ORDINANCE NO.: 2009 -9
SPONSOR: MAYOR NORTON
INTRODUCED: MAY 26, 2009 **ASSIGNED TO:** FINANCE

AN ORDINANCE AUTHORIZING THE ISSUANCE OF BONDS IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $552,000, FOR THE PURPOSE OF RETIRING NOTES ISSUED TO PAY COSTS OF CONSTRUCTING SANITARY SEWERS, AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GREEN, COUNTY OF SUMMIT, STATE OF OHIO:

SECTION ONE:
Findings and Determinations. This Council finds and determines the following matters (capitalized terms are defined in Section 14):

(a) This Council has previously authorized and issued the Series 2008 Notes to pay the costs of the Sanitary Sewer Project. The Series 2008 Notes are about to mature.

(b) The Director of Finance, as fiscal officer, has certified to this Council that the estimated life or period of usefulness of the Sanitary Sewer Project is at least five years and that the maximum maturity of the Series 2009 Bonds is 40 years.

(c) It is necessary for the City to issue the Series 2009 Bonds for the purpose of (1) retiring the Series 2008 Notes, and (2) paying Financing Costs of the Series 2009 Bonds.

(d) All acts and conditions necessary to be performed by the City or to have been met for the issuance of the Series 2009 Bonds in order to make them legal, valid, and binding general obligations of the City, have been performed and met, or will have been performed and met at the time of delivery of the Series 2009 Bonds, as required by law.

(e) No statutory or constitutional limitation of indebtedness or taxation will be exceeded by the issuance of the Series 2009 Bonds.

SECTION TWO:
Terms of the Bonds. The Series 2009 Bonds will have the following terms:

(a) **Amount.** The Series 2009 Bonds will be issued in the maximum Original Principal Amount of $552,000. The principal amounts of the Series 2009 Bonds to be issued as Current Interest Bonds, as Capital Appreciation Bonds, as Capital Appreciation Bonds that convert at some future date to Current Interest Bonds, as Serial Bonds, and as Term Bonds will be determined by the Director of Finance in the Certificate of Award.

(b) **Date.** The Current Interest Bonds will be dated July 15, 2009, or any later date, not more than 31 days before the Closing Date, as determined by the Director of Finance in the Certificate of Award. The Capital Appreciation Bonds will be dated the Closing Date

(c) **Maturity.** The Series 2009 Bonds will mature or be payable by Mandatory Sinking Fund Redemption in the amounts and on the Principal Payment Dates as follows:

Year	Amount	Year	Amount
2010	27,000	2020	28,000
2011	27,000	2021	28,000
2012	27,000	2022	28,000
2013	27,000	2023	28,000
2014	27,000	2024	28,000
2015	27,000	2025	28,000
2016	27,000	2026	28,000
2017	27,000	2027	28,000
2018	28,000	2028	28,000
2019	28,000	2029	28,000

The Director of Finance may adjust the principal payment schedule shown above, by (1) increasing or decreasing the principal amounts of the Series 2009 Bonds maturing or payable by Mandatory Sinking Fund Redemption on any one or more of the Principal Payment Dates, or (2) by shortening the schedule so that the Series 2009 Bonds will mature over a lesser number of years. The Director of Finance must set forth any adjustment of the principal payment schedule in the Certificate of Award.

(d) **Redemption Before Stated Maturity.** The Series 2009 Bonds will be subject to redemption before their stated maturity as described in this Section 2(d), unless otherwise determined by the Director of Finance in the Certificate of Award.

(1) ***Mandatory Sinking Fund Redemption.*** If any of the Series 2009 Bonds are issued as Term Bonds, the Term Bonds will be subject to Mandatory Sinking Fund Redemption, in part, on the Mandatory Redemption Dates, at a redemption price of 100% of the principal amount being redeemed, plus interest accrued to the redemption date. The principal amounts to be paid by Mandatory Sinking Fund Redemption will be those in the principal payment schedule in Section 2(c) above, unless otherwise determined in the Certificate of Award.

The City will have the option to deliver Term Bonds in any principal amount to the Registrar for cancellation. The City will be entitled to a credit against its obligation to pay Debt Service by Mandatory Sinking Fund Redemption on any future Mandatory Redemption Date for Term Bonds that (A) are

delivered by the City to the Registrar, (B) have previously been redeemed other than by Mandatory Sinking Fund Redemption, or (C) have been purchased and canceled by the Registrar as provided in the Registrar Agreement.

(2) ***Optional Redemption***. Unless otherwise determined by the Director of Finance in the Certificate of Award, the Series 2009 Bonds maturing on or after December 1, 2019 will be subject to redemption, at the option of the City, on or after December 1, 2018, in whole or in part on any date, in integral multiples of $1,000, at the redemption price of 100% of the principal amount being redeemed, plus interest accrued to the redemption date.

The Director of Finance may determine to change the optional redemption provisions relating to the Series 2009 Bonds set forth above by (A) changing the earliest optional redemption date, which may be any date before the final maturity of the Series 2009 Bonds, and (B) changing the redemption prices for the Series 2009 Bonds, which may not exceed 110% in any year in which the Series 2009 Bonds are subject to optional redemption. The Director of Finance must set forth any change to the optional redemption provisions in the Certificate of Award.

