, upon payment of the principal amount, together with accrued interest to the date fixed for redemption, as set forth in Schedule "C" attached to this Ordinance.

Section 8. Bonds subject to redemption and issued in denominations larger than $5,000 may be redeemed in part. For the purposes of redemption, such Bonds shall be treated as representing that number of Bonds which is obtained by dividing the denomination thereof by $5,000, each $5,000 portion of such Bonds being subject to redemption. In the case of partial redemption of such Bonds, payment of the redemption price shall be made only upon surrender of the Bond in exchange for Bonds of like form, series and maturity, of authorized denominations in aggregate amount equal to the unredeemed portion thereof.

(a) Any redemption of Bonds pursuant to Section 6 and 7 above shall be made after notice by mailing by first class mail a notice thereof to the registered owners of all Bonds to be redeemed and to any bond insurer then insuring the Bonds, not less than thirty (30) days but not more than forty-five (45) days prior to the date fixed for redemption, or after waivers of such notice executed by the registered owners of all Bonds to be redeemed shall have been filed with the Paying Agent. Failure to mail any notice or any defect therein or in the mailing thereof, with respect to any particular Bond, shall not affect
the validity of the proceedings for redemption of any other Bond. Any notice of redemption mailed in accordance with these requirements shall be conclusively presumed to have been duly given, whether or not such registered holder actually receives the notice. Notice having been so given or waived, and provision having been made for redemption from funds on deposit with the Paying Agent, all interest on the Bonds called for redemption accruing after the date fixed for redemption shall cease, and the registered owners of the Bonds called for redemption shall have no security, benefit or lien under this Ordinance or any right except to receive payment of the principal of and accrued interest on such Bonds to the date fixed for redemption.

(b) Any such notice shall be dated, shall be given in the name of the County, and shall state the following information:

(i) the identification numbers and the CUSIP numbers, if any, of the Bonds being redeemed, provided that any such notice shall state that no representation is made as to the correctness of CUSIP numbers either as printed on such Bonds or as contained in the notice of redemption and that reliance may be placed only on the identification numbers contained in the notice or printed on such Bonds;

(ii) any other descriptive information needed to identify accurately the Bonds being redeemed, including, but not limited to, the original issuance date and maturity date of, and interest rate on, such Bonds;

(iii) in the case of partial redemption of any Bonds, the respective principal amounts thereof to be redeemed;

(iv) the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and
(vii) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Paying Agent for the Bonds;

(c) In addition to the foregoing notice, further notice of any redemption of Bonds hereunder shall be given, at least two (2) business days in advance of the mailed notice to Bondholders, by first class mail to all agencies or depositories to which notice is required by the Continuing Disclosure Agreement (as hereinafter defined), and to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being Depository Trust Company of New York, New York), and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds (such as Financial Information Inc.'s "Daily Called Bond Service", Kenny Information Services' "Called Bond Service", Moody's "Municipal and Government", and Standard & Poor's "Called Bond Record"). Such further notice shall contain the information required in the notice to Bondholders. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given to the Bondholders as prescribed above.

(d) If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the applicable corporate trust office of the Paying Agent is located are authorized by law or executive order to close, then the date for payment of the principal and interest upon such redemption shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

(e) If at the time of mailing a notice of optional redemption the County shall not have deposited with the Paying Agent for the Bonds moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such redemption moneys are so deposited.
Section 9. The Council shall and does accept the proposal of the Investment Bankers for purchase of the Bonds, which Bonds shall be and are awarded to the Investment Bankers, in accordance with the terms and conditions of the Bond Purchase Agreement, at private sale, by negotiation at dollar prices of $21,627,606.60 for the Bonds (which consists of the par amount of the Bonds, plus reoffering premium of $2,105,446.60 and less an underwriting discount of $117,840.00); together with accrued interest from the dates thereof to the date of delivery thereof in each case, the Underwriters having submitted their proposal in accordance with provisions of the Act. Appropriate officers of the County are authorized and directed to execute the Bond Purchase Agreement. The Financing Study as submitted by the Financial Consultant is hereby accepted and approved. The Preliminary Official Statement relating to the Bonds in the form presented is hereby approved and the prior distribution thereof authorized and ratified. The Preliminary Official Statement is (as of its date) deemed final within the meaning of Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934. The Underwriters are hereby authorized to distribute copies of the Official Statement for the Bonds as finally executed, to persons who may be interested in the purchase of the Bonds, and are directed to deliver copies to all actual purchasers of the Bonds. The County Executive is hereby authorized and directed to execute the final Official Statement for the Bonds in such form as he or she may approve.

Section 10. The Council does hereby designate, subject to its acceptance, U.S. Bank, National Association, a banking institution having corporate trust offices in the City of Philadelphia, Pennsylvania, as the "Paying Agent" for purposes of the Bonds.

