



CITY OF NORTH RIDGEVILLE LEGISLATIVE BULLETIN

Publication date: 04.02.2018

The City of North Ridgeville Legislative Bulletin contains Ordinances and Resolutions acted upon by City Council. If noted within Ordinance or Resolution text, supplemental and supporting documents, such as exhibits, are available, upon request, by contacting Tara L. Peet, MMC at the Clerk of Council's office, 7307 Avon Belden Road, North Ridgeville, OH 44039, (440) 353.1508.

ORDINANCE(S)

5529-2018 AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$2,900,000 OF NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, TO PROVIDE FUNDS TO PAY COSTS OF IMPROVING CENTER RIDGE ROAD, CERTAIN OTHER DESIGNATED STREETS INTERSECTING CENTER RIDGE ROAD AND A NEW SINTA RUN IN THE CITY'S STREET SYSTEM BETWEEN CERTAIN TERMINI, IN COOPERATION WITH THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF OHIO AND OTHERWISE, BY GRADING, DRAINING, WIDENING, REALIGNING, CONSTRUCTING, RECONSTRUCTING AND REHABILITATING THE PAVEMENT BASE, BRIDGES, CULVERTS, CURBS, GUTTERS, DRIVEWAY APPROACHES, RETAINING WALLS, SIDEWALKS AND BICYCLE PATHS, WATER MAINS AND STORM SEWERS AND OTHER DRAINAGE IMPROVEMENTS, ADJUSTING MANHOLES AND CATCH BASINS, PREPARING THE SURFACE AND SURFACING AND RESURFACING, AND ACQUIRING AND INSTALLING STREET LIGHTING AND TRAFFIC SIGNS, SIGNALS AND SIGNALIZATION, WHERE NECESSARY, IN EACH CASE TOGETHER WITH THE NECESSARY APPURTENANCES AND WORK INCIDENTAL THERETO AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to Ordinance No. 5460-2017 passed May 15, 2017, a note in anticipation of bonds in the amount of \$3,000,000 dated June 19, 2017 (the Outstanding Note) was issued for the purpose stated in Section 1, which Outstanding Note is to mature on June 18, 2018; and

WHEREAS, this Council finds and determines that the City should retire the Outstanding Note with the proceeds of the Notes described in Section 3 and other funds available to the City; and

WHEREAS, the Auditor, as fiscal officer of this City, has certified to this Council that the estimated life or period of usefulness of each class of the improvements described in Section 1 is at least five years, the estimated maximum maturity of the Bonds described in Section 1 is at least twenty years, and the maximum maturity of the Notes described in Section 3, to be issued in anticipation of the Bonds, is

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June 19, 2037, which is two hundred forty months from the date of issuance of the original note issued for the improvements;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Ridgeville, Lorain County, Ohio, that:

Section 1. It is necessary to issue bonds of this City in the aggregate principal amount of \$2,900,000 (the Bonds) to provide funds to pay costs of improving Center Ridge Road, certain other designated streets intersecting Center Ridge Road and a new Sinta Run in the City's street system between certain termini, in cooperation with the Department of Transportation of the State of Ohio and otherwise, by grading, draining, widening, realigning, constructing, reconstructing and rehabilitating the pavement base, bridges, culverts, curbs, gutters, driveway approaches, retaining walls, sidewalks and bicycle paths, water mains and storm sewers and other drainage improvements, adjusting manholes and catch basins, preparing the surface and surfacing and resurfacing, and acquiring and installing street lighting and traffic signs, signals and signalization, where necessary, in each case together with the necessary appurtenances and work incidental thereto.

Section 2. The Bonds shall be dated approximately June 1, 2019, shall bear interest at the now estimated rate of 5% per year, payable semi-annually until the principal amount is paid, and are estimated to mature in twenty annual principal installments that are substantially equal. The first installment of principal of the Bonds is estimated to be payable on December 1, 2020, and the first installment of interest on the Bonds is estimated to be payable on December 1, 2019.

Section 3. It is necessary to issue and this Council determines that notes in the aggregate principal amount of \$2,900,000 (the Notes) shall be issued in anticipation of the issuance of the Bonds and to retire, together with other funds available to the City, the Outstanding Note. The Notes shall be dated the date of issuance, and shall mature one year from their date of issuance; provided that the Auditor may, if it is determined to be necessary or advisable to the sale of the Notes, establish a different maturity date for the Notes that is up to thirty days earlier than one year from the date of issuance, by setting forth that maturity date in a certificate awarding the sale of the Notes in accordance with Section 6 of this ordinance (the Certificate of Award). The Notes shall bear interest at a rate or rates not to exceed 3% per year (computed on the basis of a 360-day year consisting of twelve 30-day months), payable at maturity and until the principal amount is paid or payment is provided for. Subject to the limitation set forth in this Section, the rate of interest on the Notes shall be determined by the Auditor in the Certificate of Award.

Section 4. The debt charges on the Notes shall be payable in Federal Reserve Funds of the United States of America, without deduction for services of the City's paying agent, at the designated corporate trust office of ZB, National Association dba Zions Bank, or at the principal office of a bank or trust company requested by the original purchaser of the Notes, provided that such request shall be approved by the Auditor after determining that the payment at that bank or trust company will not endanger the funds or securities of the City and that proper procedures and safeguards are available for that purpose. The Auditor is authorized to enter into any agreements determined necessary in connection with obtaining the services of a paying agent for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

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Section 5. The Notes shall be signed by the Mayor and the Auditor, in the name of the City and in their official capacities, provided that one of those signatures may be a facsimile. The Notes shall be issued in the denominations and numbers as requested by the original purchaser and approved by the Auditor, provided that no Note of the issue shall be issued in a denomination less than \$100,000 or be exchangeable for other Notes in denominations less than \$100,000; and provided further that the entire principal amount may be represented by a single note. The Notes may be issued as fully registered securities (for which the Auditor will serve as note registrar) and in book entry or other uncertificated form in accordance with Section 9.96 and Chapter 133 of the Revised Code, with a single physical note certificate representing the entire issue (or the consolidated issue into which it is combined with one or more other note issues of the City in accordance with Section 6 of this ordinance), if it is determined by the Auditor that issuance of fully registered securities in that form will facilitate the sale and delivery of the Notes. The Notes shall not have coupons attached, shall be numbered as determined by the Auditor and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to the provisions of Chapter 133 of the Revised Code and this ordinance. As used in this section and this ordinance:

“Book entry form” or “book entry system” means a form or system under which (i) the ownership of beneficial interests in the Notes and the principal of, and interest on, the Notes (book entry interests) may be transferred only through a book entry, and (ii) a single physical Note certificate is issued by the City and payable only to a Depository or its nominee, with such Notes deposited with and retained in the custody of the Depository or its agent for that purpose. The book entry maintained by others than the City is the record that identifies the owners of book entry interests in the Notes and that principal and interest.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of book entry interests in the Notes or the principal of, and interest on, the Notes and to effect transfers of the Notes, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Participant” means any participant contracting with a Depository under a book entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

The Notes may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (i) the Notes may be issued in the form of a single Note made payable to the Depository or its nominee and deposited with and retained in the custody of the Depository or its agent for that purpose; (ii) the owners of book entry interests shall have no right to receive the Notes in the form of physical securities or certificates; (iii) ownership of book entry interests shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of book entry interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Notes for use in a book entry system, the Auditor may attempt to establish a securities depository/book entry relationship with another

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qualified Depository. If the Auditor does not or is unable to do so, the Auditor, after making provision for notification of the book entry interest owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Notes from the Depository, and shall cause the Notes in bearer or payable form to be signed by the officers authorized to sign the Notes and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

The Auditor is also hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the book entry system for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 6. The Notes shall be sold by the Auditor to KeyBanc Capital Markets Inc., Cleveland, Ohio, at private sale at a purchase price not less than par and any accrued interest in accordance with law and the provisions of this ordinance and the Certificate of Award referred to in Section 3. The Auditor is authorized, if he determines it to be in the best interest of the City, to combine the Notes with one or more other unvoted general obligation bond anticipation note issues of the City into a consolidated note issue pursuant to Section 133.30(B) of the Revised Code; provided that no note of that issue shall be issued in a denomination less than \$100,000 or be exchangeable for other notes in denominations less than \$100,000. If the Notes are combined with one or more other such note issues of the City into a consolidated note issue, a single Certificate of Award may be utilized for the consolidated issue if appropriate and consistent with the terms of this ordinance.

The Auditor shall sign the Certificate of Award referred to in Section 3 specifying the interest rate the Notes shall bear, the final purchase price of the Notes and certain other final terms of the Notes and evidencing that sale, cause the Notes to be prepared, and have the Notes signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchaser, to the original purchaser upon payment of the purchase price.

The Mayor, the Auditor, the Treasurer, the Director of Law, the Clerk of Council and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this ordinance.

Section 7. The proceeds from the sale of the Notes, except any premium and accrued interest, shall be paid into the proper fund or funds and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

Section 8. The par value to be received from the sale of the Bonds or of any renewal notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes at maturity and are pledged for that purpose.

Section 9. During the year or years in which the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, the same tax that would have been levied if the

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Bonds had been issued without the prior issuance of the Notes. The tax shall be within the ten-mill limitation imposed by law, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Notes or the Bonds when and as the same fall due.

Section 10. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Notes in such manner and to such extent as may be necessary so that (a) the Notes will not (i) constitute private activity bonds or arbitrage bonds under Sections 141 or 148 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be treated other than as bonds the interest on which is excluded from gross income under Section 103 of the Code, and (b) the interest on the Notes will not be an item of tax preference under Section 57 of the Code.

The City further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Notes to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Notes to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The City hereby represents that the Outstanding Note was designated or treated as a “qualified tax exempt obligation” pursuant to Section 265(b)(3) of the Code. The City hereby covenants that it will redeem the Outstanding Note from proceeds of, and within 90 days after issuance of, the Notes, and represents that all other conditions are met for treating an amount of the Notes not in excess of the amount of the Outstanding Note as “qualified tax exempt obligations” and as not to be taken into account under subparagraph (D) of Section 265(b)(3) of the Code, without necessity for further designation, by reason of subparagraph (D)(ii) of Section 265(b)(3) of the Code. Any amount of the Notes in excess of the amount of the Outstanding Note, determined in accordance with Section 265(b)(3) of the Code (the Designated Amount), is hereby designated as “qualified tax exempt obligations” for purposes of Section 265(b)(3) of the Code. In that connection, the City hereby represents and covenants that it, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, in or during the calendar year in which the Notes are issued, (i) have not issued and will not issue tax exempt obligations designated as “qualified tax exempt obligations” for purposes of Section 265(b)(3) of the Code (including the Designated Amount of the Notes) in an aggregate amount in excess of \$10,000,000, and (ii) have not issued, do not reasonably anticipate issuing, and will not issue, tax exempt obligations (including the Designated Amount of the Notes, but excluding obligations, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code, that are private activity bonds as defined in Section 141 of the Code and excluding refunding obligations that are not advance refunding obligations as defined in Section 149(d)(5) of the Code) in an aggregate amount exceeding \$10,000,000, unless the City first obtains a

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written opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not adversely affect the status of the Notes as “qualified tax exempt obligations”. Further, the City represents and covenants that, during any time or in any manner as might affect the status of the Notes as “qualified tax exempt obligations”, it has not formed or participated in the formation of, or benefited from or availed itself of, any entity in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form, participate in the formation of, or benefit from or avail itself of, any such entity. The City further represents that the Notes are not being issued as part of a direct or indirect composite issue that combines issues or lots of tax exempt obligations of different issuers.

The Auditor, as the fiscal officer, or any other officer of the City having responsibility for issuance of the Notes is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Notes as the City is permitted to or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes, and (c) to give one or more appropriate certificates of the City, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Notes.

Each covenant made in this Section with respect to the Notes is also made with respect to all issues any portion of the debt service on which is paid from proceeds of the Notes (and, if different, the original issue and any refunding issues in a series of refundings), to the extent such compliance is necessary to assure exclusion of interest on the Notes from gross income for federal income tax purposes, and the officers identified above are authorized to take actions with respect to those issues as they are authorized in this Section to take with respect to the Notes.

