

OFFICIAL
THE MUNICIPAL AUTHORITY OF THE CITY OF MCKEESPORT
RESOLUTION NO. 2016-10

A RESOLUTION OF THE MUNICIPAL AUTHORITY OF THE CITY OF MCKEESPORT, COUNTY OF ALLEGHENY AND COMMONWEALTH OF PENNSYLVANIA, AUTHORIZING THE SALE OF SUBSTANTIALLY ALL OF THE SEWER SYSTEM ASSETS OF THE AUTHORITY BY EXECUTING AND CLOSING AN ASSET PURCHASE AGREEMENT; AUTHORIZING TRANSFER OF THE ASSETS TO THE WINNING BIDDER UPON CLOSING; AND AUTHORIZING PREPARATION AND FILING OF A CERTIFICATE OF TERMINATION OF THE AUTHORITY ON THE CLOSING DATE PROVIDED ALL LIABILITIES OF THE AUTHORITY ARE SATISFIED.

WHEREAS, under the provisions of the Pennsylvania Municipal Authorities Act, Act 22 of 2001, 53 Pa.C.S.A. Section 5601 et seq., formerly the Municipality Authorities Act of 1945, as amended, the City of McKeesport, Allegheny County, a City of the Third Class (the "City"), incorporated, created and has the power to dissolve and/or terminate The Municipal Authority of the City of McKeesport (the "Authority"), which currently owns and operates a sanitary sewer system (the "Sewer System"), for the benefit and use of the residents of the Cities of McKeesport and Duquesne, the Boroughs of Glassport, Liberty, Lincoln, Port Vue, Versailles, East McKeesport, White Oak and Dravosburg, and the Townships of North Versailles and Elizabeth; and

WHEREAS, Public Financial Management, Inc., and Boenning & Scattergood, Inc. serve as financial advisors (the "Financial Advisors"), and Dilworth Paxson LLP and Grogan & Graffam, P.C./Dickie, McCamey&Chilcote, P.C. serve as outside counsel ("Counsel") to the City and the Authority in connection with the sale of the Sewer System; and

WHEREAS, the Authority, as requested by the City, and the City issued a Request for Qualifications (the "RFQ") on June 4, 2015, for expressions of interest from qualified companies and entities for the possible lease or sale of the Sewer System, and received responses from interested potential bidders; and

WHEREAS, the Authority, as requested by the City, and the City issued a Request for Bids (the "RFB") on June 3, 2016, to solicit bids from interested and qualified entities based on a form of asset purchase agreement approved by the Authority and the City for the sale of the Sewer System (the "Agreement"), and with an exact copy of the Agreement being attached hereto as Exhibit A; and

WHEREAS, two qualified bids were received on July 29, 2016; and

WHEREAS, the Authority, as requested by the City which incorporated and created the Authority and has the power to dissolve and/or terminate the Authority so long as all bonds, debts and obligations of the Authority are satisfied on or before the date of dissolution and/or termination, and the City desire to award the bid and sell the Sewer System to the highest bidder,

Pennsylvania American Water ("PAW"), and with an exact copy of the Bid of PAW attached hereto as Exhibit B; and

WHEREAS, upon such sale, the Authority shall pay or provide for the payment of all of its debts, **bonds** and obligations not otherwise assigned to the City or PAW; and

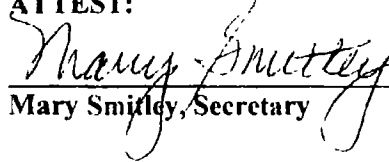
WHEREAS, the City has authorized, ordered and directed the Authority to dissolve and terminate on or immediately after the date that the sale is closed pursuant to the Agreement (the "Closing Date") and with all of the Authority bonds and system obligations to be refunded and/or defeased to maturity, as evidenced by the Ordinance of the City Council of the City to effect the foregoing attached hereto as Exhibit C, and which Ordinance was enacted into law by the City on September 7, 2016.

NOW, THEREFORE, BE IT RESOLVED AND ADOPTED by the Board of The Municipal Authority of the City of McKeesport, County of Allegheny, Commonwealth of Pennsylvania, and it is hereby RESOLVED and ADOPTED by authority of the same, that:

1. The Chairman or Vice-Chair of the Board of the Authority is authorized to execute and deliver the Agreement in substantially the form provided to the Board, after consultation with the Authority Solicitor, the Financial Advisors and Counsel, and is further authorized to execute, deliver and file all documents and take any actions necessary, on the Closing Date, to transfer the assets of the Sewer System and to otherwise effectuate the Agreement, subject to full compliance by the Authority, the City and PAW with all applicable Federal, State and County laws and regulations .
2. The Board of the Authority hereby ratifies and approves the engagement of the Financial Advisors and Counsel, the RFQ process, the RFB process, including the solicitation of bids and any and all related acts taken by the Authority, its agents and employees in order to facilitate and complete the sale of the Sewer System, subject to full compliance by the Authority, the City and PAW with all applicable Federal, State and County laws and regulations .
3. The Chairman or Vice-Chair of the Board of the Authority is directed and authorized to execute a certificate of termination (in the form to be provided by the City) and deliver the executed certificate to the Mayor of the City for filing in the Office of the Secretary of the Commonwealth of Pennsylvania and take any and all actions necessary or desirable to effectuate the dissolution and termination of the Authority, it being understood that such filing shall not occur until such date that the sale is closed pursuant to the Agreement; all of the bonds and system obligations of the Authority are refunded and/or defeased to maturity; and there is full compliance by the Authority, the City and PAW with all applicable Federal, State and County laws and regulations.