Section 11. The principal of and premium, if any, on the Bonds shall be payable at the corporate trust offices of U.S. Bank, National Association, located in Philadelphia, Pennsylvania, in its capacity as Paying Agent, and interest thereon is payable by check mailed to the registered owner at the address shown on the registration books as of the close of business on the Record Date set forth elsewhere herein and in the face of the Bonds, in lawful moneys of the United States of America, without deduction of any tax or taxes now or hereafter levied or assessed thereon under any present or future law of the Commonwealth of Pennsylvania (the "Commonwealth"), which tax
or taxes this County assumes and agrees to pay; provided, however, that the foregoing shall not be applicable to gift, estate or inheritance taxes or to other taxes not levied or assessed directly on the Bonds or the interest paid thereon.

Section 12. The forms of the Bonds, and of the Paying Agent's Certificates of Authentication to be endorsed thereon, with appropriate insertions, omissions and variations, shall be substantially as set forth in Schedule "D" attached to this Ordinance.

Section 13. The Bonds shall be executed in the name of and on behalf of this County by the signature or facsimile signature of the County Executive of the County, and the official seal of this County or a facsimile thereof shall be affixed thereunto, attested by the signature or facsimile signature of the Clerk to County Council. Bonds executed and bearing signatures or facsimile signatures as above provided may be issued and shall, upon request of the County, be authenticated by the Paying Agent, notwithstanding that one or more of the officers signing such Bonds shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bonds. U.S. Bank, National Association, in its capacity as Paying Agent, hereby is authorized, requested and directed to authenticate the Bonds by execution of the Certificate of Authentication endorsed on the Bonds by a duly authorized officer. No Bonds shall be valid until the Certificate of Authentication shall have been duly executed by the Paying Agent, and such authentication shall be proof that the registered owner is entitled to the benefit of the Ordinance.

Section 14. The Bonds shall be issued only in registered form, without coupons, as provided, may be exchanged for a like aggregate principal amount of the same series and maturity of other authorized denominations, and the following conditions in addition to those set forth in the Bond forms themselves shall apply with respect thereto:

(a) The County shall keep, at a corporate trust office of the Paying Agent, books for the registration and transfer of the Bonds, and hereby appoints the Paying Agent its registrar and transfer agent to keep such books and make such registrations and transfers under such reasonable regulations of
the County or the registrar and transfer agent may prescribe, and as set forth in the forms of Bonds herein. Registrations and transfers shall be at the expense of the County, but the Bondholder shall pay any taxes or other governmental charges on all registrations and transfers and shall pay any costs of insuring Bonds during shipment.

(b) Bonds may be transferred upon the registration books upon delivery to the Paying Agent of such Bond, accompanied by a written instrument or instruments of transfer, in form and with guaranty of signature satisfactory to the Paying Agent, duly executed by the owner of the Bonds to be transferred or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bonds, and other information requested by the County pursuant to the Ordinance or by the Paying Agent in its regulations. No transfer of any Bond will be effective until entered on the registration books and until payment from the registered owner of all taxes and governmental charges incidental to such transfer is received.

(c) In all cases of the transfer of a Bond, the Paying Agent will enter the transfer of ownership in the registration books and, if requested, will authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the other provisions of this Ordinance.

(d) The County and the Paying Agent will not be required to issue or transfer or exchange any Bonds during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business day on which the applicable notice of redemption is given, or to transfer any Bonds which have been selected or called for redemption in whole or in part until after the redemption date.

(e) If any Bond shall become mutilated, the County shall execute and the Paying Agent shall thereupon authenticate and deliver a new Bond of like tenor and denomination in exchange and substitution for the Bond so
mutilated, but only upon surrender to the Paying Agent of such mutilated Bond for cancellation, and the County and the Paying Agent may require reasonable indemnity therefor. If any Bond shall be reported lost, stolen or destroyed, evidence as to the ownership and the loss, theft or destruction thereof shall be submitted to the County and the Paying Agent; and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the County shall execute, and thereupon the Paying Agent shall authenticate and deliver, a new Bond of like tenor and denomination. The cost of providing any substitute Bond under the provisions of this Section shall be borne by the Bondholder for whose benefit such substitute Bond is provided. If any such mutilated, lost, stolen or destroyed Bond shall have matured or be about to mature, the County may, with the consent of the Paying Agent, pay to the owner the principal amount of and accrued interest on such Bond upon the maturity thereof and the compliance with the aforesaid conditions by such owner, without the issuance of a substitute Bond therefor.

