

An Ordinance of the  
**City of McKeesport**

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SERIES: 2016

ORDINANCE NO.: 16-009

Presented By: Administration

Bill No.: 36

Introduced By: **James Barry**

Date: 9-7-16

Public Notice:

Public Hearing:

**AN ORDINANCE OF THE CITY OF MCKEESPORT, ALLE-  
GHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE  
PROPER CITY OFFICIALS TO FACILITATE THE SALE OF  
SUBSTANTIALLY ALL OF THE SEWER SYSTEM ASSETS  
OF THE MUNICIPAL AUTHORITY OF THE CITY OF  
MCKEESPORT (THE "AUTHORITY") PURSUANT TO AN  
ASSET PURCHASE AGREEMENT AND TO TAKE SUCH  
ACTIONS NECESSARY TO DISSOLVE AND TERMINATE  
THE AUTHORITY.**

**WHEREAS**, the City of McKeesport, Allegheny County, a City of the Third Class (the "City"), incorporated 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

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

**WHEREAS**, the City and the Authority, on June 3, 2016, issued a Request for Bids (the "RFB") to solicit bids from interested and qualified entities, based on a form of asset purchase agreement approved by the Authority and the City and acceptable to the qualified bidders for the sale of the Sewer System (the "Agreement"); and

**WHEREAS**, two (2) qualified bids were received on July 29, 2016; and

**WHEREAS**, the Authority and the City desire to award the bid and sell the Sewer System to the highest bidder, Pennsylvania American Water ("PAW"); and

**WHEREAS**, in the judgement of City Council, entering into the Agreement with the Authority and PAW for the sale of the Sewer System is in the best interests of the City and the public which it serves; and

**WHEREAS**, on or about the date that the sale is closed pursuant to the Agreement (the "Closing Date") and all of the bonds and system obligations are refunded and/or defeased to maturity, the City intends to dissolve and terminate the Authority.

**THE CITY OF MCKEESPORT HEREBY ORDAINS:**

**Section 1. (a) Cooperation and Coordination with the Authority**

The McKeesport City Council hereby approves the Agreement and authorizes the Mayor (or his designee), with the assistance of the Financial Advisors, Counsel, and the City Solicitor, to (i) execute and deliver the Agreement in substantially the form provided to City Council and (ii) take all actions necessary or desirable to assist, advise and/or coordinate with the Authority in relation to the sale of the Sewer System, including (a) executing and delivering the (Deposit Note) as such term is defined in the Agreement, (b) amending or assigning the Authority's existing municipal service agreements, (c) approving and executing any necessary application for regulatory approval, (d) assigning any permits, (e) engaging valuation experts, engineers, title search companies or other advisors necessary or desirable to effectuate the sale of the Sewer System and (f) to execute, deliver and file all documents, agreements or instruments and take any actions necessary or desirable to transfer the real estate and other assets of the Sewer System and to otherwise effectuate the Agreement.

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**(b) General Authorization**

The McKeesport City Council hereby further authorizes the City, the Mayor, and its agents, including the Financial Advisors, Counsel and the City Solicitor and its employees to take any and all necessary actions required under applicable law or the Agreement to assist, advise and/or coordinate with the Authority in effectuating the sale of the Sewer System.

**(c) Ratification of Prior Acts**

The McKeesport City Council 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 an all related acts taken by the City, its agents and employees in order to facilitate and complete the sale of the Sewer System.

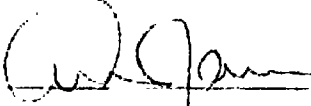
**(d) Authority Dissolution/Termination**

The McKeesport City Council hereby approves the dissolution and termination of the Authority on or immediately after the Closing Date, orders and directs the Authority to prepare such certificate and other documents necessary for it to dissolve and terminate and authorizes the Mayor (or his designee) to execute, deliver or file any and all documents, certificates, agreements or instruments necessary or desirable to effectuate such dissolution and termination, it being understood that such dissolution and termination of the Authority shall not occur until the Closing Date provided all of the Authority bonds and system obligations are refunded and/or defeased to maturity.

**Section 2.** Any an all ordinances or parts thereof that are in conflict herewith are hereby repealed.

ENACTED INTO LAW this 7<sup>TH</sup> day of September, A.D. 2016.

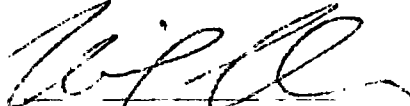
ATTEST:

  
Clerk of Council

  
President of Council

EXAMINED AND APPROVED this 7<sup>TH</sup> day of September, A.D., 2016

ATTEST:

  
Mayor