The City's option to redeem the Series 2009 Bonds must be exercised by a notice from the Director of Finance to the Registrar as provided in the Registrar Agreement.

(3) ***Terms of Redemption***. The procedures for partial redemption, for notice of redemption, and for payment of redeemed Series 2009 Bonds must be set forth in the Registrar Agreement.

(e) **Interest Rates.** The Series 2009 Bonds will bear interest at the rate or rates determined in the Certificate of Award. The weighted average of the rates of interest on the Series 2009 Bonds, determined by taking into account the principal amounts of the Series 2009 Bonds and the terms to maturity or Mandatory Redemption Dates of those principal amounts, may not exceed 9% per annum. Interest will be calculated on a 360-day year of twelve, 30-day months.

(1) ***Current Interest Bonds***. Current Interest Bonds will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date. Interest on the Current Interest Bonds will be payable on the Interest Payment Dates until the principal amount has been paid or provided for. All Current Interest Bonds with the same stated maturity must bear interest at the same rate.

(2) ***Capital Appreciation Bonds***. Any Capital Appreciation Bonds will bear interest from their date. The rate of interest on a Capital Appreciation Bond must be a rate that will result in a Maturity Amount for that Capital Appreciation Bond, payable at maturity, as determined by the Director of

Finance in the Certificate of Award. Interest on a Capital Appreciation Bond will be accrued and compounded on each Interest Payment Date, and will be payable at maturity. All Capital Appreciation Bonds with the same stated maturity must bear interest at the same compounding rate.

The total interest accrued on any Capital Appreciation Bond as of any date will be an amount equal to the amount by which the Compound Accreted Amount of that Capital Appreciation Bond exceeds the Original Principal Amount of that Capital Appreciation Bond as of that date. The Compound Accreted Amounts of the Capital Appreciation Bonds as of the Interest Payment Dates must be set forth in the Certificate of Award. The Compound Accreted Amount of a Capital Appreciation Bond as of any date other than an Interest Payment Date will be calculated in the manner described in the definition of "Compound Accreted Interest" in Section 14.

(f) **Form, Numbering, and Denominations.** The Series 2009 Bonds must be issued in fully registered form. They must be issued in Authorized Denominations and in such numbers as requested by the Original Purchaser and approved by the Director of Finance. They must be numbered as determined by the Registrar. They must express on their faces the purpose for which they are issued and that they are issued in accordance with this ordinance. The Series 2009 Bonds will be designated "Sanitary Sewer Limited Tax General Obligation Bonds, Series 2009" unless otherwise designated in the Certificate of Award.

SECTION THREE:
Payment. The Debt Service on the Series 2009 Bonds will be payable in lawful money of the United States of America without deduction for the services of the Registrar as paying agent. Principal and any premium on the Series 2009 Bonds will be payable when due upon presentation and surrender of the Series 2009 Bonds at the office of the Registrar. Interest on the Current Interest Bonds will be paid on each Interest Payment Date by check or draft mailed on the Interest Payment Date to the Holder as shown on the Register at the close of business on the 15th day of the month preceding the Interest Payment Date. Interest on the Capital Appreciation Bonds will be payable at maturity, in accordance with Section 2(e)(2) of this ordinance. Notwithstanding the foregoing, so long as the Series 2009 Bonds are issued in Book-Entry Form in a Book-Entry System, Debt Service on the Series 2009 Bonds will be payable as provided in any agreement entered into by the City in connection with the Book-Entry System. Payment of Debt Service on any Bond will be made only to or upon the order of the Holder. All such payments will be valid and effectual to satisfy and discharge the City's liability upon that Bond to the extent of the amount or amounts so paid.

SECTION FOUR:
Signing and Authentication of Bonds.

(a) The Series 2009 Bonds must be signed on behalf of the City by the Mayor and the Director of Finance. In the absence of the Mayor, the Series 2009 Bonds must be signed by the President of Council, and in the absence of the Director of Finance, the Series 2009 Bonds must be signed by any deputy Director of Finance. Both signatures on the Series 2009 Bonds may be facsimiles.

(b) No Series 2009 Bond will be valid or obligatory for any purpose or will be entitled to any security or benefit under the Bond Proceedings unless and until the certificate of authentication printed on the bond certificate is signed by the Registrar as authenticating agent. Authentication by the Registrar will be conclusive evidence that the Series 2009 Bond so authenticated has been duly issued, signed, and delivered under, and is entitled to the security and benefit of, the Bond Proceedings. The certificate of authentication may be signed by any authorized officer or employee of the Registrar or by any other person acting as an agent of the Registrar and approved by the Director of Finance on behalf of the City. The same person need not sign the certificate of authentication on all of the Series 2009 Bonds.

SECTION FIVE:
Registration; Transfer and Exchange; Book-Entry System.

