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3 CITY OF CUYAHOGA FALLS, OHIO

4  
5 ORDINANCE NO. 73 - 2011

6  
7  
8 AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE  
9 OF BONDS IN THE MAXIMUM PRINCIPAL AMOUNT OF  
10 \$3,300,000 TO REFUND AT A LOWER INTEREST COST  
11 CERTAIN OF THE CITY'S OUTSTANDING VARIOUS PURPOSE  
12 BONDS, SERIES 2001 WHICH WERE ISSUED FOR THE  
13 PURPOSE OF (i) INSTALLING NEW IRON FILTERS AND  
14 OTHERWISE IMPROVING THE CITY'S WATER PLANT AND (ii)  
15 IMPROVING THE MUNICIPAL WATERWORKS SYSTEM IN THE  
16 HIGH PRESSURE WATER DISTRICT; AUTHORIZING  
17 EXECUTION AND DELIVERY OF A BOND REGISTRAR  
18 AGREEMENT AND BOND PURCHASE AGREEMENT WITH  
19 RESPECT TO THE REFUNDING BONDS AND AN ESCROW  
20 AGREEMENT WITH RESPECT TO THE REFUNDING OF THE  
21 OUTSTANDING BONDS, AND RELATED MATTERS; AND  
22 DECLARING AN EMERGENCY.  
23

24  
25 WHEREAS, pursuant to Ordinance No. 128-2001, passed July 30, 2001, the City's  
26 Various Purpose Bonds, Series 2001 in the aggregate principal amount of \$5,600,000, dated  
27 August 1, 2001 (the "Outstanding Bonds"), were issued to pay costs of the following  
28 improvements: (i) \$4,500,000 principal amount of bonds for the purpose of installing new iron  
29 filters and otherwise improving the City's water plant ("Project 1"); (ii) \$675,000 principal amount  
30 of bonds for the purpose of improving the municipal waterworks system in the High Pressure  
31 Water District ("Project 2") and (iii) \$425,000 principal amount of bonds for the purpose of paying,  
32 in anticipation of the levy and collection of special assessments, the costs of constructing a  
33 portion of Buckingham Gate Boulevard ("Project 3"); and  
34

35 WHEREAS, the principal amount of the Outstanding Bonds allocated to Project 3 will have  
36 been fully paid by December 1, 2011, given the useful life and the period of the special  
37 assessments relating to Project 3; and  
38

39 WHEREAS, this Council finds and determines that it is necessary and in the best interest  
40 of the City to refund the Outstanding Bonds maturing on and after December 1, 2012 (the  
41 "Refunded Bonds"), and to call the Refunded Bonds for optional redemption on or after December  
42 1, 2011 in advance of their maturity and to issue the Bonds described in Section 1 to provide  
43 funds for that purpose, including the payment of expenses relating to the refunding of the  
44 Refunded Bonds and the issuance of the Bonds; and  
45

46 WHEREAS, the Director of Finance, as fiscal officer of this City, has certified to this  
47 Council that the estimated life or period of usefulness of Project 1 and Project 2 was, at the time  
48 the original indebtedness for each Project was incurred, at least five years, and that the maximum  
49 maturity of that portion of the Bonds to be allocated to Project 1 and Project 2 is no earlier than  
50 December 1, 2021, the date of final maturity for that portion of the Refunded Bonds;  
51

52 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga Falls,  
53 Summit County, Ohio, that:  
54

55 Section 1. This Council determines that it is necessary and in the best interest of  
56 the City to issue bonds of this City in the maximum aggregate principal amount of \$3,300,000  
57 (the Bonds) to refund at a lower interest cost the Refunded Bonds that were issued for the  
58 purposes of providing funds to pay costs of Project 1 and Project 2, including the payment of  
59 expenses relating to the refunding of the Refunded Bonds and the issuance of the Bonds.  
60

61 The aggregate principal amount of Bonds to be issued shall not exceed \$3,300,000  
62 and shall be in an amount determined by the Director of Finance to be the aggregate principal  
63 amount of Bonds that are required to be issued, taking into account the purchase price of the  
64 Bonds, in order to effect the purpose for which the Bonds are to be issued, including the  
65 payment of expenses relating to the refunding of the Refunded Bonds and the issuance of the  
66 Bonds, which amount shall be set forth in the certificate providing for the final terms of the  
67 Bonds and signed by the Director of Finance in accordance with this ordinance (the "Final Terms  
68 Certificate").  
69