Section 11. If in his judgment it is appropriate, the Auditor is authorized to request a rating for the Notes from Moody’s Investors Service, Inc. or Standard & Poor’s Ratings Services, or both, as he determines is in the best interest of the City. The expenditure of the amounts necessary to secure any such ratings as well as to pay the other financing costs (as defined in Section 133.01 of the Revised Code) in connection with the Notes is hereby authorized and approved and the amounts necessary to pay those costs are hereby appropriated from the proceeds of the Notes, if available, and otherwise from available moneys in the General Fund or the Street Levy Fund.

Section 12. The legal services of the law firm of Squire Patton Boggs (US) LLP be and are hereby retained. Those legal services shall be in the nature of legal advice and recommendations as to the

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documents and the proceedings in connection with the authorization, sale and issuance of the Notes and rendering at delivery a related legal opinion, all as set forth in the form of the engagement letter dated as of April 2, 2018, now on file in the office of the Clerk of Council. In providing those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of this City in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, any county or municipal corporation or of this City, or the execution of public trusts. For those legal services that firm shall be paid just and reasonable compensation and shall be reimbursed for actual out-of-pocket expenses incurred in providing those legal services. The Director of Law is authorized and directed to sign and deliver the engagement letter, and the Auditor is authorized and directed to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

Section 13. The Clerk of Council is directed to deliver a certified copy of this ordinance to the Lorain County Auditor.

Section 14. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the City of North Ridgeville have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general property taxing power (as described in Section 9) of the City are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

Section 15. This Council finds and determines that all formal actions of this Council and of any of its committees concerning and relating to the passage of this ordinance were taken, and that all deliberations of this Council and of any of its committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law.

Section 16. This Ordinance is hereby declared to be an emergency measure, the emergency being for the immediate preservation of the public health, safety and welfare of the City, and for the further reason that this ordinance is required to be immediately effective in order to issue and sell the Notes, which is necessary to enable the City to retire the Outstanding Note at its maturity and thereby preserve the credit of the City. Wherefore, this Ordinance shall take effect and be in full force and effect immediately upon its passage and approval by the Mayor.

5530-2018 AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$2,900,000 OF NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, TO PROVIDE FUNDS TO PAY COSTS OF IMPROVING LEAR NAGLE ROAD, LORAIN ROAD, CHESTNUT RIDGE ROAD AND COOK ROAD BETWEEN CERTAIN TERMINI BY WIDENING, GRADING, DRAINING, CURBING, CONSTRUCTING AND RECONSTRUCTING THE PAVEMENT BASE, SIDEWALKS, DRIVEWAY APPROACHES, STORM SEWERS AND REQUIRED STORM WATER QUALITY STRUCTURES, WATER MAINS, RETAINING WALLS AND CULVERTS ACROSS MILLS CREEK AND ROBINSON DITCH, WHERE NECESSARY, SURFACING AND RESURFACING AND ACQUIRING AND INSTALLING STREET LIGHTING AND TRAFFIC CONTROL SIGNALS AND SIGNAGE, IN EACH CASE TOGETHER WITH NECESSARY APPURTENANCES AND WORK INCIDENTAL THERETO, AND ACQUIRING REAL ESTATE AND INTERESTS THEREIN IN CONNECTION THEREWITH AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to Ordinance No. 5361-2016 passed May 16, 2016, a note in anticipation of bonds in the amount of \$2,900,000 dated June 21, 2016, was issued for the purpose stated in Section 1, which note was retired at maturity with funds available to the City and proceeds of a \$2,900,000 note (the Outstanding Note), issued in anticipation of bonds pursuant to Ordinance No. 5459-2017 passed on May 15, 2017, which Outstanding Note is to mature on June 18, 2018; and

WHEREAS, this Council finds and determines that the City should retire the Outstanding Note with the proceeds of the Notes described in Section 3 and other funds available to the City; and

WHEREAS, the Auditor, as fiscal officer of this City, has certified to this Council that the estimated life or period of usefulness of each class of the improvements described in Section 1 is at least five years, the estimated maximum maturity of the Bonds described in Section 1 is at least twenty years, and the maximum maturity of the Notes described in Section 3, to be issued in anticipation of the Bonds, is June 21, 2036, which is two hundred forty months from the date of issuance of the original note issued for the improvements;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Ridgeville, Lorain County, Ohio, that:

Section 1. It is necessary to issue bonds of this City in the aggregate principal amount of \$2,900,000 (the Bonds) to provide funds to pay costs of improving Lear Nagle Road, Lorain Road, Chestnut Ridge Road and Cook Road between certain termini by widening, grading, draining, curbing, constructing and reconstructing the pavement base, sidewalks, driveway approaches, storm sewers and required storm water quality structures, water mains, retaining walls and culverts across Mills Creek and Robinson Ditch, where necessary, surfacing and resurfacing and acquiring and installing street lighting and traffic control signals and signage, in each case together with necessary appurtenances and work incidental thereto, and acquiring real estate and interests therein in connection therewith.

Section 2. The Bonds shall be dated approximately June 1, 2019, shall bear interest at the now estimated rate of 5% per year, payable semi-annually until the principal amount is paid, and are estimated to mature in twenty annual principal installments that are substantially equal. The first installment of principal of the

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Bonds is estimated to be payable on December 1, 2020, and the first installment of interest on the Bonds is estimated to be payable on December 1, 2019.

Section 3. It is necessary to issue and this Council determines that notes in the aggregate principal amount of \$2,900,000 (the Notes) shall be issued in anticipation of the issuance of the Bonds and to retire, together with other funds available to the City, the Outstanding Note. The Notes shall be dated the date of their issuance, and shall mature one year from their date of issuance; provided that the Auditor may, if it is determined to be necessary or advisable to the sale of the Notes, establish a different maturity date for the Notes that is up to thirty days earlier than one year from the date of issuance, by setting forth that maturity date in a certificate awarding the sale of the Notes in accordance with Section 6 of this ordinance (the Certificate of Award). The Notes shall bear interest at a rate or rates not to exceed 3% per year (computed on the basis of a 360-day year consisting of twelve 30-day months), payable at maturity and until the principal amount is paid or payment is provided for. Subject to the limitation set forth in this Section, the rate of interest on the Notes shall be determined by the Auditor in the Certificate of Award.