(a) **Registration.** So long as any of the Series 2009 Bonds remain outstanding, the City must cause the Registrar to maintain the Register. The person in whose name a Series 2009 Bond is registered on the Register will be regarded as the absolute owner of that Series 2009 Bond for all purposes of the Bond Proceedings. Neither the City nor the Registrar will be affected by any notice to the contrary, but the registration may be changed as provided in this Section and in the Registrar Agreement.

(b) **Transfer and Exchange.** Any Series 2009 Bond may be exchanged for Series 2009 Bonds of any Authorized Denomination, as provided in the Registrar Agreement.

All Series 2009 Bonds issued and authenticated upon any exchange or transfer will be valid obligations of the City, evidencing the same debt, and entitled to the same security and benefit under the Bond Proceedings as the Series 2009 Bonds surrendered upon that exchange or transfer.

(c) **Book-Entry System.** The Series 2009 Bonds must be originally issued in Book-Entry Form to a Depository, initially Depository Trust Company, for use in a Book-Entry System upon the terms provided in the Registrar Agreement.

Subject to the provisions of this ordinance relating to the City's Continuing Disclosure Agreement, the City and the Registrar must recognize and treat the Depository as the Holder of the Series 2009 Bonds for all purposes, including payment of Debt Service, redemption and other notices, and enforcement of remedies.

If any Depository determines not to continue to act as a Depository for the Series 2009 Bonds for use in a Book-Entry System or if the City determines to discontinue the Book-Entry System, the Director of Finance may attempt to establish a securities depository/book-entry relationship with another qualified Depository. If the Director of Finance does not or is unable to do so, the Director of Finance must direct the Registrar to make provision for notification of the book-entry interest owners by the Depository and to make any other arrangements necessary for the withdrawal of the Series 2009 Bonds from the Book-Entry System.

SECTION SIX:
Sale of the Bonds.

(a) **Private Sale.** This Council authorizes and directs the Director of Finance to sell the Series 2009 Bonds in a private sale to the Original Purchaser. The purchase price of the Series 2009 Bonds must not be less than 97% of the aggregate Original Principal Amount of the Series 2009 Bonds, plus any accrued interest on the Series 2009 Bonds from their date to the date of delivery and payment. The Director of Finance may enter into a Purchase Agreement with the Original Purchaser, or he may sell the Series 2009 Bonds without a Purchase Agreement. The Director of Finance may sell the Series 2009 Bonds at the same time, in the same manner, and in the same offering with other bonds of the City, whether or not those other bonds have been consolidated with the Series 2009 Bonds in accordance with (b) below.

(b) **Consolidation.** If the Director of Finance determines it to be in the best interest of the City, he may combine the Series 2009 Bonds with one or more other general obligation bond issues of the City, payable from taxes subject to the ten-mill tax limitation.

(c) **Certificate of Award.** The Director of Finance must deliver a Certificate of Award to the Original Purchaser in connection with the sale of the Series 2009 Bonds. The Director of Finance must state in the Certificate of Award: the Original Principal Amount of the Series 2009 Bonds; the principal amounts to be issued as Current Interest Bonds, Capital Appreciation Bonds, convertible Capital Appreciation Bonds, Serial Bonds, and Term Bonds; the interest rates on the Series 2009 Bonds; the Maturity Amounts of any Capital Appreciation Bonds; the date of the first Interest Payment Date; the purchase price for the Series 2009 Bonds; and any other terms required by this ordinance. The Director of Finance may state in the Certificate of Award: any changes in the date of the Series 2009 Bonds; any changes in the principal payment schedule; any changes in the redemption provisions; whether the Series 2009 Bonds are to be consolidated with other bond issues; and any other terms authorized by this ordinance.

(d) **Delivery.** The Director of Finance must cause the Series 2009 Bonds to be prepared, signed, and delivered to the Original Purchaser. This Council authorizes and directs the Clerk of Council to deliver a true transcript of proceedings of the issuance of the Series 2009 Bonds to the Original Purchaser upon payment of the

behalf of the City, may rely upon that legal advice in determining whether a filing should be made.

(4) ***Amendments***. The City reserves the right to amend the Continuing Disclosure Agreement, and to obtain the waiver of noncompliance with any provision of the Continuing Disclosure Agreement, as may be necessary or appropriate to achieve its compliance with any applicable federal securities law or rule, to cure any ambiguity, inconsistency, formal defect, or omission, and to address any change in circumstances arising from a change in legal requirements, change in law, or change in the identity, nature, or status of the City, or type of business conducted by the City. Any amendment or waiver will not be effective unless the Continuing Disclosure Agreement (as amended or taking into account that waiver) would have complied with the requirements of the SEC Rule at the time of the primary offering of the Bonds, after taking into account any applicable amendments to or official interpretations of the SEC Rule, as well as any change in circumstances, and until the City has received either (A) a written opinion of bond counsel or other qualified independent special counsel selected by the City that the amendment or waiver would not materially impair the interests of Holders or beneficial owners of book-entry interests in the Series 2009 Notes, or (B) the written consent to the amendment or waiver by the Holders of at least a majority of the principal amount of the Series 2009 Notes then outstanding. Annual Information containing any revised operating data or financial information must explain, in narrative form, the reasons for any amendment or waiver and the impact of the change on the type of operating data or financial information being provided.