Every substituted Bond issued pursuant to this subsection shall constitute an additional contractual obligation of the County, whether or not the Bond to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued hereunder.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

(f) Pending preparation of definitive Bonds, or by agreement with the purchasers of all Bonds, the County may issue and, upon its request, the Paying Agent shall authenticate in lieu of definitive Bonds one or more temporary printed or typewritten Bonds in denominations of $5,000 and multiples thereof, of substantially the tenor recited above, in fully registered form. Upon request of the County, the Paying Agent
shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same right, remedies and security hereunder as definitive Bonds.

Section 15. The County covenants to and with holders or registered owners of the Bonds which shall be outstanding, from time to time, pursuant to the Ordinance, that the County shall include the amount of the debt service, as set forth in the appropriate schedule annexed to Section 5 hereof, for each fiscal year of this County in which such sums are payable, in its budget for such fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid not later than the due date thereof to the sinking fund hereinafter established the principal of each of the Bonds and the interest thereon on the dates and place and in the manner stated therein according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this County shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of this County shall be enforceable specifically.

Furthermore:

(a) There is created pursuant to Section 8221 of the Act, a sinking fund for the Bonds, to be known as the "Sinking Fund—General Obligation Bonds, Series of 2013" or the "2013 General Obligation Bonds Sinking Fund", which sinking fund shall be administered in accordance with applicable provisions of the Act.

(b) From the funds deposited in the Sinking Fund, the Paying Agent, without further action of the County, is hereby authorized and directed to pay the principal of and interest on the Bonds of each respective issue, and the County hereby covenants that such monies, to the extent required, will be applied to such purpose, as follows: The Paying Agent shall pay all interest on the Bonds as and when the same shall become due and payable and the principal on all Bonds, as and when such Bonds shall mature by their express terms, or by reason of selection by lot under any mandatory redemption provisions applicable thereto.
(c) The Paying Agent from time to time, may invest and/or deposit money which shall be in its possession hereunder and which shall not be required for application to payment of principal and/or interest with respect to the Bonds, in such manner as may be permitted by applicable laws of the Commonwealth of Pennsylvania, for such period of time as will not affect adversely the availability of such money as and when required for application to payment of principal and/or interest with respect to the Bonds for the account and benefit of the County; provided, however, that no such investment and/or deposit shall be made which, in any manner: (1) may impair the principal amount thereof; or (2) may cause the Bonds issued by the County under this Ordinance to be "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986, as amended, including applicable regulations promulgated, from time to time, in connection therewith and pursuant thereto.

(d) If at any time the Paying Agent shall hold in the 2013 Bonds Sinking Fund monies which are in excess of those required to provide for the payment of interest previously due, and principal on Bonds, of each respective, already matured though not yet presented, and such excess monies shall not be required within thirty (30) days to meet the payment of interest on, and principal of Bonds, next maturing or to be called for mandatory redemption; and the County shall not otherwise be in default hereunder; then in that event the Paying Agent shall, upon direction from the County, utilize such excess funds for the purchase of any of the Bonds, as shall be available for purchase, at the lowest available price, but in no case at more than par, with accrued interest to the date of the purchase.

(e) All monies deposited in the Sinking Fund, for the payment of the Bonds and interest thereon, which have not been claimed by the owners thereof after two years from the date when payment is due, except where such monies are held for the payment of outstanding checks, drafts or other instruments of the Paying Agent, shall be returned to the County. Nothing contained herein shall relieve the County of its liability to the holders of unpresented Bonds.

Section 16. The County appoints U.S. Bank, National Association, as the Sinking Fund Depository with respect to the 2013 Bonds Sinking Fund, created pursuant to Section 15 of this Ordinance.
Section 17. The following additional terms and conditions shall apply, as appropriate, to the Bonds:

(a) Should the County fail to provide the Paying Agent with sufficient funds, payable to the appropriate sinking fund, at appropriate intervals, so as to enable the Paying Agent to pay the principal and interest on the Bonds as and when due, or should the County, through the Paying Agent, fail to make such payments as and when due, or should the County fail to perform any other covenant or condition contained in this Ordinance and running to the benefit of the holders or registered owners of the Bonds, or contained in the Act as applicable to the Bonds, such failure shall constitute a default by the County, and the registered owners of the Bonds shall be entitled to all the rights and remedies provided by the Act in the event of default. If any such default occurs, the Paying Agent may, and upon written request of the owner of 25 per cent of the aggregate principal amount of the Bonds then outstanding accompanied by indemnity in such form and in such amount as the Paying Agent shall designate or a Court of competent jurisdiction shall set and establish, shall bring suit upon the Bonds, or by other appropriate legal or equitable action restrain or enjoin any acts by the County which may be unlawful or in violation of the rights of the owners of the Bonds.

