

Bill No.

1215-03

No. 35-03-OR

AN ORDINANCE

Authorizing the incurrence of nonelectoral debt by the issuance of one or more series of general obligation bonds in an aggregate principal amount not to exceed \$225,000,000.

Ordinance of the County of Allegheny, Pennsylvania (the "County") (1) authorizing the incurrence of nonelectoral debt by the issuance of one or more series of general obligation bonds in an aggregate principal amount not to exceed \$225,000,000 for the purposes of providing funds to refund certain bonds previously issued by the County; (2) finding a private sale by negotiation to be in the best interest of the County; (3) approving a maximum interest rate and maximum maturity date for the bonds; (4) authorizing certain officials to accept a proposal for the purchase of the bonds; (5) appointing a paying agent, registrar, sinking fund depositary and escrow agent or agents; (6) adopting a form of bond; (7) covenanting to pay debt service; (8) pledging the full faith, credit and taxing power for the payment of the bonds; (9) establishing a sinking fund and one or more escrow funds; (10) appropriating the bond proceeds; (11) ratifying prior advertisement and directing further advertisement; (12) appointing various professionals; (13) authorizing the preparation, certification and filing of an application and debt statement with the Department of Community and Economic Development; (14) authorizing approval of the preliminary official statement; (15) authorizing approval of the final official statement; (16) authorizing execution of one or more escrow agreements for the benefit of the refunded bonds and authorizing the redemption of such refunded bonds; (17) authorizing certain officials to determine whether to purchase a policy or policies of municipal bond insurance; (18) authorizing the taking of certain actions with respect to continuing disclosure of information; (19) authorizing and directing the preparation, execution and delivery of all other required documents and the taking of all other required action; and (20) repealing inconsistent ordinances.

Whereas, the County desires to undertake a project (the "Project") consisting of the refunding of certain bonds previously issued by the County (the "Refunded Bonds"), to effect the County's debt service restructuring plan which includes, among other things, debt service relief for the County and in certain years produces a more level debt service for the County, and the funding of certain costs of issuing the Series C-56 Bonds (as hereinafter defined); and

Whereas, the County intends to issue its bonds in accordance with the terms of this Ordinance and the Local Government Unit Debt Act, Act of July 12, 1972, P.L. 781, No. 185, as amended and reenacted by Act No. 78-52, P.L. 124, as amended ("Debt Act"), to pay the costs of the Project; and

Whereas, Mellon Financial Markets LLC (the "Senior Managing Underwriter") and NatCity Investments, Inc., Arthurs Lestrangle & Company, Inc., PNC Capital Markets, J.P. Morgan Securities, Wachovia Bank, Mesiroow Financial, Inc., Lehman Brothers, Legg Mason

Wood Walker, Incorporated, Goldman, Sachs & Co., Commerce Capital Markets, Inc., UBS Financial Services, Inc., Citigroup Global Markets, Inc. and Parker/Hunter Incorporated (collectively, the "Purchaser"), are expected to present to the County on or about July 17, 2003 one or more bond purchase proposals or agreements (collectively the "Purchase Proposal") for the purchase of the Series C-56 Bonds (as hereinafter defined).

The Council of the County of Allegheny hereby enacts as follows:

SECTION 1. The Project.

The County hereby undertakes a refunding project pursuant to 53 Pa.C.S.A. §8101 of the Debt Act. The Project shall consist of the refunding of all or certain maturities of the following currently outstanding series of the County's bonds: Series ID-14, Series C-40, Series C-42, Series C-44, Series C-46, Series C-47, Series C-48, Series C-53, Series C-54 and Series C-55 (collectively, the "Refunded Bonds"). The Project is consistent, and will be effected in accordance, with 53 Pa.C.S.A. §8241(b)(1) or (2) of the Debt Act. The proceeds of the Bonds shall be used solely for the purpose of retiring some or all of the Refunded Bonds and for the payment of the costs of the refunding.

SECTION 2. Incurrence of Indebtedness.

The Project shall include the issuance of indebtedness in an aggregate amount up to \$225,000,000. The actual principal amount of Bonds to be issued will depend upon market conditions on the date that the Bonds are sold and the resultant advisability on such date of refunding all or only certain series of the Refunded Bonds.

For the purpose of providing funds for and toward the payment of costs, as such term is used in the Debt Act, of the Project, the incurrence of nonelectoral debt by the County in an aggregate amount not to exceed \$225,000,000 is hereby authorized. Such debt shall be evidenced by an issue of general obligation bonds of the County in an aggregate principal amount not to exceed \$225,000,000 designated "County of Allegheny, Pennsylvania, General Obligation Refunding Bonds, Series C-56 (the "Series C-56 Bonds" or the "Bonds").

The maximum principal maturities and mandatory redemption amounts and the dates, the maximum rates of interest and interest payment dates for the Bonds shall be as set forth in Schedule A attached to and made part of this Ordinance.

SECTION 3. Approval of Private Sale.

After considering the advantages and disadvantages of a public sale of the Bonds, the County Council hereby determines that a private sale by negotiation is in the best financial interests of the County.

SECTION 4. Authorization of Acceptance of Purchase Proposal.

(a) The Chief Executive, the County Manager and/or the Director, Department of Budget and Finance, of the County (each, an "Authorized Officer") is authorized and directed to execute and deliver an acceptance on behalf of the County of the Purchase Proposal, subject to

such Purchase Proposal being satisfactory to such Authorized Officer, the interest rate not exceeding 6.0%, the term not extending beyond October 1, 2023 and a price of not less 97% of the principal amount of the Bonds which will be issued and a supplement to the Purchase Proposal to be presented by the Purchaser which is satisfactory to such Authorized Officer and which includes the specific interest rate or rates and maturity date or dates and awards the Bonds to the Purchaser at a negotiated sale for the price stated therein. The accepted Purchase Proposal, as supplemented, shall be attached hereto as Schedule B and incorporated herein by reference as if set forth herein. One counterpart of the Purchase Proposal, as supplemented, shall be filed with the records of the County.

(b) The Purchase Proposal, as supplemented, shall comply with the provisions of the Debt Act, including, but not limited to, (i) Section 8142 of the Debt Act, in that the final debt service schedule for the Bonds shall cause the debt service on all of the County's debt to be brought more nearly into an overall level annual debt service plan and (ii) Section 8144 of the Debt Act, in that no interest rate (or yield) for any stated maturity date in the last two-thirds of the period of each series of Bonds shall be less than the interest rate (or yield) for the immediately preceding year which falls within the last two-thirds of the period.

SECTION 5. Maturity and Interest Rates.

Subject to the parameters set forth in Section 4, Bonds shall bear interest and mature as set forth in the accepted Purchase Proposal, as supplemented. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 6. Appointment of Paying Agent, Registrar, Sinking Fund Depositary and Escrow Agent.

J.P. Morgan Trust Company, N.A. is hereby appointed Paying Agent ("Paying Agent") and Registrar ("Registrar") and Sinking Fund Depositary ("Sinking Fund Depositary") for the Series C-56 Bonds Sinking Fund created hereby, and Escrow Agent ("Escrow Agent") for the Refunded Bonds. The Director, Department of Budget and Finance, is hereby authorized and directed to contract with such entity for its services as Sinking Fund Depositary, Paying Agent, Registrar and Escrow Agent, respectively, at such initial and annual charges as shall be appropriate and reasonable for such services. The County may, by Ordinance, from time to time appoint a successor Paying Agent, Sinking Fund Depositary, Registrar and Escrow Agent to fill a vacancy or for any other reason.