(5) ***Enforcement***. The Continuing Disclosure Agreement will be solely for the benefit of the Holders of, and beneficial owners of book-entry interests in, the Series 2009 Notes. The exclusive remedy for any breach of the Continuing Disclosure Agreement by the City will be limited, to the extent permitted by law, to a right of Holders and beneficial owners to institute and maintain legal proceedings to obtain the specific performance by the City of its obligations under the Continuing Disclosure Agreement. Any individual Holder or beneficial owner may institute and maintain those proceedings to require the City to provide a filing if the filing is due and has not been made. Any proceedings to require the City to perform any other obligation under the Continuing Disclosure Agreement (including any proceedings that contest the sufficiency of any filing) may be instituted and maintained only (A) by a trustee appointed by the Holders and beneficial owners of not less than 25% in principal amount of the Series 2009 Notes then outstanding, or (B) by Holders and beneficial owners of not less than 10% in principal amount of the Series 2009 Notes then outstanding, in accordance with Section 133.25(B)(4)(b) or (C)(1), Revised Code, as applicable, or any comparable successor provisions.

(6) ***Appropriation.*** The performance by the City of the Continuing Disclosure Agreement will be subject to the annual appropriation of any funds that may be necessary to perform it.

(7) ***Term.*** The Continuing Disclosure Agreement will remain in effect only for the period that the Series 2009 Notes are outstanding in accordance with their terms and the City remains an obligated person with respect to the Series 2009 Notes within the meaning of the SEC Rule. The obligation of the City to provide the Annual Information, audited financial statements, and notices of the events described above will terminate if and when the City is no longer an obligated person with regard to the Series 2009 Notes.

SECTION NINE:
Financing Costs. The City retains the professional services and authorizes the payment of the Financing Costs for the Series 2009 Notes, as provided in this Section 9.

(a) **Bond Counsel.** The City retains the legal services of Vorys, Sater, Seymour and Pease LLP, as bond counsel for the Series 2009 Notes. The legal services will be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the issuance and sale of the Series 2009 Notes and rendering legal opinions upon the delivery of the Series 2009 Notes. Bond counsel must render those services to the City in an attorney-client relationship. Bond counsel must be paid just and reasonable compensation for those legal services.

(b) **Original Purchaser.** This Council authorizes and directs the Director of Finance to select the Original Purchaser of the Series 2009 Notes. If the Original Purchaser is purchasing the Series 2009 Notes as an underwriter, the Original Purchaser will be RBC Capital Markets Corporation, and the Original Purchaser will be compensated for its services in accordance with any Purchase Agreement. If the Original Purchaser is purchasing the Series 2009 Notes in a private placement, the Original Purchaser will be the financial institution or other entity or person designated by the Director of Finance in the Certificate of Award, and the Original Purchaser will be compensated for any services in accordance with any Purchase Agreement or as determined by the Director of Finance.

(c) **Registrar.** This Council authorizes and directs the Director of Finance to appoint a Registrar for the Series 2009 Notes. The Registrar must be a financial institution able to complete transfer and exchange functions for the Series 2009 Notes in accordance with standards and conditions applicable to registered corporate securities. The City retains the services of the Registrar for the Series 2009 Notes. The Registrar must perform the services as registrar, authenticating agent, paying agent, and transfer agent for the Series 2009 Notes as provided in this ordinance and the Registrar Agreement. The Registrar must be paid for those services in accordance with the Registrar Agreement.

(d) **Ratings and Insurance.** If, in the judgment of the Director of Finance, the filing of an application for (1) a rating on the Series 2009 Notes by one or more

Holders of at least a majority of the principal amount of the Series 2009 Bonds then outstanding. Annual Information containing any revised operating data or financial information must explain, in narrative form, the reasons for any amendment or waiver and the impact of the change on the type of operating data or financial information being provided.

(5) ***Enforcement.*** The Continuing Disclosure Agreement will be solely for the benefit of the Holders of, and beneficial owners of book-entry interests in, the Series 2009 Bonds. The exclusive remedy for any breach of the Continuing Disclosure Agreement by the City will be limited, to the extent permitted by law, to a right of Holders and beneficial owners to institute and maintain legal proceedings to obtain the specific performance by the City of its obligations under the Continuing Disclosure Agreement. Any individual Holder or beneficial owner may institute and maintain those proceedings to require the City to provide a filing if the filing is due and has not been made. Any proceedings to require the City to perform any other obligation under the Continuing Disclosure Agreement (including any proceedings that contest the sufficiency of any filing) may be instituted and maintained only (A) by a trustee appointed by the Holders and beneficial owners of not less than 25% in principal amount of the Series 2009 Bonds then outstanding, or (B) by Holders and beneficial owners of not less than 10% in principal amount of the Series 2009 Bonds then outstanding, in accordance with Section 133.25(B)(4)(b) or (C)(1), Revised Code, as applicable, or any comparable successor provisions.

(6) ***Appropriation.*** The performance by the City of the Continuing Disclosure Agreement will be subject to the annual appropriation of any funds that may be necessary to perform it.