(b) With respect to the Bonds hereunder, all such Bonds which shall be paid, purchased or redeemed by the County or the Paying Agent pursuant to the terms and provisions of this Ordinance shall be canceled and cremated or otherwise destroyed by the Paying Agent, which shall then furnish the County with a Certificate of Cremation or Destruction.

(c) The Bonds hereunder shall be deemed to be no longer outstanding if provision for payment at maturity or at redemption, such redemption having been irrevocably undertaken, shall have been made in a manner authorized under Section 8250(b) of the Act.

(d) With respect to the Bonds hereunder, the County may from time to time and at any time, adopt a supplemental ordinance in order to: (1) cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance or (2) grant to or confer upon the owners of the Bonds any additional rights, remedies, powers, authority,
or security that may be lawfully granted to or conferred upon them. This Ordinance may also be amended or modified from time to time, except with respect to the principal or interest payable upon the Bonds, or with respect to the dates of maturity or redemption provisions of the Bonds, and in the case of any such permitted amendment or modification, a certified copy of the same shall be filed with the Paying Agent, following approval in writing by the owners of not less than 67 percent in principal amount of the Bonds then outstanding, other than Bonds provision for payment or redemption of which has been made prior to the effective date thereof as provided in subsection (c) above, and the written consent of any municipal bond insurance company then insuring the Bonds.

(e) So long as the Bonds shall be insured as to payment to any extent by the bond insurer (the "Bond Insurer") set forth in Schedule "E" hereof, any terms, conditions and covenants set forth in Schedule "E" shall apply.

Section 18. The County Executive, the Director of Fiscal Affairs and the Acting Finance Director, respectively, of this County, which shall include their duly qualified successors in office, if applicable, are authorized and directed as appropriate; (a) to prepare, to certify and to file the debt statement required by Section 8110 of the Act; (b) to prepare and file, as required with the Department of Community and Economic Development (the "Department") of the Commonwealth, statements required by Section 8024, 8025 or 8026 of the Act, which are necessary to qualify certain nonelectoral and lease rental debt of this County and, if necessary, the debt which will be evidenced by the bonds to be issued hereunder; (c) to prepare, execute and to file the application with the Department, together with a complete and accurate transcript of the proceedings relating to the incurring of debt, of which debt the Bonds, upon issue, will be evidence, as required by Section 8111 of the Act; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; and (e) to take other required necessary and/or appropriate action.

Section 19. The officers and officials of this County, including the County Executive, the Director of Fiscal Affairs and the Acting Finance Director, are hereby authorized and directed to execute and deliver such other documents and to take
such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the Bonds, all in accordance with this Ordinance.

Section 20. The County Executive is authorized and directed to contract with the U.S. Bank, National Association, for its services as Sinking Fund Depository and as Paying Agent in connection with the Bonds, and with the bond insurer (the "Bond Insurer") designated in the attached Schedule "E", if any, and is authorized and directed to execute on behalf of the County at the appropriate time, a Paying Agent Agreement with the U.S. Bank, National Association, as Paying Agent for the Bonds, a Continuing Disclosure Agreement or Certificate, and a commitment to purchase bond insurance from the Bond Insurer. The County Executive, Director of Fiscal Affairs and Acting Finance Director are authorized to approve payment by the Paying Agent at settlement on the sale of the Bonds of all costs and expenses incidental to such issuance and sale including the bond insurance in accordance with the estimates contained in the Financing Study.

Section 21. The portion of the proceeds of the sale of the Bonds allocated to the County Improvements, after payment of the costs of issuance, shall be invested, pending application to the payment of costs of the County Improvements, in investments (the "Investments"), which are legal investments for Counties under the laws and statutes of the Commonwealth of Pennsylvania, and further, to the extent not invested in direct obligations of the United States, such Investments shall be adequately collateralized by such obligations. The County Executive, Director of Fiscal Affairs and Acting Finance Director are hereby authorized and directed to make appropriate arrangements for the Investments.

Section 22. It is declared that the debt to be incurred by the issuance of the Bonds hereby, together with any other indebtedness of the County, is not in excess of any limitation imposed by the Act upon the incurring of non-electoral debt by the County.

Section 23. Proper officers of the County are authorized and directed to deliver the Bonds upon execution and authentication thereof as provided for herein, to the Investment Bankers, but only upon receipt of proper payment of the balance
due therefore, and only after the Department has certified its approval pursuant to Section 8204 of the Act.

Section 24. The County hereby covenants with the registered owners, from time to time, of the Bonds that no part of the proceeds of the Bonds or of any moneys on deposit with the Paying Agent and Sinking Fund Depository hereunder will be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be "arbitrage bonds" or "private activity bonds" within the meaning of Sections 141 and 148 of the Internal Revenue Code of 1986 (the "Code") and the Regulations thereunder (the "Regulations") proposed or in effect at the time of such use and applicable to the Bonds, and that it will comply with the requirements of that section of the Code and the Regulations throughout the term of the Bonds.