70 Section 2. The Bonds shall be issued in one lot and only as fully registered bonds,  
71 in the denominations of \$5,000 and any integral multiples thereof, but in no case as to a  
72 particular maturity date exceeding the principal amount maturing on that date. The Bonds  
73 shall be dated no later than December 1, 2011, as established by the Director of Finance in the  
74 Final Terms Certificate.  
75

76 (a) The Bonds shall bear interest at the rate or rates per year (computed on a  
77 360-day per year basis) not to exceed 7.0% per year for any stated maturity, as specified in the  
78 Final Terms Certificate. Interest on the Bonds shall be payable on June 1 and December 1 of  
79 each year (the Interest Payment Dates), commencing no later than June 1, 2012, as specified in  
80 the Final Terms Certificate, until the principal amount has been paid or provided for. The Bonds  
81 shall bear interest from the most recent date to which interest has been paid or provided for, or,  
82 if no interest has been paid or provided for, from their date.  
83

84 (b) The Bonds shall mature or be payable pursuant to Mandatory Sinking Fund  
85 Redemption Requirements (as hereinafter defined and described) on December 1 of each of the  
86 following years (the Principal Payment Dates) in the following estimated principal amounts  
87 (based on an assumed principal amount of \$3,095,000):  
88

89	Year	Principal Amount	Year	Principal Amount
90	2012	\$270,000	2017	\$305,000
91	2013	285,000	2018	320,000
92	2014	290,000	2019	325,000
93	2015	300,000	2020	340,000
94	2016	305,000	2021	355,000

95 ; provided that, subject to Section 1 and the parameters set forth in this Section, the principal  
96 amount of Bonds maturing or payable pursuant to Mandatory Sinking Fund Redemption  
97 Requirements on any Principal Payment Date may be increased or decreased, as determined by  
98 the Director of Finance in the Final Terms Certificate, in accordance with his determination of  
99 the best interest of and financial advantages to the City, so long as the aggregate principal  
100 amount of Bonds issued and maturing or payable pursuant to Mandatory Sinking Fund  
101 Redemption Requirements does not exceed \$3,300,000.  
102  
103  
104

105 Consistent with the foregoing and in accordance with his determination of the best  
106 interest of and financial advantages to the City, the Director of Finance shall specify in the Final  
107 Terms Certificate (i) the principal amount of Bonds, if any, maturing or payable pursuant to  
108 Mandatory Sinking Fund Redemption Requirements on each Principal Payment Date, (ii) the  
109

110 Principal Payment Date or Dates, if any, on which Bonds not subject to mandatory sinking fund  
111 redemption (Serial Bonds) shall mature; (iii) the Principal Payment Date or Dates, if any, on  
112 which Bonds subject to mandatory sinking fund redemption (Term Bonds) shall be stated to  
113 mature; and (iv) the Principal Payment Date or Dates on which any Term Bonds shall be subject  
114 to mandatory sinking fund redemption (Mandatory Redemption Dates).  
115

116 (c) The rate or rates of interest per year to be borne by the Bonds, as specified by the  
117 Director of Finance in the Final Terms Certificate, and the principal amount of Bonds maturing  
118 or payable pursuant to Mandatory Sinking Fund Redemption Requirements on each Principal  
119 Payment Date as specified above or as revised and determined by the Director of Finance in the  
120 Final Terms Certificate, shall be such that (i) the total principal and interest payments on the  
121 Bonds allocated to each Project in any fiscal year in which principal is payable and there are two  
122 semi-annual interest payments is not more than three times the amount of those payments in  
123 any other fiscal year and, (ii) the aggregate principal and interest payments to be made on the  
124 Bonds are less than the aggregate principal and interest payments that would remain to be  
125 made on the Refunded Bonds in the absence of any call for optional redemption of the Refunded  
126 Bonds, (iii) the Principal Payment Dates shall begin no later than December 1, 2012 and end no  
127 later than December 1, 2021, and (iv) the principal amount of the Bonds maturing or payable  
128 pursuant to Mandatory Sinking Fund Redemption Requirements on each Principal Payment  
129 Date shall be such that the principal amount allocated to each Project, as specified in the Final  
130 Terms Certificate, shall be retired in full by the maximum maturity date for that portion of the  
131 principal amount.  
132

133 (d) The Bonds shall be subject to redemption prior to stated maturity as follows:  
134