SECTION 7. Form of Bond, Interest Payment Dates, Record Dates and Book-Entry System.

(a) Form of Bond and Interest Payment Dates. The Bonds shall be issued in fully registered form without coupons and shall be numbered in such manner as may be satisfactory to the County and the Paying Agent. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, CUSIP numbers may be printed on the Bonds. Each Bond shall be dated as of the date of its authentication. The Bonds shall be issued in denominations of \$5,000 or any whole multiple thereof and shall bear interest payable initially on October 1, 2003, and on each April 1 and October 1 thereafter (each, an "Interest Payment

Date"), unless a Bond is (i) authenticated on an Interest Payment Date on which interest has been paid or provided for, in which event it shall bear interest as of such Interest Payment Date, (ii) authenticated prior to the first Regular Record Date after the issue date, in which event it shall bear interest from August 1, 2003 or (iii) authenticated after a Regular Record Date but before the next succeeding Interest Payment Date, in which event it shall bear interest from such succeeding Interest Payment Date.

(b) Record Dates. The term "Regular Record Date" with respect to any Interest Payment Date shall mean the fifteenth day of the month immediately preceding such Interest Payment Date. The person in whose name any Bond is registered at the close of business on any Regular Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such Bond upon any transfer or exchange thereof subsequent to such Regular Record Date and prior to such Interest Payment Date, except if and to the extent that the County defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the persons in whose names outstanding Bonds are registered at the close of business on a Special Record Date established by the Paying Agent, notice of which shall have been mailed to all registered owners of Bonds not less than ten days prior to such date.

(c) Full Book-Entry System.

(i) The Bonds shall be issued in the form of one fully registered bond for the aggregate principal amount of the Bonds of each maturity, which Bonds shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Except as provided in subparagraph (vii) below, all of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Bonds for an equal aggregate principal amount of Bonds registered in the name of such nominee or nominees of DTC. No person other than DTC or its nominee shall be entitled to receive from the County or the Paying Agent either a Bond or any other evidence of ownership of the Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Bonds on the Bond Register (as such term is defined in Section 8 hereof), in connection with discontinuing the book-entry system as provided in subparagraph (vii) below or otherwise.

(ii) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price of or interest on such Bonds shall be made to DTC or its nominee in immediately available funds on the dates provided for such payments in this Ordinance. Each such payment to DTC or its nominee shall be valid and effective to discharge fully all liability of the County or the Paying Agent with respect to the principal or redemption price of or interest on the Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds outstanding of any maturity, the Paying Agent shall not require surrender by DTC or its nominee of the Bonds so redeemed, but DTC (or its nominee) may retain such Bonds and make an appropriate notation on the Bond certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Paying Agent, upon request, a written confirmation of such partial redemption and

thereafter the records maintained by the Paying Agent shall be conclusive as to the amount of the Bonds of such maturity which have been redeemed.

(iii) The County and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Registered Owners under this Ordinance, registering the transfer of Bonds, obtaining any consent or other action to be taken by Registered Owners and for all other purposes whatsoever; and neither the County nor the Paying Agent shall be affected by any notice to the contrary. Neither the County nor the Paying Agent shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any such participant, or any other person which is not shown on the Register as being a Registered Owner, with respect to either: (1) the Bonds; or (2) the accuracy of any records maintained by DTC or any such participant; or (3) the payment by DTC or any such participant of any amount in respect of the principal or redemption price of or interest on the Bonds; or (4) any notice which is permitted or required to be given to Registered Owners under this Ordinance; or (5) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Bonds; or (6) any consent given or other action taken by DTC as Registered Owner.

(iv) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the Registered Owners under this Ordinance shall be given to DTC as provided in the representation letter to be delivered to DTC, in form and content satisfactory to DTC and the County, which the proper officials are hereby authorized to execute.

(v) In connection with any notice or other communication to be provided to Registered Owners pursuant to this Ordinance by the County or the Paying Agent with respect to any consent or other action to be taken by Registered Owners, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that the County or the Paying Agent may establish a special record date for such consent or other action. The County or the Paying Agent shall give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(vi) Any successor Paying Agent shall, in its written acceptance of its duties under this Ordinance, agree to take any actions necessary from time to time to comply with the requirements of the representation letter.

(vii) The book-entry system for registration of the ownership of the Bonds may be discontinued at any time if either: (1) after notice to the County and the Paying Agent, DTC determines to resign as securities depository for the Bonds; or (2) after notice to DTC and the Paying Agent, the County determines that a continuation of the system of book-entry transfers through DTC (or through a successor securities depository) is not in the best interests of the County. In either of such events (unless in the case described in clause (2) above, the County appoints a successor securities depository), the Bonds shall be delivered in registered certificate

form to such persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of the County or the Paying Agent for the accuracy of such designation. Whenever DTC requests the County and the Paying Agent to do so, the County and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

SECTION 8. Bond Register, Registrations and Transfer.

The County shall cause to be kept at the designated corporate trust office of the Paying Agent a register ("Bond Register") in which, subject to such reasonable regulations as it may prescribe, the County shall provide for the registration of Bonds and the registration of transfers and exchanges of Bonds. No transfer or exchange of any Bond shall be valid unless made at such office and registered in the Bond Register.

Upon surrender of any Bond at the designated corporate trust office of the Paying Agent for registration of transfer, the County shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of any authorized denomination, of the same interest rate and maturity, and in the same aggregate principal amount as the Bond so surrendered.

Any Bond shall be exchangeable for other Bonds of the same maturity and interest rate, in any authorized denomination, in an aggregate principal amount equal to the principal amount of the Bond or Bonds presented for exchange. Upon surrender of any Bond for exchange at the designated corporate trust office of the Paying Agent, the County shall execute and the Paying Agent shall authenticate and deliver in exchange therefor the Bond or Bonds which the owner making the exchange shall be entitled to receive.

All Bonds issued upon any registration of transfer or exchange shall be valid obligations of the County, evidencing the same debt and entitled to the same benefits under this Ordinance as the Bonds surrendered for such registration of transfer or exchange.

Every Bond presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer, in form and with guaranty of signature satisfactory to the County and the Registrar, duly executed by the Registered Owner thereof or his duly authorized agent or legal representative.

No service charge shall be made for any transfer or exchange of any Bond, but the County may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

The County shall not be required to: (a) issue, or register the transfer or exchange of, any Bond during a period of fifteen (15) days before any date of selection of Bonds to be redeemed; or (b) register the transfer or exchange of any Bond after it has been selected for redemption.

SECTION 9. Execution and Authentication.