Section 4. The debt charges on the Notes shall be payable in Federal Reserve funds of the United States of America, without deduction for services of the City's paying agent, at the designated corporate trust office of ZB, National Association dba Zions Bank, or at the principal office of a bank or trust company requested by the original purchaser of the Notes, provided that such request shall be approved by the Auditor after determining that the payment at that bank or trust company will not endanger the funds or securities of the City and that proper procedures and safeguards are available for that purpose. The Auditor is authorized to enter into any agreements determined necessary in connection with obtaining the services of a paying agent for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 5. The Notes shall be signed by the Mayor and the Auditor, in the name of the City and in their official capacities, provided that one of those signatures may be a facsimile. The Notes shall be issued in the denominations and numbers as requested by the original purchaser and approved by the Auditor, provided that no Note of the issue shall be issued in a denomination less than \$100,000 or be exchangeable for other Notes in denominations less than \$100,000; and provided further that the entire principal amount may be represented by a single note. The Notes may be issued as fully registered securities (for which the Auditor will serve as note registrar) and in book entry or other uncertificated form in accordance with Section 9.96 and Chapter 133 of the Revised Code, with a single physical note certificate representing the entire issue (or the consolidated issue into which it is combined with one or more other note issues of the City in accordance with Section 6 of this ordinance), if it is determined by the Auditor that issuance of fully registered securities in that form will facilitate the sale and delivery of the Notes. The Notes shall not have coupons attached, shall be numbered as determined by the Auditor and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to the provisions of Chapter 133 of the Revised Code and this ordinance. As used in this section and this ordinance:

“Book entry form” or “book entry system” means a form or system under which (i) the ownership of beneficial interests in the Notes and the principal of, and interest on, the Notes (book entry interests) may be transferred only through a book entry, and (ii) a single physical Note certificate is issued by the City and payable only to a Depository or its nominee, with such Notes deposited with and retained in the custody of

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the Depository or its agent for that purpose. The book entry maintained by others than the City is the record that identifies the owners of book entry interests in the Notes and that principal and interest.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of book entry interests in the Notes or the principal of, and interest on, the Notes and to effect transfers of the Notes, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Participant” means any participant contracting with a Depository under a book entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

The Notes may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (i) the Notes may be issued in the form of a single Note made payable to the Depository or its nominee and deposited with and retained in the custody of the Depository or its agent for that purpose; (ii) the owners of book entry interests shall have no right to receive the Notes in the form of physical securities or certificates; (iii) ownership of book entry interests shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of book entry interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Notes for use in a book entry system, the Auditor may attempt to establish a securities depository/book entry relationship with another qualified Depository. If the Auditor does not or is unable to do so, the Auditor, after making provision for notification of the book entry interest owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Notes from the Depository, and shall cause the Notes in bearer or payable form to be signed by the officers authorized to sign the Notes and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

The Auditor is also hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the book entry system for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 6. The Notes shall be sold by the Auditor to KeyBanc Capital Markets Inc., Cleveland, Ohio, at private sale at a purchase price not less than par and any accrued interest in accordance with law and the provisions of this ordinance and the Certificate of Award referred to in Section 3. The Auditor is authorized, if he determines it to be in the best interest of the City, to combine the Notes with one or more other unvoted general obligation bond anticipation note issues of the City into a consolidated note issue pursuant to Section 133.30(B) of the Revised Code; provided that no note of that issue shall be issued in a denomination less than \$100,000 or be exchangeable for other notes in denominations less than \$100,000. If the Notes are combined with one or more other such note issues of the City into a consolidated note issue, a single

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Certificate of Award may be utilized for the consolidated issue if appropriate and consistent with the terms of this ordinance.

The Auditor shall sign the Certificate of Award referred to in Section 3 specifying the interest rate the Notes shall bear, the final purchase price of the Notes and certain other final terms of the Notes and evidencing that sale, cause the Notes to be prepared, and have the Notes signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchaser, to the original purchaser upon payment of the purchase price.

The Mayor, the Auditor, the Treasurer, the Director of Law, the Clerk of Council and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this ordinance.

Section 7. The proceeds from the sale of the Notes, except any premium and accrued interest, shall be paid into the proper fund or funds and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

Section 8. The par value to be received from the sale of the Bonds or of any renewal notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes at maturity and are pledged for that purpose.

Section 9. During the year or years in which the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, the same tax that would have been levied if the Bonds had been issued without the prior issuance of the Notes. The tax shall be within the ten-mill limitation imposed by law, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Notes or the Bonds when and as the same fall due.

Section 10. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Notes in such manner and to such extent as may be necessary so that (a) the Notes will not (i) constitute private activity bonds or arbitrage bonds under Sections 141 or 148 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be treated other than as bonds the interest on which is excluded from gross income under Section 103 of the Code, and (b) the interest on the Notes will not be an item of tax preference under Section 57 of the Code.

The City further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Notes to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Notes to the

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governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The City hereby represents that the Outstanding Note was designated or treated as a “qualified tax exempt obligation” pursuant to Section 265(b)(3) of the Code. The City hereby covenants that it will redeem the Outstanding Note from proceeds of, and within 90 days after issuance of, the Notes, and represents that all other conditions are met for treating an amount of the Notes not in excess of the amount of the Outstanding Note as “qualified tax exempt obligations” and as not to be taken into account under subparagraph (D) of Section 265(b)(3) of the Code, without necessity for further designation, by reason of subparagraph (D)(ii) of Section 265(b)(3) of the Code. Any amount of the Notes in excess of the amount of the Outstanding Note, determined in accordance with Section 265(b)(3) of the Code (the Designated Amount), is hereby designated as “qualified tax exempt obligations” for purposes of Section 265(b)(3) of the Code. In that connection, the City hereby represents and covenants that it, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, in or during the calendar year in which the Notes are issued, (i) have not issued and will not issue tax exempt obligations designated as “qualified tax exempt obligations” for purposes of Section 265(b)(3) of the Code (including the Designated Amount of the Notes) in an aggregate amount in excess of \$10,000,000, and (ii) have not issued, do not reasonably anticipate issuing, and will not issue, tax exempt obligations (including the Designated Amount of the Notes, but excluding obligations, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code, that are private activity bonds as defined in Section 141 of the Code and excluding refunding obligations that are not advance refunding obligations as defined in Section 149(d)(5) of the Code) in an aggregate amount exceeding \$10,000,000, unless the City first obtains a written opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not adversely affect the status of the Notes as “qualified tax exempt obligations”. Further, the City represents and covenants that, during any time or in any manner as might affect the status of the Notes as “qualified tax exempt obligations”, it has not formed or participated in the formation of, or benefited from or availed itself of, any entity in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form, participate in the formation of, or benefit from or avail itself of, any such entity. The City further represents that the Notes are not being issued as part of a direct or indirect composite issue that combines issues or lots of tax exempt obligations of different issuers.