(a) If the gross proceeds of the Bonds are invested at a yield greater than the applicable yield on the bonds and are not expended within six months from the date of issuance, or within eighteen (18) months therefrom if Section 1.148-7(d) of the Regulations shall be applicable, or within two (2) years therefrom if Section 148(f)(4)(c) of the Code shall be applicable, the County covenants that it will "Rebate" to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Bonds in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Bonds at a yield not in excess of the yield on the Bonds. Provided however, that the County Executive and Director of Fiscal Affairs are hereby authorized on behalf of the County to exercise an election to pay, in lieu of Rebate, a penalty pursuant to Section 148(f)(4)(c)(vii) of the Code, which election, if made in their discretion, shall be contained in the County's Non-Arbitrage Certificate with respect to the Bonds issued at closing thereon, and shall thereupon become binding upon the County, in which case the County shall pay the appropriate penalties, as applicable, as and when due, in lieu of Rebate.

Section 25. The County does hereby covenant and agree, for the benefit of the holders, and beneficial owners, of the Bonds from time to time, that it will comply with the requirements of Rule 15c2-12 of the Securities and Exchange
Commission ("SEC") with respect to municipal securities disclosure, and authorizes the County Executive to execute and comply with an appropriate Continuing Disclosure Certificate or Agreement as approved by bond counsel as long as the Bonds are outstanding.

Section 26. The County covenants that, concurrently with the delivery of the Bonds to the Underwriters, there will be paid over to and for the account of the Paying Agent by the County an amount of money which, together with other available monies, will be sufficient to provide necessary funds required by the Refunding Program reflected in the schedules attached to the Financing Study and to provide payment of interest to and principal on August 15, 2013, for those 2006 Bonds maturing on or after August 15, 2013 and for the cost of retirement or redemption on such date of 2006 Bonds then outstanding and being refunded in accordance with the Refunding Program.

(a) The County further covenants that the Bonds will not be delivered to the Underwriters unless and until the County prior to or concurrently with such delivery, shall have taken or shall take all action as shall be necessary and/or appropriate to implement and effectuate provisions for the aforesaid defeasance of the 2006 Bonds by refunding pursuant to the Refunding Program. The intent and purpose of the foregoing is to insure that the County will take such action and will cause such action to be taken and will do such things and will cause the Paying Agent to do such things, prior to or concurrently with delivery of the Bonds, as shall be necessary and/or appropriate to implement and effectuate provision of the aforesaid defeasance of the 2006 Bonds, so that simultaneously with delivery of the Bonds to the Underwriters, for purposes of the Act, such 2006 Bonds no longer shall be considered to be outstanding, and the County shall be deemed to have made appropriate provisions of the retirement of the outstanding non-electoral debt which was evidenced thereby.

(b) To the extent necessary, the County shall enter into appropriate escrow agreement (the 2006 Bonds Escrow Agreement), with the Escrow Agent/2006 Paying Agent to cause and require the Escrow Agent/2006 Paying Agent to take actions necessary in order to carry out the Refunding Program. There is created pursuant to Section 8221 of the Act, a sinking fund for the 2006 Bonds to be refunded under the 2006 Bonds Escrow
Agreement to be known as "Escrow Fund", which Sinking Fund shall be administered in accordance with the Act.

Section 27. The County hereby covenants that the portion of the proceeds of the Bonds allocated to the Refunding Program, after the payment of costs and expenses with respect to the issuance of the Bonds, shall be deposited with U.S. Bank, National Association, as 2006 Paying Agent, to provide the appropriate and required funds to refund the 2006 Bonds pursuant to the Refunding Program. The County further covenants that the principal amount of such funds so deposited, and the interest to be earned thereby, if any, together with any other available funds deposited thereunder, shall be adequate, with respect to the 2006 Bonds to be refunded, to make all payments of interest as due, and principal at maturity or redemption, according to the Refunding Program. The County further covenants that the amounts so deposited with said 2006 Paying Agent as aforesaid or as otherwise paid to the 2006 Paying Agent shall also be adequate to pay all fees for the services to be performed by the Paying Agent, including the retirement of the 2006 Bonds when called for redemption, or the County will pay such costs and any other incidental costs and expenses. The remaining proceeds of the Bonds shall be allocated to the County Improvements and deposited as directed by the County.

Section 28. The County hereby desires that the 2006 Paying Agent utilize the proceeds allocated to the Refunding Program, and any other funds available, and any other funds to be deposited thereunder for the purpose, and that such total funds will be adequate to implement the Refunding Program.