The Bonds shall be executed on behalf of the County by the Chief Executive and shall have the corporate seal of the County or a facsimile thereof affixed thereto, duly attested by the County Manager and shall be countersigned by the County Controller. Said officers are hereby authorized and directed to execute the Bonds. The Bonds shall be authenticated by the manual execution of the Certificate of Authentication by a duly authorized signatory of the Paying Agent. No Bond shall be valid until such Certificate of Authentication shall have been duly executed by the Paying Agent and such authentication shall be conclusive and the only proof that any Bond has been issued pursuant to this Ordinance and is entitled to any benefits conferred thereon under the provisions of this Ordinance. To the extent that any one signature on a Bond (including the signature of the Paying Agent) is manual, all other signatures may be by facsimile. The Director, Department of Budget and Finance, is hereby authorized and directed to deliver the Bonds to the Purchaser and receive payment therefor on behalf of the County after sale of the same in the manner required by law and this Ordinance.

SECTION 10. General Obligation Covenant.

The Bonds are hereby declared to be general obligations of the County. The County hereby covenants with the Registered Owners from time to time of the Bonds outstanding pursuant to this Ordinance that it will include the amount of the debt service as specified in this Section, subject to appropriate adjustment in the event of the optional redemption of any Bonds prior to maturity, on the Bonds for each fiscal year in which such sums are payable, in its budget for that year, will appropriate such amounts for such payments and will duly and punctually pay or cause to be paid the principal of the Bonds and the interest thereon on the dates, at the places and in the manner stated therein, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County does hereby pledge its full faith, credit and taxing power. The amount of the debt service which the County hereby covenants to pay on the Bonds in each year shall be set forth in the accepted Purchase Proposal, as supplemented, which is to be attached hereto and incorporated herein by reference as if set forth herein.

As provided in the Debt Act, the foregoing covenants are specifically enforceable.

SECTION 11. Redemption.

(a) Optional. The Bonds shall be subject to redemption prior to maturity at the option of the County as shall be set forth in the accepted Purchase Proposal, as supplemented, which is to be attached hereto and incorporated herein by reference as if set forth herein.

(b) Mandatory. To the extent set forth in the accepted Purchase Proposal, as supplemented, the Bonds shall be subject to mandatory redemption on the dates (each, a "Mandatory Redemption Date") and in the amounts shown therein. The County covenants to cause the Bonds to be redeemed on the Mandatory Redemption Dates and in the amounts shown in such accepted Purchase Proposal, as supplemented, subject to its right which is reserved in Section 12, to satisfy that obligation by delivering to the Paying Agent and Sinking Fund Depository no later than 45 days before any Mandatory Redemption Date, for cancellation,

Bonds of the same series and maturity which are subject to mandatory redemption on that Mandatory Redemption Date.

(c) Notice. Notice of any redemption shall be given by the Paying Agent mailing a notice of redemption by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the Registered Owners of Bonds to be redeemed at the addresses which appear in the Bond Register, provided, however, that neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Bond shall affect the validity of the proceedings for the redemption of any other Bond. If the County or the Paying Agent shall have duly given notice of redemption and shall have deposited with the Paying Agent funds for the payment of the redemption price of the Bonds so called for redemption, with accrued interest thereon to the date fixed for redemption, interest on such Bonds shall cease to accrue after such redemption date.

(d) CUSIP Numbers. Notices of redemption shall contain the applicable CUSIP numbers pertaining to the Bonds called for redemption (if then generally in use), and shall also contain the serial identification numbers printed on the Bonds.

(e) Selection by Lot. If less than all Bonds maturing on any one date are to be redeemed at any time, the Paying Agent, in accordance with instructions from the County, shall select by lot the Bonds to be redeemed at such time.

(f) Portions of Bonds. Any portion of any Bond of a denomination larger than \$5,000 may be redeemed, but only in the principal amount of \$5,000 or any integral multiple thereof. Prior to selecting Bonds for redemption, the Paying Agent shall assign numbers to each \$5,000 portion of any Bond of a denomination larger than \$5,000 and shall treat each portion as a separate Bond in the denomination of \$5,000 for purposes of selection for redemption. Upon surrender of any Bond for redemption of a portion thereof, the Paying Agent shall authenticate and deliver to the Registered Owner thereof a new Bond or Bonds of the same maturity and in any authorized denominations requested by the Registered Owner in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

(g) DTC Bonds. Notwithstanding the foregoing, so long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the Registered Owners under this Ordinance shall be given to DTC or its nominee as provided in the representation letter to be delivered to DTC, and Bonds will be selected for redemption in accordance with DTC's procedures.

SECTION 12. Sinking Fund.

(a) Deposit.

There is hereby established a sinking fund to be known as County of Allegheny, Pennsylvania Series C-56 Bonds Sinking Fund ("Series C-56 Bonds Sinking Fund") into which the County covenants to deposit, and into which the Treasurer is hereby authorized and directed to deposit (A) on or before October 1, 2003, and on or before each Interest Payment Date thereafter to and including the final maturity date, amounts sufficient to pay the interest due on such dates on the Bonds then outstanding, and (B) on or before October 1 of the year set forth in

the Purchase Proposal, and on or before each October 1, thereafter to and including the final maturity date, amounts sufficient to pay the principal of the Bonds due on each such date at maturity or pursuant to the mandatory redemption requirements hereof. Should the amounts covenanted to be paid into the Series C-56 Bonds Sinking Fund be, at any time, in excess of the net amounts required at such time for the payment of interest and principal, whether by reason of funds already on deposit in the Series C-56 Bonds Sinking Fund or by reason of the purchase or redemption of Bonds, or for any other reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) Credit for Bonds Delivered. The County may satisfy any part of its obligations with respect to clause (a) of this section by delivering to the Sinking Fund Depository, for cancellation, Bonds maturing or subject to mandatory redemption on the date on which such deposit is required. The County shall receive credit against such deposit for the principal amount of the Bonds so delivered, provided that such Bonds are delivered to and received by the Sinking Fund Depository (i) on or before the maturity date of the Bonds for which credit is requested, in the case of a deposit required for the payment of Bonds at maturity, or (ii) in the case of a deposit required to be made on a Mandatory Redemption Date, no later than forty-five (45) days prior to the Mandatory Redemption Date for which credit is requested.

(c) Application of Funds. All sums in the Series C-56 Bonds Sinking Fund shall be applied exclusively to the payment of debt service covenanted to be paid by Section 10 hereof on the Series C-56 Bonds as the same from time to time becomes due and payable and the balance of said moneys over and above the sum so required shall remain in the Series C-56 Bonds Sinking Fund, to be applied to the reduction of future required deposits; subject, however, to investment or deposit at interest as authorized by law and as permitted by Section 22 hereof. The Series C-56 Bonds Sinking Fund shall be kept as a separate account at the designated corporate trust office of the Sinking Fund Depository. The Sinking Fund Depository, without further authorization other than as herein contained, shall pay to the Paying Agent from the moneys in the Series C-56 Bonds Sinking Fund, the principal of and premium, if any, and interest due on the Bonds. The Paying Agent shall, without further authorization, pay such interest as and when due to the Registered Owners on the appropriate Record Date and principal of the Bonds, as and when the same shall become due, to the Registered Owners thereof, upon presentment of such Bonds at the designated corporate trust office of the Paying Agent.