The Auditor, as the fiscal officer, or any other officer of the City having responsibility for issuance of the Notes is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Notes as the City is permitted to or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take

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any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes, and (c) to give one or more appropriate certificates of the City, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Notes.

Each covenant made in this Section with respect to the Notes is also made with respect to all issues any portion of the debt service on which is paid from proceeds of the Notes (and, if different, the original issue and any refunding issues in a series of refundings), to the extent such compliance is necessary to assure exclusion of interest on the Notes from gross income for federal income tax purposes, and the officers identified above are authorized to take actions with respect to those issues as they are authorized in this Section to take with respect to the Notes.

Section 11. If in his judgment it is appropriate, the Auditor is authorized to request a rating for the Notes from Moody's Investors Service, Inc. or Standard & Poor's Ratings Services, or both, as he determines is in the best interest of the City. The expenditure of the amounts necessary to secure any such ratings as well as to pay the other financing costs (as defined in Section 133.01 of the Revised Code) in connection with the Notes is hereby authorized and approved and the amounts necessary to pay those costs are hereby appropriated from the proceeds of the Notes, if available, and otherwise from available moneys in the General Fund or the Street Levy Fund.

Section 12. The legal services of the law firm of Squire Patton Boggs (US) LLP be and are hereby retained. Those legal services shall be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the authorization, sale and issuance of the Notes and rendering at delivery a related legal opinion, all as set forth in the form of the engagement letter dated as of April 2, 2018, now on file in the office of the Clerk of Council. In providing those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of this City in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, any county or municipal corporation or of this City, or the execution of public trusts. For those legal services that firm shall be paid just and reasonable compensation and shall be reimbursed for actual out-of-pocket expenses incurred in providing those legal services. The Director of Law is authorized and directed to sign and deliver the engagement letter, and the Auditor is authorized and directed to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

Section 13. The Clerk of Council is directed to deliver a certified copy of this ordinance to the Lorain County Auditor.

Section 14. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the City of North Ridgeville have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as

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required by law; that the full faith and credit and general property taxing power (as described in Section 9) of the City are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

Section 15. This Council finds and determines that all formal actions of this Council and of any of its committees concerning and relating to the passage of this ordinance were taken, and that all deliberations of this Council and of any of its committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law.

Section 16. This Ordinance is hereby declared to be an emergency measure, the emergency being for the immediate preservation of the public health, safety and welfare of the City, and for the further reason that this ordinance is required to be immediately effective in order to issue and sell the Notes, which is necessary to enable the City to retire the Outstanding Note at its maturity and thereby preserve the credit of the City. Wherefore, this Ordinance shall take effect and be in full force and effect immediately upon its passage and approval by the Mayor.

5531-2018 AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$1,100,000 OF NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, TO PROVIDE FUNDS FOR THE PURPOSE OF CONSTRUCTING, FURNISHING, EQUIPPING AND OTHERWISE IMPROVING A NEW CENTRAL FIRE STATION AND ACQUIRING, PREPARING, EQUIPPING AND OTHERWISE IMPROVING REAL ESTATE AND INTERESTS THEREIN FOR ITS SITE AND DECLARING AN EMERGENCY.

WHEREAS, at an election held in this City on November 3, 2015, on the question of issuing bonds in the aggregate principal amount of \$8,200,000 for the purpose of constructing, furnishing, equipping and otherwise improving a new central fire station and acquiring, preparing, equipping and otherwise improving real estate and interests therein for its site and of levying taxes outside the ten-mill limitation to pay the debt charges on those bonds and any anticipatory securities, the requisite majority of those voting on the question voted in favor of it; and

WHEREAS, pursuant to Ordinance No. 5309-2016, passed by this Council on January 4, 2016, a note in anticipation of bonds in the amount of \$1,500,000 and dated January 14, 2016 was issued for the purpose stated in Section 1, which note was retired at maturity with funds available to the City and proceeds of a \$1,500,000 note issued in anticipation of bonds pursuant to Ordinance No. 5347-2016 passed on April 4, 2016, which note was retired at maturity with funds available to the City and proceeds of a \$1,500,000 note (the Outstanding Note), issued in anticipation of bonds pursuant to Ordinance No. 5457-2016 passed on May 15, 2017, which Outstanding Note is to mature on June 18, 2018; and

WHEREAS, this Council finds and determines that the City should retire the Outstanding Note with the proceeds of the Notes described in Section 3 and other funds available to the City; and

WHEREAS, the Auditor, as fiscal officer of this City, has certified to this Council that the estimated life or period of usefulness of each class of the improvements described in Section 1 is at least five years, the estimated maximum maturity of the Bonds described in Section 1 is twenty years, and the maximum

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maturity of the Notes described in Section 3, to be issued in anticipation of the Bonds, is January 14, 2036, which is two hundred forty months from the date of issuance of the original note issued for the improvements;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Ridgeville, Lorain County, Ohio, that:

Section 1. It is necessary to issue bonds of this City in the aggregate principal amount of \$1,100,000 (the Bonds) to provide funds for the purpose of constructing, furnishing, equipping and otherwise improving a new central fire station and acquiring, preparing, equipping and otherwise improving real estate and interests therein for its site, being an installment of the bonds approved at the election identified in the first preamble of this ordinance.

Section 2. The Bonds shall be dated approximately June 1, 2019, shall bear interest at the now estimated rate of 5% per year, payable semi-annually until the principal amount is paid, and are estimated to mature in twenty annual principal installments that are substantially equal. The first installment of principal of the Bonds is estimated to be payable on December 1, 2019, and the first installment of interest on the Bonds is estimated to be payable on December 1, 2019.