(7) ***Term.*** The Continuing Disclosure Agreement will remain in effect only for the period that the Series 2009 Bonds are outstanding in accordance with their terms and the City is an obligated person with respect to the Series 2009 Bonds within the meaning of the SEC Rule. The obligation of the City to provide the Annual Information, audited financial statements, and notices of the events described above will terminate if and when the City is no longer an obligated person with respect to the Series 2009 Bonds.

SECTION EIGHT:
Financing Costs. The City retains the professional services and authorizes the payment of the Financing Costs for the Series 2009 Bonds, as provided in this Section 8.

(a) **Bond Counsel.** The City retains the legal services of Vorys, Sater, Seymour and Pease LLP, as bond counsel for the Series 2009 Bonds. The legal services will be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the issuance and sale of the Series 2009 Bonds and rendering legal opinions upon the delivery of the Series 2009 Bonds. Bond Counsel

will render those services to the City in an attorney-client relationship. Bond Counsel will be paid just and reasonable compensation for those legal services and will be reimbursed for actual out-of-pocket expenses it incurs in rendering those legal services.

(b) **Original Purchaser.** The City retains the services of the Original Purchaser as an underwriter and senior manager for the Series 2009 Bonds. The senior manager may designate additional members of the underwriting syndicate. The Original Purchaser will be paid for services in accordance with any Purchase Agreement or, if there is no Purchase Agreement, in accordance with its proposal.

(c) **Ratings and Insurance.** If, in the judgment of the Director of Finance, the filing of an application for (1) a rating on the Series 2009 Bonds by one or more nationally recognized statistical rating organizations, or (2) a policy of insurance, from one or more bond insurance providers, to better assure the payment of Debt Service on the Series 2009 Bonds, is in the best interest of and financially advantageous to the City, this Council authorizes and directs the Director of Finance to prepare and submit those applications and to provide to those rating agencies or insurance providers the information required for the purpose. This Council further authorizes the fees for those ratings and the premiums for the insurance to be included in Financing Costs authorized under (g) below.

(d) **Registrar.** This Council authorizes and directs the Director of Finance to appoint a Registrar for the Series 2009 Bonds. The Registrar must be a financial institution able to complete transfer and exchange functions for the Series 2009 Bonds in accordance with standards and conditions applicable to registered corporate securities. The City retains the services of the Registrar for the Series 2009 Bonds. The Registrar will perform the services as bond registrar, authenticating agent, paying agent, and transfer agent for the Series 2009 Bonds as provided in this ordinance. The Registrar will be paid for those services in accordance with the Registrar Agreement.

(e) **Financial Adviser.** This Council retains the services of Sudsina & Associates, LLC, as financial adviser for the Series 2009 Bonds. The financial adviser will be paid for those services in accordance with its letter of engagement. This Council authorizes the fees for the financial adviser's services to be included in the Financing Costs authorized under (g) below.

(f) **Limits on Authority of Service Providers.** In rendering the services described above, as independent contractors, those service providers must not exercise any administrative discretion on behalf of the City in the formulation of public policy; expenditure of public funds; enforcement of laws, rules and regulations of the State, the City, or any other political subdivision; or the execution of public trusts.

(g) **Payment of Financing Costs.** This Council authorizes and approves the expenditure of the amounts necessary to pay those Financing Costs specifically authorized above and all other necessary Financing Costs in connection with the

issuance and sale of the Series 2009 Bonds. Those Financing Costs may be paid by the Original Purchaser in accordance with any Purchase Agreement. To the extent they are not paid by the Original Purchaser, this Council authorizes and directs the Director of Finance to provide for the payment of those Financing Costs from the proceeds of the Series 2009 Bonds to the extent available and, otherwise, from any other funds lawfully available and appropriated for the purpose.

SECTION NINE:
Use of Proceeds. The proceeds from the sale of the Series 2009 Bonds must be deposited and used as provided in this Section 9.

(a) Any accrued interest or premium received on the sale of the Series 2009 Bonds must be deposited in the Bond Retirement Fund of the City and used for the payment of interest on the Series 2009 Bonds on the first Interest Payment Date.

(b) An amount necessary to pay the Financing Costs of the Series 2009 Bonds, to the extent not paid by the Original Purchaser in accordance with the Purchase Agreement and to the extent that the Director of Finance determines to pay those Financing Costs from the proceeds of the Series 2009 Bonds, must be deposited in a separate fund and used for the payment of those Financing Costs.

(c) The remainder of the proceeds must be paid into the proper fund or funds and used to pay the costs of the Sanitary Sewer Project and to retire the Series 2008 Notes at their maturity.

SECTION TEN:
Security and Source of Payment. The Series 2009 Bonds will be general obligations of the City.

(a) This Council pledges to the payment of Debt Service on the Series 2009 Bonds the full faith and credit of the City including, without limitation:

(1) The general taxing power of the City, including the power to levy taxes within the ten-mill limitation, as defined in Section 5705.02, Revised Code.

(2) The proceeds to be received from the sale of any bonds issued to refund the Series 2009 Bonds.