(d) Optional Deposits. Notwithstanding the foregoing, in the case of optional redemption of any or all of the Bonds as permitted by Section 11 hereof, the Treasurer is hereby authorized and directed to deposit from time to time before the appropriate optional redemption date funds which shall be sufficient when they, either alone or together with the interest to be earned thereon, if any, will equal the principal of the Bonds so called for redemption and the premium, if any, and the interest thereon to the date fixed for redemption.

SECTION 13. Disposition of Proceeds.

The net proceeds derived from the sale of the Series C-56 Bonds (total proceeds less the aggregate costs of issuance of the Series C-56 Bonds, which aggregate amount shall be delivered to the County Treasurer for the payment of the costs of issuance) shall be deposited in the Escrow Fund or Funds described in Section 25 hereof and shall be and hereby are appropriated

substantially to payment of the cost of the Project, and shall not be used for any other purposes, except as to any insubstantial amounts of money which may remain after fulfilling the purposes set forth herein, which minor amounts of remaining moneys shall promptly upon their determination be deposited in the Series C-56 Bonds Sinking Fund and used for the payment of interest on the Series C-56 Bonds.

Notwithstanding the foregoing, an amount equal to the aggregate premiums on the municipal bond insurance policy, if any, insuring the Bonds shall be retained by the Paying Agent for further delivery at the Closing to the Bond Insurer (as hereinafter defined).

SECTION 14. Cost and Realistic Useful Life.

There maturities of the Refunded Bonds are not being extended and, therefore, the maturities of the Bonds are in accordance with 53 Pa.C.S.A. §8142(a) of the Debt Act.

SECTION 15. Internal Revenue Code Covenants.

(a) General. The County hereby covenants with the Registered Owners, from time to time, of the Bonds that no part of the proceeds of the Bonds 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 within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended ("Code") and the Regulations thereunder 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 and the Regulations throughout the term of the Bonds.

(b) Rebate. If the gross proceeds of the Bonds are invested at a yield greater than the yield on the Bonds and are not expended within the time limits prescribed in the Code, 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.

(c) Filing. The County will file IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the Bonds to be excluded from gross income tax for federal income tax purposes.

(d) Rebate Analyst. The County authorizes the Director, Department of Budget and Finance, to contract with a rebate analyst to make the calculations necessary to comply with the foregoing covenants at such initial and annual charges as shall be appropriate and reasonable for such services.

SECTION 16. Advertising.

The action of the officers of the County in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. The officers of the County or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the County within fifteen (15) days after final enactment. The County

Manager is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

SECTION 17. Appointment of Professionals.

The County hereby appoints Houston Harbaugh, P.C. as Bond Counsel, for the purpose of rendering any and all necessary opinions with respect to the tax-exempt status of the Bonds, and R. Darryl Ponton & Associates and Thorp Reed & Armstrong, LLP as Co-Underwriters' Counsel.

SECTION 18. Filing With Department of Community and Economic Development.

The County Manager is hereby authorized and directed to prepare, verify and file with the Department of Community and Economic Development, in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the Bonds including the Debt Statement and Borrowing Base Certificate required by 53 Pa.C.S.A. §8110 of the Debt Act (which the County Controller is hereby requested to prepare), and to take other necessary action, and to prepare and file all necessary documents with the Department of Community and Economic Development including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Bonds from the appropriate debt limit as self-liquidating or subsidized debt and to take all other necessary and proper action in connection therewith, including the payment to the Pennsylvania Department of Community and Economic Development of the filing fees as required by the Debt Act, the payment of which filing fees are hereby authorized and approved.

SECTION 19. General Authorization.

The officers and officials of the County 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 and the refunding of the Refunded Bonds, all in accordance with this Ordinance.

SECTION 20. Official Statements.

The Director, Department of Budget and Finance, and the County Solicitor are hereby authorized to approve the Preliminary Official Statement, if any, prepared with respect to the Bonds. The Chief Executive or such other officers of the County as are authorized by law are hereby authorized to execute and approve a Final Official Statement relating to the Bonds and any amendments or supplements to the same, provided that the Final Official Statement and any amendment and/or supplement shall have been approved by the County's Solicitor. The distribution of the Preliminary Official Statement is hereby ratified and the Purchaser is hereby authorized to use the Preliminary and the Final Official Statements (and any amendment or supplement thereto) in connection with the sale of the Bonds.

SECTION 21. Payment of Expenses.

Except as hereafter noted, all expenses incurred in connection with issuance of the Bonds shall be approved by the Controller's Office upon receipt of vouchers prepared by the

Department of Budget and Finance and based on invoices submitted (and satisfactory) to such Department. Bond insurance premiums and underwriter's discounts or commissions shall be paid out of the proceeds derived from the issuance of the Bonds. The proper officers of the County are authorized to approve requests for payment of such expenses and to pay such expenses.

SECTION 22. Investment.

Any moneys in the Sinking Funds not required for prompt expenditure may, at the written direction of the County, be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or a similar Federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the Registered Owners.

SECTION 23. Authorization of Officers.

Any authorization granted to, power conferred on, or direction given to the Chief Executive, County Manager, County Treasurer, County Controller, or Director, Department of Budget and Finance, shall be deemed to run to the Deputy County Manager, Deputy or Acting Controller or Treasurer, Deputy or Acting Director, respectively, or to the holder of such similar successor office as may be in existence at the relevant time, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction.

SECTION 24. Payments on Business Days.

If an Interest Payment Date occurs on a day which is not a Business Day, the interest, principal or premium coming due on such Interest Payment Date shall be payable on the next succeeding Business Day without any additional accrual of interest. For the purposes of this Ordinance, the term "Business Day" is any day other than a Saturday, Sunday or a day on which financial institutions in the Commonwealth of Pennsylvania are authorized by law to be closed.

SECTION 25. Escrow Agreement.

(a) The proper officers and officials of the County are hereby authorized to execute one or more escrow agreements (an "Escrow Agreement") between the County and the Escrow Agent with such changes therein as they may approve, such approval to be conclusively evidenced by their execution thereof, and the Chief Clerk is authorized to affix the seal of the County thereto and to attest the same and any officer is authorized to deliver any Escrow Agreement to the Escrow Agent. The County shall cause the Escrow Agent to create under any Escrow Agreement special funds, each to be known as and referred to herein as an "Escrow Fund" and collectively as the "Escrow Funds" and which shall be used for the payment and redemption of the Refunded Bonds to the extent set out in such Escrow Agreement.

(b) The net proceeds of the Series C-56 Bonds required for the Project shall be deposited to the credit of the appropriate Escrow Fund. The Escrow Agent shall invest such proceeds in the investments required by the Escrow Agreement and shall disburse any amounts not required for the defeasance of the Refunded Bonds to the County.

(c) The County hereby authorizes and directs the County Treasurer, the Director, Department of Budget and Finance, the Purchaser, the Financial Advisor or the Escrow Agent, or their respective representatives, to subscribe, on behalf of, and as agent for, the County, for State and Local Government Securities or any direct obligation of the United States of America, or any appropriate combination of the above, all in accordance with the Escrow Agreement.

(d) The County Treasurer or the Director, Department of Budget and Finance, is hereby authorized to execute and deliver written directions to one of the persons named in clause (c) above to purchase said obligations of the United States on behalf of the County, and to enter into appropriate contracts for the purchase of such securities.