Section 3. It is necessary to issue and this Council determines that notes in the aggregate principal amount of \$1,100,000 (the Notes) shall be issued in anticipation of the issuance of the Bonds and to retire, together with other funds available to the City, the Outstanding Note. The Notes shall be dated the date of their issuance, and shall mature one year from their date of issuance; provided that the Auditor may, if it is determined to be necessary or advisable to the sale of the Notes, establish a different maturity date for the Notes that is up to thirty days earlier than one year from the date of issuance, by setting forth that maturity date in a certificate awarding the sale of the Notes in accordance with Section 6 of this ordinance (the Certificate of Award). The Notes shall bear interest at a rate or rates not to exceed 3% per year (computed on the basis of a 360-day year consisting of twelve 30-day months), payable at maturity and until the principal amount is paid or payment is provided for. Subject to the limitation set forth in this Section, the rate of interest on the Notes shall be determined by the Auditor in the Certificate of Award.

Section 4. The debt charges on the Notes shall be payable in Federal Reserve funds of the United States of America, without deduction for services of the City's paying agent, at the designated corporate trust office of ZB, National Association dba Zions Bank, or at the principal office of a bank or trust company requested by the original purchaser of the Notes, provided that such request shall be approved by the Auditor after determining that the payment at that bank or trust company will not endanger the funds or securities of the City and that proper procedures and safeguards are available for that purpose. The Auditor is authorized to enter into any agreements determined necessary in connection with obtaining the services of a paying agent for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 5. The Notes shall be signed by the Mayor and the Auditor, in the name of the City and in their official capacities, provided that one of those signatures may be a facsimile. The Notes shall be issued in the denominations and numbers as requested by the original purchaser and approved by the Auditor, provided that no Note of the issue shall be issued in a denomination less than \$100,000 or be exchangeable for other

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Notes in denominations less than \$100,000; and provided further that the entire principal amount may be represented by a single note. The Notes may be issued as fully registered securities (for which the Auditor will serve as note registrar) and in book entry or other uncertificated form in accordance with Section 9.96 and Chapter 133 of the Revised Code, with a single physical note certificate representing the entire issue, if it is determined by the Auditor that issuance of fully registered securities in that form will facilitate the sale and delivery of the Notes. The Notes shall not have coupons attached, shall be numbered as determined by the Auditor and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to the provisions of Chapter 133 of the Revised Code and Section 133.18 thereof, the approval of the electors at the election identified in the first preamble of this ordinance and this ordinance. As used in this section and this ordinance:

“Book entry form” or “book entry system” means a form or system under which (i) the ownership of beneficial interests in the Notes and the principal of, and interest on, the Notes (book entry interests) may be transferred only through a book entry, and (ii) a single physical Note certificate is issued by the City and payable only to a Depository or its nominee, with such Notes deposited with and retained in the custody of the Depository or its agent for that purpose. The book entry maintained by others than the City is the record that identifies the owners of book entry interests in the Notes and that principal and interest.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of book entry interests in the Notes or the principal of, and interest on, the Notes and to effect transfers of the Notes, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Participant” means any participant contracting with a Depository under a book entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

The Notes may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (i) the Notes may be issued in the form of a single Note made payable to the Depository or its nominee and deposited with and retained in the custody of the Depository or its agent for that purpose; (ii) the owners of book entry interests shall have no right to receive the Notes in the form of physical securities or certificates; (iii) ownership of book entry interests shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of book entry interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Notes for use in a book entry system, the Auditor may attempt to establish a securities depository/book entry relationship with another qualified Depository. If the Auditor does not or is unable to do so, the Auditor, after making provision for notification of the book entry interest owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Notes from the Depository, and shall cause the Notes in bearer or payable form to be signed by the officers authorized to sign the Notes and delivered to the assigns of the

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Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

The Auditor is also hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the book entry system for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 6. The Notes shall be sold by the Auditor to KeyBanc Capital Markets Inc., Cleveland, Ohio, at private sale at a purchase price not less than par and any accrued interest in accordance with law and the provisions of this ordinance and the Certificate of Award referred to in Section 3. The Auditor shall sign the Certificate of Award referred to in Section 3 specifying the interest rate the Notes shall bear, the final purchase price of the Notes and certain other final terms of the Notes and evidencing that sale, cause the Notes to be prepared, and have the Notes signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchaser, to the original purchaser upon payment of the purchase price.

The Mayor, the Auditor, the Treasurer, the Director of Law, the Clerk of Council and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this ordinance.

Section 7. The proceeds from the sale of the Notes, except any premium and accrued interest, shall be paid into the proper fund or funds and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

Section 8. The par value to be received from the sale of the Bonds or of any renewal notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes at maturity and are pledged for that purpose.

Section 9. During the year or years in which the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, the same tax that would have been levied if the Bonds had been issued without the prior issuance of the Notes. The tax shall be unlimited as to amount or rate, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Notes or the Bonds when and as the same fall due.

Section 10. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Notes in such manner and to such extent as may be necessary so that (a) the Notes will not (i) constitute private activity bonds or arbitrage bonds under Sections 141 or 148 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be treated other than as bonds the interest on which is excluded from gross

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income under Section 103 of the Code, and (b) the interest on the Notes will not be an item of tax preference under Section 57 of the Code.

The City further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Notes to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Notes to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The City hereby represents that the Outstanding Note was designated or treated as a “qualified tax exempt obligation” pursuant to Section 265(b)(3) of the Code. The City hereby covenants that it will redeem the Outstanding Note from proceeds of, and within 90 days after issuance of, the Notes, and represents that all other conditions are met for treating an amount of the Notes not in excess of the amount of the Outstanding Note as “qualified tax exempt obligations” and as not to be taken into account under subparagraph (D) of Section 265(b)(3) of the Code, without necessity for further designation, by reason of subparagraph (D)(ii) of Section 265(b)(3) of the Code. Any amount of the Notes in excess of the amount of the Outstanding Note, determined in accordance with Section 265(b)(3) of the Code (the Designated Amount), is hereby designated as “qualified tax exempt obligations” for purposes of Section 265(b)(3) of the Code. In that connection, the City hereby represents and covenants that it, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, in or during the calendar year in which the Notes are issued, (i) have not issued and will not issue tax exempt obligations designated as “qualified tax exempt obligations” for purposes of Section 265(b)(3) of the Code (including the Designated Amount of the Notes) in an aggregate amount in excess of \$10,000,000, and (ii) have not issued, do not reasonably anticipate issuing, and will not issue, tax exempt obligations (including the Designated Amount of the Notes, but excluding obligations, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code, that are private activity bonds as defined in Section 141 of the Code and excluding refunding obligations that are not advance refunding obligations as defined in Section 149(d)(5) of the Code) in an aggregate amount exceeding \$10,000,000, unless the City first obtains a written opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not adversely affect the status of the Notes as “qualified tax exempt obligations”. Further, the City represents and covenants that, during any time or in any manner as might affect the status of the Notes as “qualified tax exempt obligations”, it has not formed or participated in the formation of, or benefited from or availed itself of, any entity in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form, participate in the formation of, or benefit from or avail itself of, any such entity. The City further represents that the Notes are not being issued as part of a direct or indirect composite issue that combines issues or lots of tax exempt obligations of different issuers.