(3) Any money remaining from the sale of the Series 2009 Bonds after the payment of Debt Service on the Series 2008 Notes, and the Financing Costs of the Series 2009 Bonds.

(4) Payments in lieu of taxes available for the payment of that Debt Service.

(b) During the years while the Series 2009 Bonds are outstanding, there will be levied on all the taxable property in the City, in addition to all other taxes, a direct tax annually, in an amount sufficient to pay Debt Service on the Series 2009 Bonds when due. The tax will not be less than the interest and sinking fund tax required by

Section 11 of Article XII of the Ohio Constitution. The tax will be and is ordered to be computed, certified, levied, and extended upon the tax list 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 computed, certified, levied, extended, and collected. The tax will be placed before and in preference to all other items and for its full amount. The money derived from that tax levy must be placed in the Bond Retirement Fund of the City and is irrevocably pledged for the payment of the Debt Service on the Series 2009 Bonds, when and as that Debt Service falls due.

(c) The tax provided in (b) above will be reduced in each year the Series 2009 Bonds are outstanding by the sum of the following items, if available to pay Debt Service on the Series 2009 Bonds and appropriated for that purpose:

(1) Any proceeds of bonds issued to refund the Series 2009 Bonds.

(2) Any surplus in the Bond Retirement Fund.

(3) Payments in lieu of taxes.

(4) Revenues from the operation of the City's sanitary sewer system.

(5) Any other money lawfully available to the City.

(d) The City covenants to appropriate annually from payments in lieu of taxes lawfully available under the Constitution and laws of Ohio, including without limitation Section 133.08(B)(8), Revised Code, an amount necessary to pay Debt Service on the Series 2009 Bonds.

SECTION ELEVEN:

Federal Tax Matters. The City covenants that it will take those actions required to maintain the Federal Tax Status of the Series 2009 Bonds and that it will not take or permit to be taken any actions that would adversely affect that Federal Tax Status. Without limiting these covenants, the City specifically covenants as follows:

(a) **Private Activity Bonds.** The City will apply the proceeds received from the sale of the Series 2009 Bonds to the uses described in Section 9. The City will not permit the use of the Sanitary Sewer Project by any person, will not secure or derive the money for payment of Debt Service on the Series 2009 Bonds by any property or payments, and will not loan the proceeds of the Series 2009 Bonds to any person, all in a manner as to cause the Series 2009 Bonds to be "private activity bonds" within the meaning of Code Section 141(a).

(b) **Arbitrage.** The City will restrict the use of proceeds of the Series 2009 Bonds in the manner and to the extent as may be necessary, after taking into account reasonable expectations on the Closing Date of the Bonds, so that the Series 2009 Bonds will not constitute "arbitrage bonds" within the meaning of Code Section 148. The Director of Finance or any other official having responsibility for issuing the

Series 2009 Bonds, is authorized and directed, alone or in conjunction with any other official, employee, or consultant of the City, to sign and deliver a certificate of the City, for inclusion in the transcript of proceedings for the Series 2009 Bonds. That certificate must set forth the reasonable expectations of the City on the Closing Date, regarding the amount and use of the proceeds of the Series 2009 Bonds in accordance with Code Section 148. If required, the City will limit the yield on any "investment property" (as defined in Code Section 148(b)(2)) acquired with the proceeds of the Series 2009 Bonds.

(c) **Arbitrage Rebate.** Unless the gross proceeds of the Series 2009 Bonds are expended in accordance with one of the spending period exceptions set forth in Treas. Reg. §1.148-7, the City will pay the amounts required by Code Section 148(f)(2) to the United States at the times required by Code Section 148(f)(3). The City will maintain the books and records and make calculations and reports as are required to comply with the Code's arbitrage rebate requirements.

(d) **Federal Guarantee.** The City will not permit the use of the Sanitary Sewer Project, or make loans of the proceeds of the Series 2009 Bonds, or invest the proceeds of the Series 2009 Bonds in a manner as to cause the Series 2009 Bonds to be "federally guaranteed" within the meaning of Code Section 149(b).

(e) **Information Reporting.** This Council authorizes and directs the Director of Finance or any other official of the City having responsibility for issuing the Series 2009 Bonds to sign and file Form 8038-G for the Series 2009 Bonds with the Internal Revenue Service.

(f) **Bank Qualified.** This Council designates the Series 2009 Bonds as "qualified tax-exempt obligations".

SECTION TWELVE:
Signing and Delivery of Bonds and Documents. This Council authorizes and directs the Mayor and the Director of Finance, or the persons designated to sign in their absence, to sign and deliver the Series 2009 Bonds in accordance with Section 4 of this ordinance. This Council authorizes and directs the Mayor and the Director of Finance, or either of them, to sign and approve a preliminary official statement, a final official statement, and supplements and amendments to both in accordance with Section 7 of this ordinance.

(a) This Council authorizes and directs the Director of Finance to sign and deliver, on behalf of the City:

(1) The Certificate of Award.

(2) Any Purchase Agreement.

(3) The Registrar Agreement.

(4) The Continuing Disclosure Certificate.

(5) Any agreements or letters of representation in connection with a Book-Entry System for the Series 2009 Bonds.