(e) The County Treasurer or the Director, Department of Budget and Finance, is hereby authorized to certify and deliver a copy of this Ordinance to any person requesting the same upon subscription of the above-mentioned securities or thereafter.

SECTION 26. Payment and Redemption of the Refunded Bonds.

The County hereby calls the Refunded Bonds for redemption, if needed, and directs any Escrow Agent to give appropriate notice of redemption thereof, all in accordance with and as set forth in any Escrow Agreement.

SECTION 27. Bond Form.

The form of the Bonds shall be substantially as follows:

**UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF ALLEGHENY, PENNSYLVANIA**

GENERAL OBLIGATION BOND, SERIES C-56

No. _____

\$ _____

INTEREST RATE DATED DATE MATURITY DATE CUSIP

REGISTERED OWNER: Cede & Co.

The County of Allegheny, Pennsylvania in the Commonwealth of Pennsylvania (the "County"), for value received, and intending to be legally bound, promises to pay to the registered owner named above (the "Registered Owner") the principal amount of _____ and 00/100 Dollars (\$_____) on the maturity date stated above upon presentation and surrender of this Bond at the designated corporate trust office of J.P. Morgan Trust Company, N.A. (the "Paying Agent"), in the City of Pittsburgh, Pennsylvania, and to pay interest thereon at the rate stated above from the most recent April 1 or October 1 (each an "Interest Payment Date") to which interest has been paid or provided for (unless this Bond is (a) authenticated on an Interest Payment Date on which interest has been paid or provided for, in which event it shall bear interest as of such Interest Payment Date, (b) authenticated prior to the first Regular Record Date (as hereinafter defined) after the issue date, in which event it shall bear interest from August 1, 2003 or (c) authenticated after a Regular Record Date but before the next succeeding Interest Payment Date, in which event it shall bear interest from such succeeding Interest Payment Date) semi-annually on October 1, 2003, and on each April 1 and October 1 after the date hereof until payment of said principal sum has been made or provided for.

The principal of, and premium, if any, and interest on this Bond are payable in such coin or currency of the United States of America as at the time and place of payment is legal tender for payment of public and private debts, at the designated corporate trust office of the Paying Agent; provided that, interest will be paid by check mailed to the person who is the registered owner on the appropriate record date at his address as it appears on the Bond Register described below, unless written demand is made by such person for payment in legal tender at such office; provided, further, that interest on any Bond registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC") shall be paid by wire transfer of immediately available funds to a member bank of the Federal Reserve System designated by DTC.

This Bond is one of a duly authorized issue of [\$225,000,000], principal amount, General Obligation Bonds, Series C-56 (the "Bonds") of the County which have been issued in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as amended (the "Act"), without the assent of the electors, pursuant to an Ordinance (the "Ordinance") of the Governing Body of the County enacted on July 1, 2003. The Bonds have been issued for the purpose of obtaining funds to pay the costs of a refunding project.

Interest payable on any Interest Payment Date will be paid to the person in whose name this Bond is registered (the "Record Owner") at the close of business on the March 15 or September 15 (the "Regular Record Date") immediately preceding the relevant Interest Payment Date. Any such interest which is not deposited with the Paying Agent on or before any such Interest Payment Date for payment to the Record Owner on the Regular Record Date shall forthwith cease to be payable to the Record Owner on the Regular Record Date, and shall be paid to the person in whose name this Bond is registered on a special record date for the payment of such defaulted interest to be fixed by the Paying Agent, notice of which shall be given to all registered owners not less than 10 days prior to such special record date.

The Series C-56 Bonds maturing on October 1, 20____, are subject to mandatory redemption, in part, in the amounts and on the dates set forth below, by lot, prior to the stated maturity date, upon payment of the redemption price of 100% of the principal amount to be redeemed together with accrued interest to the date fixed for redemption.

**Redemption Date
(October 1)**

Amount

20____
20____

\$

The Bonds maturing on or after October 1, 20__, are subject to redemption at the option of the County prior to their stated maturity dates, as a whole on October 1, 20__, or on any date thereafter, or in part from time to time, in such order of maturity as the County may determine and by lot within a maturity, on October 1, 20__, or on any Interest Payment Date thereafter, in both cases, upon payment of the applicable redemption price set forth in the following schedule together with interest accrued to the date fixed for redemption:

Redemption Price

If Redeemed During the Following Periods

(Percentage of Principal Amount)

October 1, ____ to September 30, ____

____%

October 1, ____ to September 30, ____

____%

October 1, ____ and thereafter

____%

If less than all Bonds maturing on any one date are to be redeemed at any time, the Bonds to be called for redemption at such time shall be chosen by the Paying Agent in accordance with instructions from the County, by lot.

Notice of redemption of any Bond shall be given to the registered owner of such Bond by first class mail, not less than thirty (30) nor more than sixty (60) days prior to the redemption date, in the manner and upon the terms and conditions set forth in the Ordinance. A portion of a Bond of a denomination larger than \$5,000 may be redeemed, and in such case, upon the surrender of such Bond, there shall be issued to the registered owner thereof, without charge therefor, a Bond or Bonds for the unredeemed balance of the principal amount of such Bond, all as more fully set forth in the Ordinance. If notice of redemption shall have been duly given, the Bonds or portions thereof specified in that notice shall become due and payable at the applicable redemption price on the redemption date designated in that notice, and if, on that redemption date, moneys are held by the Paying Agent or the Sinking Fund Depositary for the payment of the redemption price of the Bonds to be redeemed, together with interest to the redemption date, then from and after the redemption date, interest on such Bonds shall cease to accrue.

The County, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures, has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices of redemption and other notices, if any, as a convenience to the registered owners of the Bonds. No representation is made by the County as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice and reliance may be placed only on the identification number printed hereon.

This Bond may be transferred or exchanged only on the Bond Register (the "Bond Register") maintained by the County at the designated corporate trust office of the Paying Agent upon surrender hereof by the Registered Owner at such office duly endorsed by, or accompanied by a written instrument of transfer duly executed by, the Registered Owner or his duly authorized agent or legal representative, in each case, in form and with a guaranty of signature satisfactory to the County and the Paying Agent.

No service charge shall be made for any transfer or exchange of any Bond, but the County may require payment of any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

The County shall not be required to register the transfer or exchange of any Bond: (a) during the period of 15 business days before any date of selection of Bonds to be redeemed; or (b) after such Bond has been selected for redemption.

Subject to the provisions of this Bond and of the ordinance relating to payment of interest, the County and the Paying Agent may treat the Registered Owner of this Bond as the absolute owner hereof, for all purposes, whether or not this Bond shall be overdue, and neither the County nor the Paying Agent shall be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Ordinance against any member, officer or employee, past, present or future, of the County or of any successor body, as such, either directly or through the County or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania for the County to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond, together with all other indebtedness of the County is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania and applicable to the County; and that the County has established with J.P. Morgan Trust Company, N.A., as Sinking Fund Depositary, a sinking fund for the Bonds and has agreed to deposit therein amounts sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable.