The Auditor, as the fiscal officer, or any other officer of the City having responsibility for issuance of the Notes is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Notes as the City is permitted to or required to

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make or give under the federal income tax laws, including, without limitation thereto, any of the elections provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes, and (c) to give one or more appropriate certificates of the City, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Notes.

Each covenant made in this Section with respect to the Notes is also made with respect to all issues any portion of the debt service on which is paid from proceeds of the Notes (and, if different, the original issue and any refunding issues in a series of refundings), to the extent such compliance is necessary to assure exclusion of interest on the Notes from gross income for federal income tax purposes, and the officers identified above are authorized to take actions with respect to those issues as they are authorized in this Section to take with respect to the Notes.

Section 11. If in his judgment it is appropriate, the Auditor is authorized to request a rating for the Notes from Moody's Investors Service, Inc. or Standard & Poor's Ratings Services, or both, as he determines is in the best interest of the City. The expenditure of the amounts necessary to secure any such ratings as well as to pay the other financing costs (as defined in Section 133.01 of the Revised Code) in connection with the Notes is hereby authorized and approved and the amounts necessary to pay those costs are hereby appropriated from the proceeds of the Notes, if available, and otherwise from available moneys in the General Fund.

Section 12. The legal services of the law firm of Squire Patton Boggs (US) LLP be and are hereby retained. Those legal services shall be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the authorization, sale and issuance of the Notes and rendering at delivery a related legal opinion, all as set forth in the form of the engagement letter dated as of April 2, 2018, now on file in the office of the Clerk of Council. In providing those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of this City in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, any county or municipal corporation or of this City, or the execution of public trusts. For those legal services that firm shall be paid just and reasonable compensation and shall be reimbursed for actual out-of-pocket expenses incurred in providing those legal services. The Director of Law is authorized and directed to sign and deliver the engagement letter, and the Auditor is authorized and directed to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

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Section 13. The Clerk of Council is directed to deliver a certified copy of this ordinance to the Lorain County Auditor.

Section 14. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the City of North Ridgeville have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general property taxing power (as described in Section 9) of the City are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

Section 15. This Council finds and determines that all formal actions of this Council and of any of its committees concerning and relating to the passage of this ordinance were taken, and that all deliberations of this Council and of any of its committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law.

Section 16. This Ordinance is hereby declared to be an emergency measure, the emergency being for the immediate preservation of the public health, safety and welfare of the City, and for the further reason that this ordinance is required to be immediately effective in order to issue and sell the Notes, which is necessary to enable the City to retire the Outstanding Note at its maturity and thereby preserve the credit of the City. Wherefore, this Ordinance shall take effect and be in full force and effect immediately upon its passage and approval by the Mayor.

**5532-2018 AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A
COOPERATIVE AGREEMENT WITH EATON TOWNSHIP TO PROVIDE
CERTAIN SERVICES TO THE RESERVE AT WINFIELD FARMS.**

WHEREAS, Eaton Township is in the process of constructing The Reserve at Winfield Farms, a residential development which will be located within the boundaries of both Eaton Township and the City of North Ridgeville; and

WHEREAS, the City of North Ridgeville and Eaton Township wish to enter into a Cooperative Agreement for the purpose of defining the terms and respective responsibilities of the City and the Township related to providing public services to The Reserve at Winfield Farms and nearby areas with sanitary sewers, storm water management, road maintenance, snow removal, residential water utility services, police patrol, fire department response and emergency medical services.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH RIDGEVILLE, LORAIN COUNTY, OHIO, THAT:

SECTION 1. The Mayor is hereby authorized to enter into a Cooperative Agreement with Eaton Township to provide certain public services to The Reserve at Winfield Farms and nearby areas, as more fully described in the Cooperative Agreement attached hereto and marked as **Exhibit 1**.

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SECTION 2. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were conducted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in accordance with all legal requirements, including §121.22 of the Ohio Revised Code.

SECTION 3. This Ordinance shall take effect and be in full force from and after the earliest period allowed by law.

5533-2018 AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT, ACCORDING TO LAW AND IN A MANNER PRESCRIBED BY LAW, WITH A CONSULTING ENGINEERING FIRM FOR PLANS AND SPECIFICATIONS FOR THE BOULDER DRIVE AND CARY DRIVE WATER MAIN REPLACEMENT PROJECT INCLUDING APPURTENANCES, NOT TO EXCEED \$83,000.00 AND DECLARING AN EMERGENCY.

WHEREAS, there are frequent and numerous water main breaks on Boulder Drive and Cary Drive, and the existing eight-inch water mains are in need of replacement with new eight-inch water mains; and

WHEREAS, the City of North Ridgeville has appropriated the necessary funds for the design and construction of new water mains on Boulder and Cary Drives; and

WHEREAS, the total estimated cost of design, professional services and construction of new water mains are \$785,000.00; and

WHEREAS, the City of North Ridgeville has received a proposal from a consulting engineering firm to provide design services, construction plans, and specification preparation for the Boulder Drive and Cary Drive Water Main Replacement Project.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH RIDGEVILLE, LORAIN COUNTY, OHIO, THAT:

SECTION 1. The Mayor of the City of North Ridgeville, Ohio is hereby authorized to enter into a contract, according to law and in a manner prescribed by law, with a consulting engineering firm for design services, construction plans, and specification preparation for the Boulder Drive and Cary Drive Water Main Replacement Project and other appurtenances in an amount not to exceed \$83,000.00.

SECTION 2. The cost of this project shall be charged to and paid from the appropriate fund.