Section 29. The County does hereby authorize and direct the issuance of irrevocable instructions (the "Irrevocable Instructions") to the Paying Agent for the 2006 Bonds, calling for the redemption of the 2006 Bonds being refunded and maturing on or after August 15, 2014, such Instructions and the Notice of Redemption to be given thereby to be substantially in the forms set forth in Schedule "F" hereof.

Section 30. In the event that any provision, section, sentence, clause or part of this Ordinance shall be held 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 such remainder shall be and shall remain in full force and effect.

Section 31. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

Section 32. This Ordinance shall be effective in accordance with Section 8003 of the Act.

As there were no further questions or comments, Mr. Cusick called for the vote on the amended ordinance.

The vote: Parson, "yes"; Ferraro, "yes"; Kraft, "yes"; McClure, "yes"; Thierry, "yes"; Werner, "yes"; Cusick, "yes" and Dietrich, "yes".

The amended ordinance was adopted by a vote of 8-0.

Public hearing on the of the Ordinance Amending the Northampton County Administrative Code, Article XIII Procurement and Disposition of County Property, Section 13.07 Methods of Source Selection

Mr. Cusick stated the following ordinance was introduced by Messrs. McClure and Kraft at the July 2, 2013 County Council meeting:

AN ORDINANCE AMENDING THE NORTHAMPTON COUNTY ADMINISTRATIVE CODE, ARTICLE XIII PROCUREMENT AND DISPOSITION OF COUNTY PROPERTY, SECTION 13.07 METHODS OF SOURCE SELECTION

WHEREAS, Section 602 Ordinances (a) (1) of the Home Rule Charter empowers Northampton County Council to adopt Ordinances for the purpose of amending the Administrative Code.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED by the Northampton County Council that Northampton County Administrative Code, Article XIII Procurement and Disposition of County Property, Section 13.07 Methods of Source Selection shall be amended as indicated hereafter (sections marked with *strikeout* are being deleted and sections that are marked with **bold and underline** have been added):
ARTICLE XIII

PROCUREMENT AND DISPOSITION OF COUNTY PROPERTY

Section 13.07 Methods of Source Selection

a. Source Selection. Except as otherwise authorized by law, the Charter or ordinance, all County contracts shall, in accordance with the provisions of this Code, be awarded by:

   (1) competitive sealed bidding;
   (2) competitive negotiations;
   (3) noncompetitive negotiation;
   (4) small purchase procedures;
   (5) emergency procurements; and
   (6) cooperative purchasing.

b. Procurement of County property over $25,000 shall be by Competitive Sealed Bid, Competitive Negotiation or Cooperative Purchasing unless, prior to the solicitation of any contract, the County Executive shall, with the approval of County Council, determine that these methods are not practical.

c. Competitive sealed bidding shall not be used as a method of source selection, if any of the other methods of source selection, as set forth in Administrative Code Article XIII, are first used as a method of source selection in the award, or an attempted award, of a contract.

Public Hearing

Mr. Cusick asked if there were any questions or comments from the public.

Mr. Stephen Barron, Northampton County Controller, advised this ordinance would give his office more direction to know when there should be a competitive sealed bid or a negotiated transaction through the Request for Proposal (RFP) and Request for Quote (RFQ) process.

Mr. Barron stated the County rarely used the competitive sealed bid because most of the items that were purchased were done through State contract. He further stated the real intent of that section was when the County was seeking a better price
Mr. Barron advised in the case of the Nazareth Ambulance Corps (Nazareth), there was no problem with what the Administration did with regard to going through the RFP/RFQ processes and then rebidding them when there were modifications or a better understanding of what was required. He further advised Nazareth had the lowest bid based on trips, but they had to raise their prices when the value-added services were added on.

Mr. Barron stated the history of the County was not good when it selected the lowest contractor and this change would clarify the process. He further stated a concern was if a County Executive was able to go around County Council, the possibility existed that he could collude with a contractor to provide lower costs.

Mr. Daniel Spengler, Northampton County Solicitor, advised the original concept of having contracts that were more than $100,000 being approved by County Council was because a past Council member was not happy that the prior Administration chose Colonial Healthcare as the County’s health care administrator because he thought there might have been some collusion. He further advised the purpose was to be able to determine why a contractor was selected, not to give County Council an equal voice.

Mr. Spengler stated when the original amendment was adopted, it did not include what would happen if there was a disagreement. He further stated even if this ordinance was adopted, it did not solve the problem because someone has to decide what to do if there was an impasse.

Mr. Cusick asked if there were any questions or comments from the members of County Council.

Mr. McClure advised he agreed more work had to be done, but it was a good first step. He further advised what they were seeking to do was to defend the prerogatives of the governing body.