135 (i) Mandatory Sinking Fund Redemption of Term Bonds. If any of the Bonds  
136 are issued as Term Bonds, the Term Bonds shall be subject to mandatory redemption in part by  
137 lot and be redeemed pursuant to mandatory sinking fund requirements, at a redemption price of  
138 100% of the principal amount redeemed, plus accrued interest to the redemption date, on the  
139 applicable Mandatory Redemption Dates and in the principal amounts payable on those Dates  
140 for which provision is made in the Final Terms Certificate (such Dates and amounts, the  
141 Mandatory Sinking Fund Redemption Requirements).  
142

143 The aggregate of the moneys to be deposited with the Bond Registrar (as defined in  
144 Section 4 of this ordinance) for payment of principal of and interest on Term Bonds on each  
145 Mandatory Redemption Date shall include an amount sufficient to redeem on that Date the  
146 principal amount of Term Bonds payable on that Date pursuant to Mandatory Sinking Fund  
147 Redemption Requirements (less the amount of any credit as provided below).  
148

149 The City shall have the option to deliver to the Bond Registrar for cancellation Term  
150 Bonds in any aggregate principal amount and to receive a credit against the then current  
151 Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption  
152 obligation) of the City for Term Bonds stated to mature on the same Principal Payment Date as  
153 the Term Bonds so delivered. That option shall be exercised by the City on or before the  
154 forty-fifth day preceding the applicable Mandatory Redemption Date, by furnishing the Bond  
155 Registrar a certificate, signed by the Director of Finance, setting forth the extent of the credit to  
156 be applied with respect to the then current Mandatory Sinking Fund Redemption Requirement  
157 for Term Bonds stated to mature on the same Principal Payment Date. If the certificate is not  
158 timely furnished to the Bond Registrar, the applicable Mandatory Sinking Fund Redemption  
159 Requirement (and corresponding mandatory redemption obligation) shall not be reduced. A  
160 credit against the then current Mandatory Sinking Fund Redemption Requirement (and  
161 corresponding mandatory redemption obligation) also shall be received by the City for any Term  
162 Bonds which prior thereto have been redeemed (other than through the operation of the  
163 applicable Mandatory Sinking Fund Redemption Requirements) or purchased for cancellation  
164 and canceled by the Bond Registrar, to the extent not applied theretofore as a credit against any

165 Mandatory Sinking Fund Redemption Requirement for Term Bonds stated to mature on the  
166 same Principal Payment Date as the Term Bonds so redeemed or purchased and canceled.  
167

168 Each Term Bond so delivered, or previously redeemed, or purchased and canceled, shall  
169 be credited by the Bond Registrar at 100% of the principal amount thereof against the then  
170 current Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory  
171 redemption obligation), as specified by the Director of Finance, for Term Bonds stated to mature  
172 on the same Principal Payment Date as the Term Bonds so delivered, redeemed or purchased  
173 and canceled. The Director of Finance shall specify in the records of the City the Mandatory  
174 Sinking Fund Redemption Requirement applicable to Bonds allocated to a particular Project, as  
175 previously determined by the Director of Finance in accordance with paragraph (b) of this  
176 Section, against which the credit shall be applied.  
177

178 (ii) Optional Redemption. If determined in the Final Terms Certificate to be in  
179 the best interest of and financially advantageous to the City, the Bonds of particular maturities  
180 as set forth in the Final Terms Certificate shall be subject to prior redemption, by and at the sole  
181 option of the City, in whole or in part on any date, in integral multiples of \$5,000, at the optional  
182 redemption dates and at the redemption prices (expressed as a percentage of the principal  
183 amount redeemed) specified in the Final Terms Certificate, plus, in each case, accrued interest  
184 to the redemption date, provided the earliest optional redemption date shall not be earlier than  
185 December 1, 2016 and the highest redemption price shall not be greater than 102%. If optional  
186 redemption of Term Bonds at a redemption price exceeding 100% of the principal amount to be  
187 redeemed is to take place as of any Mandatory Redemption Date applicable to those Term  
188 Bonds, the Term Bonds, or portions thereof, to be redeemed optionally shall be selected by lot  
189 prior to the selection by lot of the Term Bonds of the same maturity to be redeemed on the same  
190 date by operation of the Mandatory Sinking Fund Redemption Requirements. Bonds to be  
191 redeemed pursuant to this paragraph shall be redeemed only upon written notice from the  
192 Director of Finance to the Bond Registrar, given upon the direction of this Council by adoption of  
193 a resolution or passage of an ordinance. That notice shall specify the redemption date and the  
194 principal amount of each maturity of Bonds to be redeemed, and shall be given at least 45 days  
195 prior to the redemption date or such shorter period as shall be acceptable to the Bond Registrar.  
196