This Bond is hereby declared to be a general obligation of the County. The County, in the Ordinance authorizing the issuance of the Bonds, has covenanted with the registered owners, from time to time, of the Bonds that the County will include the amount of the debt service charges on the Bonds for each fiscal year in which such sums are payable, in its budget for that year, that it will appropriate such amounts to the payment of such debt service, and will duly and punctually pay or cause to be paid the principal of every Bond, and the interest thereon, on the

dates and at the places and in the manner stated in the Bonds, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County has pledged its full faith, credit and taxing power. This covenant is specifically enforceable.

This Bond shall not be valid or become obligatory for any purpose unless the certificate of authentication hereon shall have been signed by the manual signature of an officer of the Paying Agent.

Unless this Bond is presented by an authorized representative of DTC to the Paying Agent or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the County has caused this Bond to be duly executed and dated as of the date of its authentication.

ATTEST:

COUNTY OF ALLEGHENY

County Manager

Chief Executive

(SEAL)

COUNTERSIGNED:

County Controller

Paying Agent's Authentication Certificate

This Bond is one of the County of Allegheny, Pennsylvania, General Obligation Bonds, Series C-56, described in the within-mentioned Ordinance. The text of opinion attached hereto is the text of the opinion of Houston Harbaugh, P.C., Bond Counsel, of Pittsburgh, Pennsylvania, an executed counterpart of which, dated and delivered on the date of original delivery of and payment for said Bonds, is on file with the undersigned.

J.P. MORGAN TRUST COMPANY, N.A.,
Paying Agent

Dated:

By _____
Authorized Signatory

**[STATEMENT OF INSURANCE
OF**

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of
survivorship and not as tenants in common

UNIF GIFT MIN ACT-
_____Custodian_____
(Cust) (Minor)
under Uniform Gifts to Minors Act

(State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers to

Please Insert Social Security
or other identifying number
of assignee

Please print or typewrite name and address
including postal zip code of transferee

the within Bond and all rights thereunder, and hereby
irrevocably constitutes and appoints

Agent

to transfer the within Bond on the books kept for registration
thereof, with full power of substitution in the premises

Dated _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a
member of an approved Signature Guarantee
Medallion Program.

NOTICE: The signature(s) to this assignment must
correspond with the name as written upon the face
of the Bond, in every particular, without alteration
or enlargement, or any change whatever.

SECTION 28. Purchase of Insurance.

The County hereby authorizes and directs an Authorized Officer to determine whether to purchase and accept the commitment of a bond insurer (the "Bond Insurer") to issue a Municipal Bond Insurance Policy insuring the Bonds and, if a commitment is accepted, directs that the appropriate premiums be promptly paid at the settlement of the sale of the Bonds. A legend indicating the existence of such a policy shall be printed on the insured Bonds in the form required by the Bond Insurer. In order to have accrued interest paid by the Purchaser excluded from the calculation of the premium, the County agrees to cause the amount paid as accrued interest to be invested, to the extent required by the Bond Insurer, in direct obligations of the United States of America and maintained in the Sinking Fund until applied to the payment of interest on the Bonds. All terms and conditions required by the Bond Insurer to be contained in

this Ordinance and acceptable to the Director, Department of Budget and Finance, are incorporated herein by reference as if set forth herein.

SECTION 29. Disclosure to Information Repository.

The County will enter into a continuing disclosure agreement in order to assist the Purchaser in complying with subsection (b)(5) of SEC Rule 15c2-12. The proper officers and officials of the County are hereby authorized and directed to execute and deliver such agreement.

SECTION 30. Severability.

If any provision of this Ordinance shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Ordinance which shall be in full force and effect.

SECTION 31. Repealer.

Any Resolution or Ordinance or part thereof conflicting with the provisions of this Ordinance is hereby repealed so far as the same affects this Ordinance.

SCHEDULE A

**County of Allegheny, Pennsylvania
Commonwealth of Pennsylvania
General Obligation Bonds
Series C-56**

Purchase Proposal, as supplemented, to be attached upon execution and delivery and to reflect maturity dates and principal amounts, interest rates and redemption features and to set forth a debt service schedule.

CERTIFICATE

I, the undersigned, Chief Clerk of County Council of Allegheny, Pennsylvania (the "County"), hereby certify that: (a) attached to this Certificate is a true, correct and complete copy of an Ordinance (the "Ordinance") which was duly enacted at a meeting of the Allegheny County Council on July 1, 2003, at which a second reading of the Ordinance occurred, a quorum was present and acting throughout, and which was at all times open to the public; (b) the Ordinance was duly recorded in the County's Ordinance Book, and a summary of the Ordinance was published as required by law in a newspaper of general circulation in the County; (c) the County met the advance notice requirements of Act No. 198684 by advertising the date of the meeting and posting a notice of the meeting at the public meeting place of the Allegheny County Council; (d) a first reading of the Ordinance occurred on June 17, 2003; (e) the total number of members of Allegheny County Council is 15; and (f) the vote upon the Ordinance was called and duly recorded upon the minutes and that the members voted in the following manner:

	Yes	No	Abstain	Absent
Rick Schwartz, President	✓	_____	_____	_____
John P. DeFazio	✓	_____	_____	_____
Dave Fawcett	✓	_____	_____	_____
Ronald L. Francis, Jr.	✓	_____	_____	_____
Jan Rea	✓	_____	_____	_____
Thomas A. Shumaker, II	_____	_____	_____	✓
Doug Price	✓	_____	_____	_____
Vince Gastgeb	✓	_____	_____	_____
James Fenton	✓	_____	_____	_____
Charles J. Martoni	✓	_____	_____	_____
C.L. Jabbour	✓	_____	_____	_____
Louis Kendrick	✓	_____	_____	_____
Rich Fitzgerald	✓	_____	_____	_____
Wayne Fontana	✓	_____	_____	_____
Brenda Frazier	✓	_____	_____	_____

WITNESS my hand and the seal of the County on July 1, 2003.

By John Mascio
Chief Clerk of County Council

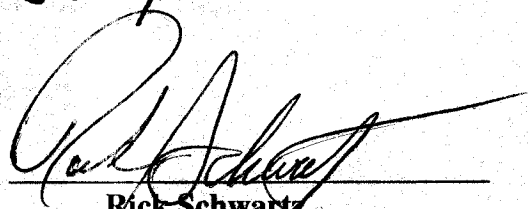
[SEAL]

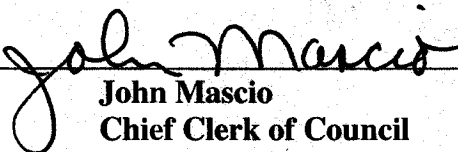
SECTION *If any provision of this Ordinance shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Ordinance which shall be in full force and effect.*


SECTION *Any Resolution or Ordinance or part thereof conflicting with the provisions of this Ordinance is hereby repealed so far as the same affects this Ordinance*

Enacted in Council, this 1st day of July, 2003,

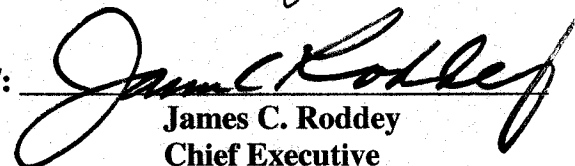
Council Agenda No. 1215-03

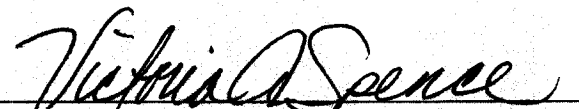

Rick Schwartz
President of Council

Attest: 
John Mascio
Chief Clerk of Council

Approved as to form: 
Charles P. McCullough
County Solicitor

Chief Executive Office July 7, 2003.