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SECTION 3. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were conducted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in accordance with all legal requirements, including §121.22 of the Ohio Revised Code.

SECTION 4. This Ordinance is hereby declared to be an emergency measure, the emergency being for the health, safety and welfare of the residents and to get the project done in a timely manner. Wherefore, this Ordinance shall take effect and be in full force and effect immediately upon its passage and approval by the Mayor.

5534-2018 AN ORDINANCE AUTHORIZING THE MAYOR TO ADVERTISE FOR BIDS AND ENTER INTO A CONTRACT, ACCORDING TO LAW AND IN A MANNER PRESCRIBED BY LAW, FOR THE 2,000,000 GALLON FLUTED COLUMN ELEVATED WATER STORAGE TANK REHABILITATION PROJECT AND OTHER APPURTENANCES, NOT TO EXCEED \$300,000.00.

WHEREAS, the exterior coating of the City of North Ridgeville’s existing elevated water storage tank has reached its useful life; and

WHEREAS, other interior and exterior minor repairs are necessary to extend the overall life cycle of the City of North Ridgeville’s existing elevated water storage tank; and

WHEREAS, the City of North Ridgeville has appropriated the necessary funds for this project in the 2018 budget; and

WHEREAS, technical specifications and bidding documents will be available in the City of North Ridgeville Engineering Department for the 2,000,000 Gallon Fluted Column Elevated Water Storage Tank Rehabilitation Project.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH RIDGEVILLE, LORAIN COUNTY, OHIO, THAT:

SECTION 1. The Mayor of the City of North Ridgeville, Ohio, is hereby authorized to advertise for bids and enter into a contract, according to law and in a manner prescribed by law, with the lowest and best bidder for the 2,000,000 Gallon Fluted Column Elevated Water Storage Tank Rehabilitation Project and other appurtenances in an amount not to exceed \$300,000.00.

SECTION 2. The cost of this project shall be charged to and paid from the appropriate City fund(s).

5534-2018 Continued

SECTION 3. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were conducted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in accordance with all legal requirements, including §121.22 of the Ohio Revised Code.

SECTION 4. This Ordinance shall take effect and be in full force from and after the earliest period allowed by law.

5535-2018 AN ORDINANCE AMENDING N.R.C.O. SECTION 878.01 ENTITLED *INCOME TAX*.

WHEREAS, N.R.C.O. Section 878.01(A) levies an annual municipal income tax on income, qualifying wages, commissions and other compensation and on net profits for the purposes of general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and capital improvements; and

WHEREAS, N.R.C.O. Section 878.01(B)(2) addresses the recording and disbursement of income tax funds; and

WHEREAS, the City's current one percent income tax is unrestricted and doesn't meet the requirements of Section 5705.09(C) of the Ohio Revised Code and the Governmental Accounting Standards requirement for a separate fund; and

WHEREAS, the City pledged other sources of revenue such as the income tax for the payment of debt used to finance capital improvements; and

WHEREAS, N.R.C.O. Section 878.01(B)(2) currently reads as follows:

(B)(2) Allocation of Funds. The funds collected under the provisions of this chapter shall be deposited in the Income Tax Fund, and such funds collected shall be disbursed in the following order:

- (a) Refunds of over-collected taxes and other refund claims.
- (b) Such part thereof as shall be necessary to defray all costs of collecting the taxes and the cost of administering and enforcing the provisions hereof, including the costs of personnel, supplies, equipment and other necessary operating costs.
- (c) Transfers to the General Fund and Capital Projects Fund as follows:

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(1) Not more than eighty-five percent (85%) of the net available City income tax receipts (after the disbursements provided for in subsections (a) and (b) hereof), shall be transferred to the General Fund and used to defray operating expenses of the City.

(2) At least fifteen percent (15%) of the net available City income tax receipts (after the disbursements provided for in subsections (a) and (b) hereof), shall be transferred to the Capital Projects Fund and used for capital improvements for the City. Capital improvements shall include, but not be limited to, development and constructing of storm sewers and street improvements, public buildings, parks and playgrounds and for equipment necessary for the Police, Fire, Street, Traffic and Safety Departments.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH RIDGEVILLE, LORAIN COUNTY, OHIO, THAT:

SECTION 1. N.R.C.O Section 878.01(B)(2) shall be amended to read as follows:

(B)(2) Allocation of Funds. The funds collected under the provisions of this chapter shall be deposited as directed by City Council in the following order:

(a) Not more than eighty-five percent (85%) of the gross City income tax receipts shall be receipted to the General Fund and used to defray operating expenses of the City.

(b) At least fifteen percent (15%) of the gross City income tax receipts shall be receipted to the Capital Projects Fund and used for capital improvements for the City and the Income Tax Debt Service Fund to be used to pay principle and interest on debt pledging income tax revenue, which proceeds were used for capital improvements. Capital Improvements shall include, but not be limited to, development and constructing of storm sewers and street improvements, public buildings, parks and playgrounds and for equipment necessary for the Police, Fire, Street, Traffic and Safety Departments.

The allocation of income tax for capital improvements shall first be made to the Income Tax Debt Service Fund with the remaining amount to the Capital Projects Fund. The amount allocated for debt shall be determined as part of the annual budget.

(c) Cost of Collections. The General, Capital Projects and Income Tax Debt Service Funds shall bear the costs of income tax collections in the same proportion as the allocation of revenue.

SECTION 2. All other sections, terms and provisions of N.R.C.O. Section 878.01 *Income Tax* not specifically modified or affected by this amending Ordinance shall remain in full force and effect.

SECTION 3. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were conducted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in

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meetings open to the public in accordance with all legal requirements, including §121.22 of the Ohio Revised Code.

SECTION 4. This Ordinance shall take effect and be in full force from and after the earliest period allowed by law.

RESOLUTIONS

None.

CITY COUNCIL MEETING DATES FOR 2018

January 2, 2018	January 16, 2018	February 5, 2018
February 20, 2018	March 5, 2018	March 19, 2018
April 2, 2018	April 16, 2018	May 7, 2018
May 21, 2018	June 4, 2018	June 18, 2018
July 2, 2018	July 16, 2018	August 6, 2018
August 20, 2018	September 4, 2018	September 17, 2018
October 1, 2018	October 15, 2018	November 5, 2018
November 19, 2018	December 3, 2018	December 17, 2018

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