(6) Applications for and agreements in connection with obtaining a policy of municipal bond insurance for the Series 2009 Bonds.

(7) Applications for and agreements in connection with obtaining one or more ratings for the Series 2009 Bonds.

In the absence of the Director of Finance, this Council authorizes and directs the Mayor to sign and deliver any of those documents and certificates.

(b) This Council authorizes and directs the Director of Finance to sign and deliver, on behalf of the City, in his capacity as fiscal officer of the City:

(1) Any certificates in accordance with Section 5705.41, Revised Code, required for any of the agreements in connection with the Series 2009 Bonds.

(2) The statements of indebtedness provided for in Section 133.33(B), Revised Code.

In the absence of the Director of Finance, this Council authorizes and directs any deputy Director of Finance to sign and deliver any of those certificates and statements.

(c) This Council authorizes and directs the Mayor, the Director of Finance, the Law Director, the Clerk of Council, and any other City officials:

(1) to sign and deliver any agreements, certificates, instruments, and other documents that the official considers necessary or appropriate in connection with the issuance and sale of the Series 2009 Bonds, and that are not inconsistent with this ordinance; and

(2) to take such actions as are necessary or appropriate to consummate the transactions contemplated by this ordinance.

SECTION THIRTEEN:
Certification to County Fiscal Officer. This Council directs the Clerk of Council or the Director of Finance to forward a certified copy of this ordinance and a copy of the Certificate of Award to the County Fiscal Officer.

SECTION FOURTEEN:
Definitions. Words and terms are used in this ordinance with the following meanings:

"Annual Information" means the annual financial information and operating data of the type to be specified in the Continuing Disclosure Certificate in accordance with the SEC Rule.

"Authorized Denominations" means the denomination of $1,000 or any integral multiple of $1,000.

"Bond Proceedings" means, collectively, this ordinance, the Certificate of Award, the Continuing Disclosure Agreement, the Registrar Agreement, and the other proceedings of the City, including the Series 2009 Bonds, that provide collectively for, among other things, the rights of Holders and beneficial owners of the Series 2009 Bonds.

"Book-Entry Form" or "Book-Entry System" means a form or system under which (a) the ownership of book-entry interests in Series 2009 Bonds and the Debt Service on the Series 2009 Bonds may be transferred only through a book entry, and (b) physical note certificates in fully registered form are issued by the City only to a Depository or its nominee as registered owner, with the Series 2009 Bonds deposited and retained in the custody of the Depository or its agent.

"Capital Appreciation Bonds" means those Series 2009 Bonds designated as Capital Appreciation Bonds in the Certificate of Award and bearing interest compounded on each Interest Payment Date and payable at maturity.

"Certificate of Award" means the certificate authorized by Section 6 of this ordinance, setting forth the terms and other provisions of the Series 2009 Bonds required or authorized by this ordinance.

"Closing Date" means the date of delivery of and payment for the Series 2009 Bonds.

"Code" means the Internal Revenue Code of 1986, as amended. References to the Code and sections of the Code include applicable regulations (whether temporary or final) under the Code, and any amendments of, or successor provisions to, those sections or regulations.

"Compound Accreted Amount" means, for a Capital Appreciation Bond, the Original Principal Amount of the Capital Appreciation Bond, plus interest accrued and compounded on each Interest Payment Date or other date of determination. The Compound Accreted Amount of a Capital Appreciation Bond as of any date other than an Interest Payment Date is the sum of:

(a) the Compound Accreted Amount for the most recent Interest Payment Date, plus

(b) the product of (1) times (2) where

(1) is the difference between

(A) the Compound Accreted Amount of that Capital Appreciation Bond on the most recent Interest Payment Date, and

(B) the Compound Accreted Amount of that Capital Appreciation Bond on the next Interest Payment Date, and

(2) is the ratio of

(A) the number of days from the most recent Interest Payment Date to the date of calculation, to

(B) the total number of days from the most recent Interest Payment Date to the next Interest Payment Date.

In determining the Compound Accreted Amount of a Capital Appreciation Bond as of a determination date before the first Interest Payment Date, the Closing Date is treated as the most recent Interest Payment Date and the Original Principal Amount of that Capital Appreciation Bond is treated as the Compound Accreted Amount as of the Closing Date.

"Continuing Disclosure Agreement" means the continuing disclosure agreement made by the City for the benefit of Holders and beneficial owners of the Series 2009 Bonds in accordance with the SEC Rule. It consists of the covenants in Section 7(b) of this ordinance and the Continuing Disclosure Certificate.

"Continuing Disclosure Certificate" means the certificate authorized by Section 7(b).

"Current Interest Bonds" means those Series 2009 Bonds designated as Current Interest Bonds in the Certificate of Award and bearing interest payable on each Interest Payment Date.

"Debt Service" means all amounts due as principal, interest, and any premium on an issue of securities.

"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 securities or the principal of and interest on securities, and to effect transfers of securities in Book-Entry Form.

"EMMA System" means the MSRB's proposed Electronic Municipal Market Access System.