In answer to Mr. Parsons’ comment that the current lawsuit would accomplish what the ordinance was doing, Mr. Lauer stated the lawsuit would decide on the current issue, but it did not deal with anything going forward and would not be binding.
In response to Mr. McClure's request for an explanation with regard to a declaratory judgment proceeding, Mr. Lauer advised it was declaring to the Court that there was a meaningful disagreement and asking the Court to determine which of the competing positions were accurate.

Mr. Lauer stated County Council's position in the litigation was that under the circumstances the only legal way to make the selection for the medical transportation service at Gracedale was with the RFP process. He further stated the County Executive's position was he could select the competitive sealed bidding process because by the time he did so, price was the only remaining factor.

In answer to Mr. McClure's comment that it would only apply to the current situation, Mr. Lauer agreed that was the case. He advised that another factor that was in the litigation that was not present in every case was County Council was contending the selection of a medical transportation service was a professional service and the Administrative Code specifically indicated the RFP process must be used.

When Mr. McClure stated that this amendment would be prospective so it would have no effect on the current litigation, Mr. Lauer concurred.

As there were no further questions or comments, Mr. Cusick called for the vote.

The vote: McClure, "yes"; Kraft, "yes"; Parsons, "no"; Thierry, "yes"; Werner, "no"; Cusick, "no"; Dietrich, "yes" and Ferraro, "yes".

The ordinance was adopted by a vote of 5-3.

Review of the Court Appointed Professional Unit Collective Bargaining Agreement

Mr. Cusick stated this contract was reviewed at the Personnel Committee meeting held July 17, 2013.

Mr. Kraft introduced the following resolution:
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R. 53-2013 WHEREAS, Northampton County Charter Section 202 (12) provides that, "the County Council shall have the power to approve any collective bargaining agreements with officers and employees".

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Northampton County Council that the Collective Bargaining Unit Agreement between the County of Northampton and the AFSCME District Council 88 Court-Appointed Professional Unit, shall be approved this 18th day of July 2013.

As there were no questions or comments, Mr. Cusick called for the vote.

The vote: Kraft, "yes"; Ferraro, "yes"; Dietrich, "yes"; Cusick, "yes"; Werner, "yes"; Thierry, "yes"; Parsons, "yes" and McClure, "yes".

The resolution was adopted by a vote of 8-0.

Consideration of the Administrative Code Article XIII Contract Approval Resolution: Cotton Goods

Mr. Cusick advised this contract was reviewed at the Finance Committee meeting held July 17, 2013. He then introduced the following resolution:

R. 54-2013 WHEREAS, Northampton County Administrative Code Article XIII Procurement and Disposition of County Property, Section 13.16 Contracts and Agreements c. (1) requires approval of County Council for "...any contract exceeding $100,000, which was awarded using the Competitive Negotiation, Negotiation After Competitive Sealed Bidding, and Non-Competitive Negotiation source selection methods. For contracts with renewal clauses, the entire potential payout if all renewal clauses are exercised under the terms of the contract must be considered when determining if Council approval is necessary"; and

WHEREAS, on July 12, 2013, the Northampton County Council received a request from the County Executive for County Council to adopt a resolution approving one year contracts, totaling
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$174,808.17, with Tabb Textiles and Standard Textiles for cotton goods for Gracedale and the Juvenile Justice Center. The total potential contract value is $523,524.21 if all renewals are exercised.

NOW, THEREFORE, BE IT RESOLVED that the Northampton County Council does hereby concur with the recommendation of the County Executive to award one year contracts, totaling $174,808.17, to Tabb Textiles and Standard Textiles for cotton goods for Gracedale and the Juvenile Justice Center.

As there were no questions or comments, Mr. Cusick called for the vote.

The vote: Cusick, "yes"; Thierry, "yes"; Werner, "yes"; Dietrich, "yes"; Ferraro, "yes"; Kraft, "yes"; McClure, "yes" and Parsons, "yes".

The resolution was adopted by a vote of 8-0.

Consideration of the Easton Dam and Chain Dam Removal Resolution

Mr. Cusick stated at the request of Mr. Werner, a resolution was drafted which opposed the removal of the Easton Dam and/or the Chain Dam from the Lehigh River.

Mr. Werner introduced the following resolution:

WHEREAS, the Lehigh River Fish Passage Improvement Feasibility Study (Study) was presented at the Easton City Council meeting held on July 10, 2013; and

WHEREAS, the Study recommends the full removal of the Easton Dam at the confluence of the Lehigh and Delaware Rivers in Easton and the Chain Dam near Hugh Moore Park in order to restore shad migration into the Lehigh River; and

WHEREAS, the dams are an important part of the history of the City of Easton since their initial construction in the 1800's. The removal of the dams: (1) could easily change the character of the City of Easton and neighboring communities, (2) would lower the river level, thereby exposing the foundation of
a Palmer Township-owned railroad bridge that crosses the river and forcing underwater sewer mains to be relocated, (3) would require the renovation of canal and river banks, (4) would require pumps to be installed, at a cost reported to be between $1.2 million and $6 million, to maintain water levels in both the Lehigh and Delaware Canals, (5) could have a negative impact upon a Northampton County boat launch located off of Hope Road in Bethlehem Township (6) would have an unknown effect on 12" water line and a natural gas line upstream of the Glendon Hill Road Bridge, but would likely affect stormwater outfalls including both pipes and box culverts and (7) would be at an estimated cost of $18 million; and

WHEREAS, questions have been raised about the effectiveness of flood mitigation through the removal of the dams.

