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CITY OF BETHLEHEM

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DEPARTMENT OF WATER AND SEWER RESOURCES  
INTEROFFICE MEMORANDUM

TO: Mr. Eric R. Evans, Council President

FROM: David L. Brong, Director of Water and Sewer Resources

RE: Application for Financial Assistance from the Pennsylvania Infrastructure Investment Authority (Pennvest)

DATE: October 7, 2013

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During the City Council meeting on August 20, 2013, resolution 2013-152 was passed by Council in support of a PennVest loan application for \$9,988,000 for the construction of a dedicated dewatering facility at our Wastewater Treatment Plant.

This dollar amount did *not* include \$749,000 of "soft" costs including legal, administrative, and construction oversight expenses. These expenses were left out of the application and resolution amount at the direction of PennVest staff, and would have required alternate funding in order to complete this large project.

The PennVest staff has since informed the City that these costs are indeed allowable, and I would like to include them in the amount indicated on the application, bringing the total Application request to \$10,737,000. This will require action by Council to update the previous resolution, or issue new resolution prior to the upcoming PennVest application submission date of November 13, 2013.

May I have your approval?

Copies to: Mayor  
Members of Council  
Legal  
File/xc

By: 

RESOLUTION NO. 2013-

The undersigned, an authorized representative of the City of Bethlehem (Borrower), hereby certifies that at a meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2013, after due notice, at which a quorum was present, Bethlehem City Council unanimously adopted the following Resolution:

BE IT RESOLVED, that the Bethlehem City Council (the "Governing Body") shall be, and the same hereby are authorized to submit a Financial Assistance Application to the Pennsylvania Infrastructure Investment Authority (PENNVEST), substantially in the form presented at this meeting for the purpose of financing/partially financing the construction, rehabilitation and/or extension of the sewer system. Appropriate officers of the Governing Body are hereby authorized to execute all certifications and documentation required in connection with the application."

Sponsored by /s/ \_\_\_\_\_

/s/ \_\_\_\_\_

ADOPTED by Council this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

/s/ \_\_\_\_\_

Eric R. Evans  
President of Council

ATTEST:

/s/ Cynthia H. Biedenkopf  
City Clerk

RESOLUTION NO. 2013-

The undersigned, an authorized representative of the City of Bethlehem (Borrower), hereby certifies that at a meeting held on the \_\_\_\_ day of \_\_\_\_\_, 2013, after due notice, at which a quorum was present, Bethlehem City Council unanimously adopted the following Resolution:

BE IT RESOLVED, the City of Bethlehem ("Borrower") intends to use its Sewer Funds, to finance on an interim basis, the costs of the Bethlehem City – Biosolids Dewatering Facility and Effluent Pump Station Improvements Project ("Project") which costs are reasonably expected to be reimbursed with the proceeds of debt to be incurred by the Borrower, up to the maximum principal amount of \$10,737,000. This resolution is a declaration of official intent adopted pursuant to the requirements of Treasury Regulation Section 1.150.2.

Sponsored by /s/ \_\_\_\_\_

/s/ \_\_\_\_\_

ADOPTED by Council this the \_\_\_\_ day of \_\_\_\_\_, 2013.

/s/ \_\_\_\_\_

Eric R. Evans  
President of Council

ATTEST:

/s/ Cynthia H. Biedenkopf  
City Clerk



October 15, 2013

## LETTER OF RESPONSIBILITY

Pennsylvania Infrastructure Investment Authority  
22 South Third Street  
Harrisburg, Pennsylvania 17101

RE: Application for Financial Assistance ("Application") in the amount of \$10,737,000 from the Pennsylvania Infrastructure Investment Authority ("Authority") to the City of Bethlehem ("Applicant") for the establishment or improvement for collection and treatment of sewage system in Bethlehem City, Northampton County, Commonwealth of Pennsylvania ("Project").

Executive Director:

In connection with the above captioned loan application, please be advised that Applicant certifies the following:

- A. That the filing of this application and subsequent incurring of debt in the amount of \$10,737,000 was duly authorized in a resolution (copy attached) approved by its governing body that the resolution is in the same or similar form and contains all the material elements that need to be provided to the Applicant by the Authority.
- B. That the statements and representations made in the foregoing application and all exhibits and documents submitted in connection therewith are true and correct to the best information and belief of the Applicant, and that they are submitted by the Applicant to form the basis of the application.
- C. The Project, when completed, will work to improve the overall collection and treatment of sewage in the Commonwealth of Pennsylvania.
- D. With respect to the establishment of the Project, construction and/or acquisitions of any portion of the Project has not commenced and will not commence prior to the approval of the application by the Authority.
- E. Except as stated in the attached addendum, Applicant has not been cited by any governmental agency for causing pollution in the Commonwealth and the project has been designed so as not to cause pollution in violation of existing standards.
- F. Applicant does not have any outstanding loans from the Water Facilities Loan board or the Authority that are delinquent.

- G. There are no encumbrances, pledges, or liens against the revenues generated or to be generated from the operation of the Project.
- H. Applicant will take the necessary actions, pursuant to all applicable laws and regulations, to execute all documents required by the Authority if financial assistance is approved by the Authority and accepted by the Applicant.
- I. Applicant will, should the Loan be offered by the Authority and accepted by the Applicant, execute a Guaranteed Revenue Note.
- J. Applicant will execute all documents required by the Authority to consummate the Loan in conformity with the procedures prescribed by law.
- K. Municipality in which the Project is located is the City of Bethlehem.
- L. Applicant has retained a public accountant who has prepared a financial statement of the current and projected financial status of the applicant of which both the form and content is acceptable to the Authority.
- M. Applicant can repay the Loan from existing and reasonably anticipated project revenues.
- N. Applicant has retained counsel to represent it in connection with the application and to prepare or assist applicant in preparing any and all documents required by the Authority who has been engaged to render an opinion to the Authority regarding the ability of the applicant to enter into the loan agreements and related documents required for the loan from the Authority.
- O. Applicant will, in every project undertaken with the use of proceeds from this or other loans from the Authority, comply with the Steel Products Procurement Act, Act of March 3, 1978 (P.L. 6, No. 3) 73 P.S. Section 1881 et. Seq.
- P. Applicant shall not discriminate against any employee or against any applicant for employment because of race, religion, color, national origin sex or age. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship.
- Q. The Applicant certifies that it is not currently under suspension or debarment by the Commonwealth, any other state, or the Federal Government and shall require the same certification from any contractors providing services in connection with the Project.
- R. The Authority has the right to require the Applicant to terminate any contract with a contractor that becomes suspended or debarred by the Commonwealth or the Federal Government during the construction period of the project.
- S. The Applicant agrees that it shall be responsible for necessary and reasonable costs and expenses incurred by the Office of Inspector General relating to an investigation of the Applicants/Contractor's compliance, which results in the suspension or debarment of the Applicant/Contractor.

- T. The Applicant agrees that it shall execute any and all certifications required by the Authority under any Contractor Integrity Provisions and shall require all contractors to execute the same certifications.
  
- U. The Applicant shall provide evidence that it has complied with all conditions of the Water Pollution Control Act, the Water Quality Act of 1987, 40 CFR Part 32, Drug-Free Workplace Requirements and other related federal and state acts, as applicable.

The foregoing certification is based on facts obtained through a diligent investigation of all pertinent matters and information attendant to the project.

ATTEST:

APPLICANT:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

(SEAL)

Date: \_\_\_\_\_