RESOLVED AND ADOPTED by the Board of The Municipal Authority of the City of McKeesport, County of Allegheny, Commonwealth of Pennsylvania, meeting in regular and public session, the 8th day of September, 2016.

ATTEST:



Mary Smitley, Secretary

**THE MUNICIPAL AUTHORITY OF THE
CITY OF MCKEESPORT**
By: 

Dale McCall, Chairman

**OFFICIAL
THE MUNICIPAL AUTHORITY OF THE CITY OF MCKEESPORT
RESOLUTION NO. _____**

A RESOLUTION OF THE MUNICIPAL AUTHORITY OF THE CITY OF MCKEESPORT, COUNTY OF ALLEGHENY AND COMMONWEALTH OF PENNSYLVANIA, AUTHORIZING THE PROPER AUTHORITY OFFICERS TO EXECUTE THE ATTACHED FIRST AMENDMENT TO THE ASSET PURCHASE AGREEMENT FOR THE SALE OF SUBSTANTIALLY ALL OF THE SEWER SYSTEM ASSETS OF THE AUTHORITY.

WHEREAS, under the provisions of the Pennsylvania Municipal Authorities Act, Act 22 of 2001, 53 Pa.C.S.A. Section 5601 et seq., formerly the Municipality Authorities Act of 1945, as amended, the City of McKeesport, Allegheny County, a City of the Third Class (the “City”), incorporated, created and has the power to dissolve and/or terminate The Municipal Authority of the City of McKeesport (the “Authority”), which currently owns and operates a sanitary sewer system (the “Sewer System”), for the benefit and use of the residents of the Cities of McKeesport and Duquesne, the Boroughs of Glassport, Liberty, Lincoln, Port Vue, Versailles, East McKeesport, White Oak and Dravosburg, and the Townships of North Versailles and Elizabeth; and

WHEREAS, Public Financial Management, Inc., and Boenning & Scattergood, Inc. serve as financial advisors (the “Financial Advisors”), and Dilworth Paxson LLP and Grogan & Graffam, P.C./Dickie, McCamey&Chilcote, P.C. serve as outside counsel (“Counsel”) to the City and the Authority in connection with the sale of the Sewer System; and

WHEREAS, the Authority, as requested by the City, and the City issued a Request for Qualifications (the “RFQ”) on June 4, 2015, for expressions of interest from qualified companies and entities for the possible lease or sale of the Sewer System, and received responses from interested potential bidders; and

WHEREAS, the Authority, as requested by the City, and the City issued a Request for Bids (the “RFB”) on June 3, 2016, to solicit bids from interested and qualified entities based on a form of asset purchase agreement approved by the Authority and the City for the sale of the Sewer System (the “Agreement”), and with an exact copy of the Agreement being attached hereto as Exhibit A; and

WHEREAS, two qualified bids were received on July 29, 2016; and

WHEREAS, the Authority, as requested by the City which incorporated and created the Authority and has the power to dissolve and/or terminate the Authority so long as all bonds, debts and obligations of the Authority are satisfied on or before the date of dissolution and/or termination, and the City desire to award the bid and sell the Sewer System to the highest bidder, Pennsylvania American Water (“PAW”), and with an exact copy of the Bid of PAW attached hereto as Exhibit B; and

WHEREAS, upon such sale, the Authority shall pay or provide for the payment of all of its debts, **bonds** and obligations not otherwise assigned to the City or PAW; and

WHEREAS, the City has authorized, ordered and directed the Authority to dissolve and terminate on or immediately after the date that the sale is closed pursuant to the Agreement (the “Closing Date”) and with all of the Authority bonds and system obligations to be refunded and/or defeased to maturity, as evidenced by the Ordinance of the City Council of the City to effect the foregoing attached hereto as Exhibit C, and which Ordinance was enacted into law by the City on September 7, 2016.

WHEREAS, as a result of the terms of the Asset Purchase Agreement the parties were required to negotiate an increased purchase price and extension of the “End Date” of said agreement in order to comply with all applicable statutes and/or regulations.

NOW, THEREFORE, BE IT RESOLVED AND ADOPTED by the Board of The Municipal Authority of the City of McKeesport, County of Allegheny, Commonwealth of Pennsylvania, and it is hereby **RESOLVED** and **ADOPTED** by authority of the same, that:

1. The Chairman or Vice-Chair of the Board of the Authority is authorized to execute and deliver the attached First Amendment to the Asset Purchase Agreement in substantially the form provided to the Board and all actions taken in this regard prior to this date are hereby ratified and approved.

RESOLVED AND ADOPTED by the Board of The Municipal Authority of the City of McKeesport, County of Allegheny, Commonwealth of Pennsylvania, meeting in regular and public session, the 8th day of September, 2016.

ATTEST:

Mary Smitley, Secretary

**THE MUNICIPAL AUTHORITY OF THE
CITY OF MCKEESPORT**

By: _____
Dale McCall, Chairman