Approved: 
James C. Roddey
Chief Executive

Attest: 
Victoria Spence
Executive's Secretary

Summary Page

Ordinance for the Authorization Incurring Nonelectoral Debt, Series C-56

Prepared and submitted by Houston Harbaugh, Bond Counsel

This ordinance authorizes the incurrence of up to \$225,000,000 of nonelectoral debt in order to refund all or certain maturities of the following currently outstanding series of the County's bonds: Series ID-14, Series C-40, Series C-42, Series C-44, Series C-46, Series C-47, Series C-48, Series C-53, Series C-54 and Series C-55. The purpose for initiating this bond refunding is to take advantage of the present extremely low long-term interest rates by capturing savings currently or in the near future. The not-to-exceed size of \$225,000,000 is higher than the estimated actual size of \$112,000,000 discussed at the June 3, 2003 meeting of the Professional Services Review Committee because, if interest rates drop in the next three weeks, the County may save more money by refinancing more of its existing debt.

Allegheny County
Proposed Series C-56 General Obligation Bonds
Maximum Debt Service Schedule

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
10/01/2003	-	-	2,250,000.00	2,250,000.00
4/01/2004	-	-	6,750,000.00	6,750,000.00
10/01/2004	9,755,000.00	6.000%	6,750,000.00	16,505,000.00
4/01/2005	-	-	6,457,350.00	6,457,350.00
10/01/2005	14,630,000.00	6.000%	6,457,350.00	21,087,350.00
4/01/2006	-	-	6,018,450.00	6,018,450.00
10/01/2006	15,825,000.00	6.000%	6,018,450.00	21,843,450.00
4/01/2007	-	-	5,543,700.00	5,543,700.00
10/01/2007	17,655,000.00	6.000%	5,543,700.00	23,198,700.00
4/01/2008	-	-	5,014,050.00	5,014,050.00
10/01/2008	23,870,000.00	6.000%	5,014,050.00	28,884,050.00
4/01/2009	-	-	4,297,950.00	4,297,950.00
10/01/2009	21,790,000.00	6.000%	4,297,950.00	26,087,950.00
4/01/2010	-	-	3,644,250.00	3,644,250.00
10/01/2010	19,360,000.00	6.000%	3,644,250.00	23,004,250.00
4/01/2011	-	-	3,063,450.00	3,063,450.00
10/01/2011	5,250,000.00	6.000%	3,063,450.00	8,313,450.00
4/01/2012	-	-	2,905,950.00	2,905,950.00
10/01/2012	5,350,000.00	6.000%	2,905,950.00	8,255,950.00
4/01/2013	-	-	2,745,450.00	2,745,450.00
10/01/2013	10,835,000.00	6.000%	2,745,450.00	13,580,450.00
4/01/2014	-	-	2,420,400.00	2,420,400.00
10/01/2014	11,195,000.00	6.000%	2,420,400.00	13,615,400.00
4/01/2015	-	-	2,084,550.00	2,084,550.00
10/01/2015	10,460,000.00	6.000%	2,084,550.00	12,544,550.00
4/01/2016	-	-	1,770,750.00	1,770,750.00
10/01/2016	5,800,000.00	6.000%	1,770,750.00	7,570,750.00
4/01/2017	-	-	1,596,750.00	1,596,750.00
10/01/2017	4,375,000.00	6.000%	1,596,750.00	5,971,750.00
4/01/2018	-	-	1,465,500.00	1,465,500.00
10/01/2018	4,515,000.00	6.000%	1,465,500.00	5,980,500.00
4/01/2019	-	-	1,330,050.00	1,330,050.00
10/01/2019	6,680,000.00	6.000%	1,330,050.00	8,010,050.00
4/01/2020	-	-	1,129,650.00	1,129,650.00
10/01/2020	9,840,000.00	6.000%	1,129,650.00	10,969,650.00
4/01/2021	-	-	834,450.00	834,450.00
10/01/2021	9,960,000.00	6.000%	834,450.00	10,794,450.00
4/01/2022	-	-	535,650.00	535,650.00
10/01/2022	12,510,000.00	6.000%	535,650.00	13,045,650.00
4/01/2023	-	-	160,350.00	160,350.00
10/01/2023	5,345,000.00	6.000%	160,350.00	5,505,350.00
Total	225,000,000.00	-	121,787,400.00	346,787,400.00

Mellon Financial Markets, LLC
Public Finance

File = Allegheny County c-56.sf-Series C-56 - at \$225mm at 6%- SINGLE PURPOSE
6/12/2003 3:15 PM

RECEIVED

JUN 12 2002

MEMORANDUM
OFFICE OF THE COUNTY MANAGER

COUNTY COUNCIL

TO: John Mascio
Chief Clerk

FROM: Robert B. Webb *RBW*
County Manager

DATE: June 12, 2003

RE: Requesting County Council Approval

Attached is an Ordinance authorizing the incurrence of nonelectoral debt by the issuance of one or more series of general obligation bonds in an aggregate principal amount not to exceed \$225,000,000. This request is submitted by the Department of Budget and Finance.

Please put on the next agenda for County Council approval.

Thank you.



PITTSBURGH Tribune-Review / Tribune-Review Legal Advertising

Proof of Publication of Notice in The Tribune-Review Under Act No. 587, Approved May 16, 1929

Commonwealth of Pennsylvania
County of Westmoreland } SS:

LORI SCANLON, Classified Call Center Manager of the Tribune-Review Publishing Company, a corporation of the Commonwealth of Pennsylvania with places of business in Greensburg, Westmoreland County, Pennsylvania and Pittsburgh, Allegheny County, Pennsylvania, being duly sworn, deposes and says that the Tribune-Review is a daily newspaper circulated in Southwestern Pennsylvania. Said corporation was established in the year 1924. A copy of the printed notice of publication is attached hereto exactly as the same was printed and published in the regular editions of the said daily newspaper on the following dates, viz: LEGAL 2233798, RE: ORDINANCE ADOPTION NOTICE; 14TH DAY OF JUNE, 2003.

Affiant further deposes that s/he is an officer duly Authorized by the Tribune-Review Publishing Company, publisher of The Tribune-Review, to verify the foregoing statement under oath and also declares that affiant is not interested in the subject matter of the aforesaid notice of publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

Classified Call Center Manager,
Tribune Review Publishing Company

Sworn to and subscribed before me this
16TH day of JUNE, 2003.

Notary Public

Notarial Seal

Bonnie Sanderbeck, Notary Public
City Of Greensburg, Westmoreland County
My Commission Expires June 29, 2006

Member, Pennsylvania Association Of Notaries

Statement of Advertising Costs

LOIS KEATING
HOUSTON HARBAUGH, P.C.
TWO CHATHAM CENTER, 12TH FLR.
PITTSBURGH, PA 15219

To Tribune-Review Publishing Company, Dr.
For Publishing the notice or advertisement attached
hereto on the above stated dates \$350.88
Probating Same \$ 0
Total \$ 350.88

Publisher's Receipt to

The Tribune-Review Publishing Company
newspaper, hereby acknowledges a receipt of the aforesaid
the same have been fully paid.