197 (iii) Partial Redemption. If fewer than all of the outstanding Bonds are called for  
198 optional redemption at one time and Bonds of more than one maturity are then outstanding, the  
199 Bonds that are called shall be called as selected by, and selected in a manner determined by, the  
200 City. If fewer than all of the Bonds of a single maturity are to be redeemed, the selection of  
201 Bonds of that maturity to be redeemed, or portions thereof in amounts of \$5,000 or any integral  
202 multiple thereof, shall be made by lot in a manner determined by the Bond Registrar. In the  
203 case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$5,000  
204 are then outstanding, each \$5,000 unit of principal thereof shall be treated as if it were a  
205 separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of  
206 the \$5,000 units of principal amount represented by a Bond are to be called for redemption,  
207 then, upon notice of redemption of a \$5,000 unit or units, the registered owner of that Bond  
208 shall surrender the Bond to the Bond Registrar (i) for payment of the redemption price of the  
209 \$5,000 unit or units of principal amount called for redemption (including, without limitation, the  
210 interest accrued to the date fixed for redemption and any premium), and (ii) for issuance,  
211 without charge to the registered owner, of a new Bond or Bonds of any authorized denomination  
212 or denominations in an aggregate principal amount equal to the unmatured and unredeemed  
213 portion of, and bearing interest at the same rate and maturing on the same date as, the Bond  
214 surrendered.  
215

216 (iv) Notice of Redemption. The notice of the call for redemption of Bonds shall  
217 identify (i) by designation, letters, numbers or other distinguishing marks, the Bonds or portions  
218 thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption,  
219 and (iv) the place or places where the amounts due upon redemption are payable. The notice

220 shall be given by the Bond Registrar on behalf of the City by mailing a copy of the redemption  
221 notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption,  
222 to the registered owner of each Bond subject to redemption in whole or in part at the registered  
223 owner's address shown on the Bond Register (as defined in Section 6 of this ordinance)  
224 maintained by the Bond Registrar at the close of business on the fifteenth day preceding that  
225 mailing. Failure to receive notice by mail or any defect in that notice regarding any Bond,  
226 however, shall not affect the validity of the proceedings for the redemption of any Bond.

227  
228 (v) Payment of Redeemed Bonds. In the event that notice of redemption shall  
229 have been given by the Bond Registrar to the registered owners as provided above, there shall be  
230 deposited with the Bond Registrar on or prior to the redemption date, moneys that, in addition to  
231 any other moneys available therefor and held by the Bond Registrar, will be sufficient to redeem  
232 at the redemption price thereof, plus accrued interest to the redemption date, all of the  
233 redeemable Bonds for which notice of redemption has been given. Notice having been mailed in  
234 the manner provided in the preceding paragraph hereof, the Bonds and portions thereof called  
235 for redemption shall become due and payable on the redemption date, and, subject to Section 5  
236 of this ordinance, upon presentation and surrender thereof at the place or places specified in  
237 that notice, shall be paid at the redemption price, plus accrued interest to the redemption date.  
238 If moneys for the redemption of all of the Bonds and portions thereof to be redeemed, together  
239 with accrued interest thereon to the redemption date, are held by the Bond Registrar on the  
240 redemption date, so as to be available therefor on that date and, if notice of redemption has been  
241 deposited in the mail as aforesaid, then from and after the redemption date those Bonds and  
242 portions thereof called for redemption shall cease to bear interest and no longer shall be  
243 considered to be outstanding. If those moneys shall not be so available on the redemption date,  
244 or that notice shall not have been deposited in the mail as aforesaid, those Bonds and portions  
245 thereof shall continue to bear interest, until they are paid, at the same rate as they would have  
246 borne had they not been called for redemption. All moneys held by the Bond Registrar for the  
247 redemption of particular Bonds shall be held in trust for the account of the registered owners  
248 thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds.