NOW, THEREFORE, BE IT RESOLVED that it is opinion of the Northampton County Council that it does hereby oppose the full removal of the Easton Dam at the confluence of the Lehigh and Delaware Rivers in Easton and the Chain Dam near Hugh Moore Park for the reasons herein set forth. It is further resolved that a copy of this resolution shall be forwarded to the Pennsylvania Fish and Boat Commission and to the Wildlands Conservancy in response to their request for public comment on the recommendations contained in the Study.

Mr. Dietrich advised he believed the removable of the dams would help drainage in certain areas and would have a positive effect on development and safety of the people who lived there.

Mr. Werner stated there was an $18 million cost affiliated with all of this and there was no guarantee that it would help the flood levels. He further stated it was indicated this decision was made for shad improvement, but that would not necessarily be the case.

In response to Mr. Cusick's question as to who would be responsible for the $18 million, Mr. Werner advised there was no clear understanding as to where that money was going to come from.
In answer to Mr. McClure's question as to how this situation came about, Mr. Werner stated a study was done. He further stated there was a lot of local opposition to this proposal.

In response to Mr. Cusick's question as to whether other entities had presented a similar resolution, Mr. Werner advised Palmer and Forks Townships have done so.

Mrs. Ferraro stated this issue was discussed at the Conservation District meeting, but no decision was made. She further stated they talked about removing these dams and some further up the river so she wondered what the cost would be.

Mr. Kraft advised he would like to support this resolution because removing the dams would affect the water levels of the canals, noting efforts had been made for years to improve them, and then spend money to put in a pumping station.

Mr. McClure stated he would be interested in learning what some of the sportsmen who used the County's rivers and streams thought of this idea.

Mr. Dietrich reiterated the purpose of this proposal was to mitigate the flooding situation in those areas.

Mr. McClure made a motion to table this resolution.

Mrs. Thierry seconded the motion.

As there were no further questions or comments, Mr. Cusick called for the vote on the motion.

The vote: McClure, "yes"; Thierry, "yes"; Ferraro, "yes"; Kraft, "yes"; Parsons, "yes"; Werner, "no"; Cusick, "yes" and Dietrich, "yes".

The resolution was tabled by a vote 7-1.

Human Services Committee Report

Mr. Dietrich advised the Human Services Committee met earlier in the evening to discuss the management of Gracedale by
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Premier Healthcare Resources and the changes that have or planned to be implemented to save money. He further advised the census population had increased and would soon hit 90%, which was the goal as far as reimbursement rates.

Mr. Dietrich stated they discussed the Block Grant Program and that more information was required from the State as to how it was going to proceed.

Mr. Dietrich advised since the census levels at Gracedale were stabilizing, there would be a need for additional staff so they planned to bring a proposal to County Council in the future. He further advised they were also expecting to conduct a RFP process with regard to hiring outside legal to assist in the selling of the beds.

Open Space Advisory Board Liaison Report

Mr. Parsons stated the Open Space Advisory Board met last week and would be making a presentation to County Council in August.

Mr. Parsons advised money was recently granted to remove a dam over the Monocacy Creek for flood mitigation and at that time, discussion was held with regard to the Easton Dam and Chain Dam so he would obtain that information from the records.

Finance Committee Report

Mr. Cusick stated the Finance Committee met yesterday and a discussion was held with regard to the cotton goods contract. He further stated they reviewed the Single Audit with CliftonLarsonAllen that revealed some material issues that have been resolved satisfactorily.

Council Clerk’s Report

Mr. Flisser advised Mr. and Mrs. Ted Tofari visited the office and indicated that in 1994, they quit their jobs, brought a recreational vehicle and began a mission to visit every County Courthouse in each State. He further advised Northampton County
was their 3,001 visit.

**Solicitor’s Report**

Mr. Lauer stated LifeStar had filed to join the litigation with regard to the Gracedale medical transportation issue and Nazareth was reportedly also going to join in.

**Adjournment**

Mrs. Thierry made a motion to adjourn.

Mr. Kraft seconded the motion.

The motion to adjourn passed unanimously by acclamation.

Frank E. Flisser
Clerk to Council