Tribune-Review Publishing Company, Publisher
of The Tribune-Review, a Daily Newspaper.

By _____

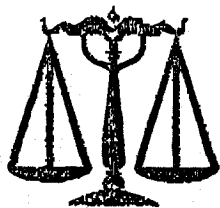
LEGAL NOTICE
County of Allegheny, Pennsylvania

NOTICE OF CONSIDERATION OF ORDINANCE AUTHORIZING THE INCURRENCE OF NONELECTORAL DEBT

PUBLIC NOTICE is hereby given that the Council of the County of Allegheny, Pennsylvania (the "Council") will hold a public meeting on June 17, 2003 at 5:00 p.m., prevailing time, in the Gold Room of the County Courthouse, 4th Floor, 436 Grant Street, Pittsburgh, Pennsylvania, to consider the adoption of an Ordinance (the "Ordinance") authorizing the incurrence of nonelectoral debt of the County pursuant to the Local Government Unit Debt Act (the "Act"). The debt proposed for incurrence will not exceed \$225,000,000.

The Ordinance is for the following purposes: (1) authorizing the incurrence of nonelectoral debt by the issuance of one or more series of general obligation bonds in an aggregate principal amount not to exceed \$225,000,000 for the purposes of providing funds to refund certain bonds previously issued by the County; (2) limiting a private sale by negotiation to be in the best interest of the County; (3) approving a maximum interest rate and maximum maturity date for the bonds; (4) authorizing certain officials to accept a proposal for the purchase of the bonds; (5) appointing a paying agent, registrar, sinking fund depository and escrow agent or agents; (6) adopting a form of bond; (7) covenanting to pay debt service; (8) pledging the full faith, credit and taxing power for the payment of the bonds; (9) establishing a sinking fund and one or more escrow funds; (10) appropriating the bond proceeds; (11) ratifying prior advertisement and directing further advertisement; (12) appointing various professionals; (13) authorizing the preparation, certification and filing of an application and debt statement with the Department of Community and Economic Development; (14) authorizing approval of the preliminary official statement; (15) authorizing approval of the final official statement; (16) authorizing execution of one or more escrow agreements for the benefit of the refunded bonds; and authorizing the redemption of such refunded bonds; (17) authorizing certain officials to determine whether to purchase a policy or policies of municipal bond insurance; (18) authorizing the taking of certain actions with respect to continuing disclosure of information; (19) authorizing and directing the preparation, execution and delivery of all other required documents and the taking of all other required action; and (20) repealing inconsistent ordinances.

A copy of the full text of the Ordinance summarized above may be examined by any citizen in the Office of the Chief Clerk of the Council of the County of Allegheny, First Floor, Room 115, County Courthouse, 436 Grant Street, Pittsburgh, Pennsylvania between the hours of 8:00 a.m. and 5:00 p.m. on business days, Monday through Friday.
(6-14-03)2233798



PITTSBURGH Tribune-Review / Tribune-Review Legal Advertising

Proof of Publication of Notice in The Tribune-Review Under Act No. 587, Approved May 16, 1929

Commonwealth of Pennsylvania
County of Westmoreland } SS:

LORI SCANLON, Classified Call Center Manager of the Tribune-Review Publishing Company, a corporation of the Commonwealth of Pennsylvania with places of business in Greensburg, Westmoreland County, Pennsylvania and Pittsburgh, Allegheny County, Pennsylvania, being duly sworn, deposes and says that the Tribune-Review is a daily newspaper circulated in Southwestern Pennsylvania. Said corporation was established in the year 1924. A copy of the printed notice of publication is attached hereto exactly as the same was printed and published in the regular editions of the said daily newspaper on the following dates, viz: LEGAL 2247198, RE: ALLEGHENY COUNTY COUNCIL ORDINANCE ADOPTION; 8TH DAY OF JULY, 2003.

Affiant further deposes that s/he is an officer duly Authorized by the Tribune-Review Publishing Company, publisher of The Tribune-Review, to verify the foregoing statement under oath and also declares that affiant is not interested in the subject matter of the aforesaid notice of publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

Classified Call Center Manager,
Tribune Review Publishing Company

Sworn to and subscribed before me this
8TH day of JULY, 2003.

Notary Public

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The Tribune-Review Publishing Company, pu
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the same have been fully paid.

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By _____

Notarial Seal
Bonnie Sandrock, Notary Public
City Of Greensburg, Westmoreland County
My Commission Expires June 29, 2006
Member, Pennsylvania Association Of Notaries

LEGAL NOTICE COUNTY OF ALLEGHENY, PENNSYLVANIA

NOTICE OF FINAL ADOPTION OF ORDINANCE AUTHORIZING THE INCURRENCE OF NONELECTORAL DEBT

PUBLIC NOTICE is hereby given that the Council of the County of Allegheny, Pennsylvania (the "Council") held a public meeting on July 1, 2003 at 5:00 p.m., prevailing time, in the Gold Room of the County Courthouse, 4th Floor, 435 Grant Street, Pittsburgh, Pennsylvania, at which time the Council enacted an Ordinance (the "Ordinance") authorizing the incurrence of nonelectoral debt of the County pursuant to the Local Government Unit Debt Act (the "Act").

The Ordinance authorizes, among other things, the incurrence of nonelectoral debt by the issuance of one or more series of general obligation bonds in an aggregate principal amount not to exceed \$225,000,000 (the "Bonds") for the purpose of providing funds to refund certain bonds previously issued by the County, and the execution and delivery of an acceptance on behalf of the County of a proposal (the "Proposal") to be presented by Mellon Financial Markets, LLC, as senior managing underwriter on behalf of itself and the underwriters identified in the Ordinance (collectively, the "Purchasers"), on or about July 17, 2003 in the form of one or more bond purchase agreements for the purchase of the Bonds. The interest rates for the Bonds shall not exceed 8.00% for all maturities of Bonds and the price bid for the Bonds shall be not less than 07% of the principal amount of the Bonds. The Proposal or any supplements to the Proposal to be presented by the Purchasers shall include the specific interest rate or rates, maturity dates or dates, redemption provisions and shall award the Bonds to the Purchasers at a negotiated sale for the price stated therein.

The Ordinance was amended during final passage to provide that J.P. Morgan Trust Company, N.A. will serve as paying agent for the Bonds and to make other non-substantive changes.

A copy of the final text of the Ordinance summarized above may be examined by any citizen in the Office of the Chief Clerk of the Council of the County of Allegheny, First Floor, Room 119, County Courthouse, 435 Grant Street, Pittsburgh, Pennsylvania, between the hours of 9:00 a.m. and 5:00 p.m. on business days, Monday through Friday.
(7-63)2247198

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FAX NO.: (412) 281-4499 PHONE NO.: _____
CLIENT NO.: 30068 NO. OF PAGES: 3
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Alleg. Co. C-56
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