"Federal Tax Status" means the status of the interest on the Series 2009 Bonds as excludable from gross income for federal tax income tax purposes and not treated as an item of tax preference for purposes of the alternative minimum tax.

"Financing Costs" means any financing costs authorized to be paid by Section 133.01(K), Revised Code.

"Holder" means, as to any Bond, the person in whose name the Bond is registered on the Register.

"Interest Payment Dates" means June 1 and December 1 of each year, beginning on the first Interest Payment Date designated by the Director of Finance in the Certificate of Award.

"Mandatory Redemption Dates" means December 1 in each of the years designated in the Certificate of Award as Mandatory Redemption Dates.

"Mandatory Sinking Fund Redemption" means redemption in accordance with the mandatory redemption requirements, if any, for the Series 2009 Bonds as determined in the Certificate of Award and as described in Section 2(d).

"Maturity Amount" means, as to a Capital Appreciation Bond, the principal and interest due at stated maturity on that Capital Appreciation Bond.

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each nationally recognized municipal securities information repository designated from time to time by the SEC in accordance with the SEC Rule.

"Original Principal Amount" means (a) as to a Current Interest Bond, the face amount, and (b) as to a Capital Appreciation Bond, the principal amount that, when added to the interest on that principal amount accrued and compounded to the Principal Payment Date for that Capital Appreciation Bond, results in the Maturity Amount for that Capital Appreciation Bond.

"Original Purchaser" means RBC Capital Markets Corporation.

"Principal Payment Dates" means December 1 of the years set forth in the table in Section 2(c) of this ordinance or in the Certificate of Award.

"Purchase Agreement" means any Bond Purchase Agreement between the City and the Original Purchaser, entered into in accordance with Section 6.

"Register" means all books and records necessary for the registration, exchange, and transfer of the Series 2009 Bonds.

"Registrar" means the entity selected by the Director of Finance in the Certificate of Award in accordance with Section 8(d) to serve as registrar for the Series 2009 Bonds.

"Registrar Agreement" means the agreement between the Registrar and the City for the provision of registration, authentication, paying agent, and transfer agent services in connection wit the Series 2009 Bonds.

"Sanitary Sewer Project" means constructing sanitary sewers.

"SEC Rule" means SEC Rule 15c2-12.

"Serial Bonds" means Series 2009 Bonds designated as Serial Bonds in the Certificate of Award and maturing on the dates set forth in the Certificate of Award, and not subject to Mandatory Sinking Fund Redemption.

"Series 2009 Bonds" means the Sanitary Sewer Limited Tax General Obligation Bonds, Series 2009 authorized by this Ordinance.

"Series 2008 Notes" means the City's bond anticipation notes issued in 2008 in the principal amount of $537,000 as part of the City's consolidated issue of $17,147,000 Various Purpose

Limited Tax General Obligation Bond Anticipation Notes, Series 2008, as authorized in Ordinance No. 2008-8.

"SID" means the state information depository with which filings are required to be made by the City in accordance with the SEC Rule.

"Specified Events" means any of the following events, with respect to the Series 2009 Bonds: principal and interest payment delinquencies; non-payment-related defaults; unscheduled draws on debt-service reserves reflecting financial difficulties; unscheduled draws on credit enhancements reflecting financial difficulties; substitution of credit or liquidity providers or their failure to perform; adverse tax opinions or events affecting the tax-exempt status of the Series 2009 Bonds; modifications to rights of Holders or beneficial owners of the Series 2009 Bonds; bond calls; defeasances; release, substitution, or sale of property securing repayment of the Series 2009 Bonds; and rating changes.

"Term Bonds" means the Series 2009 Bonds designated as Term Bonds in the Certificate of Award and maturing on the dates set forth in the Certificate of Award, and subject to Mandatory Sinking Fund Redemption.

SECTION FIFTEEN:
Open Meetings. All formal actions of this Council relating to the enactment of this ordinance were taken in an open meeting of this Council, and all deliberations of this Council and of any of its committees that resulted in those formal actions, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22, Revised Code.

SECTION SIXTEEN:
Emergency and Effective Date. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and welfare in the City, and for the further reason that the Series 2009 Bonds must be sold promptly to retire the Series 2008 Notes and preserve the credit of the City; and provided it receives the affirmative vote of at least three-fourths of its members elected to Council, this ordinance shall take effect and be in force immediately upon its passage by the Council and approval by the Mayor; otherwise it shall take effect and be in force after the earliest period allowed by law.

ADOPTED: June 9, 2009

Molly Stevens
Molly Stevens, Clerk

Dave France
Dave France, Council President

APPROVED: June 9, 2009

Richard G. Norton, Mayor

ENACTED EFFECTIVE: June 9, 2009

ON ROLL CALL: Colopy-yea France-yea Ridgeway-yea Croce-yea
Reed -yea Manwaring-yea Smole -yea Adopted 7-0

Suburbanite publication on June 14 and June 21, 2009

Molly Stevens
Molly Stevens, Clerk

5/21/2009 9:48 AM Approved as to form and content by Stephen J. Pruneski, Law Director _____

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LAW (FIN) (MAY) PLAN FIRE