249  
250 Section 3. The Bonds shall be signed by the Mayor and the Director of Finance, in the  
251 name of the City and in their official capacities, provided that either or both of those signatures  
252 may be a facsimile. The Bonds shall be issued in the denominations and numbers as requested  
253 by the Original Purchaser (as defined in Section 7(a)) and approved by the Director of Finance,  
254 shall be numbered as determined by the Director of Finance, and shall express upon their faces  
255 the purpose, in summary terms, for which they are issued and that they are issued pursuant to  
256 this ordinance. No Bond shall be valid or obligatory for any purpose or shall be entitled to any  
257 security or benefit under this ordinance, the Final Terms Certificate, the Continuing Disclosure  
258 Certificate (as defined in Section 7(c)) and such other proceedings of the City, including the  
259 Bonds, that provide collectively for, among other things, the rights of holders and beneficial  
260 owners of the Bonds (the "Bond Proceedings") unless and until the certificate of authentication  
261 printed on the Bond is signed by the Bond Registrar (as defined in Section 4) as authenticating  
262 agent. Authentication by the Bond Registrar shall be conclusive evidence that the Bond so  
263 authenticated has been duly issued, signed and delivered under, and is entitled to the security  
264 and benefit of, the Bond Proceedings. The certificate of authentication may be signed by any  
265 authorized officer or employee of the Bond Registrar or by any other person acting as an agent of  
266 the Bond Registrar and approved by the Director of Finance on behalf of the City. The same  
267 person need not sign the certificate of authentication on all of the Bonds.

268  
269 Section 4. The Huntington National Bank, or its successor, is appointed to act as the  
270 authenticating agent, bond registrar, transfer agent and paying agent for the Bonds (the Bond  
271 Registrar). The Mayor and the Director of Finance shall sign and deliver, in the name and on  
272 behalf of the City, the Bond Registrar Agreement between the City and the Bond Registrar in  
273 substantially the form as is now on file with the Clerk of Council in Council File No. \_\_\_\_\_.  
274 The Bond Registrar Agreement is approved, together with any changes or amendments that are

275 not inconsistent with this ordinance and not substantially adverse to the City and that are  
276 approved by the Mayor and the Director of Finance on behalf of the City, all of which shall be  
277 conclusively evidenced by the signing of the Bond Registrar Agreement or amendments thereto.  
278 The Director of Finance shall provide for the payment of the services rendered and for  
279 reimbursement of expenses incurred pursuant to the Bond Registrar Agreement from the  
280 proceeds of the Bonds to the extent available and then from other money lawfully available and  
281 appropriated or to be appropriated for that purpose.

282  
283 Section 5. The debt charges on the Bonds shall be payable in lawful money of the United  
284 States of America without deduction for the services of the Bond Registrar as paying agent.  
285 Principal and any premium shall be payable when due upon presentation and surrender of the  
286 Bonds at the principal corporate trust office of the Bond Registrar, or such other office  
287 designated by the Bond Registrar and approved by the Director of Finance. Interest on a Bond  
288 shall be paid on each Interest Payment Date by check or draft mailed to the person in whose  
289 name the Bond was registered, and to that person's address appearing, on the Bond Register (as  
290 defined in Section 6) at the close of business on the 15th day of the calendar month next  
291 preceding that Interest Payment Date (the Record Date). Notwithstanding the foregoing, if and  
292 so long as the Bonds are issued in a book entry system, principal of and interest and any  
293 premium on the Bonds shall be payable in the manner provided in any agreement entered into  
294 by the Mayor and the Director of Finance, in the name and on behalf of the City, in connection  
295 with the book entry system.

296  
297 Section 6. So long as any of the Bonds remain outstanding, the City will cause the Bond  
298 Registrar to maintain and keep at its principal corporate trust office, or such other office  
299 designated by the Bond Registrar and approved by the Director of Finance, all books and records  
300 necessary for the registration, exchange and transfer of Bonds as provided in this Section (the  
301 Bond Register). Subject to the provisions of Section 5, the person in whose name a Bond is  
302 registered on the Bond Register shall be regarded as the absolute owner of that Bond for all  
303 purposes of the Bond Proceedings. Payment of or on account of the debt charges on any Bond  
304 shall be made only to or upon the order of that person; neither the City nor the Bond Registrar  
305 shall be affected by any notice to the contrary, but the registration may be changed as provided  
306 in this Section. All such payments shall be valid and effectual to satisfy and discharge the City's  
307 liability upon the Bond, including interest, to the extent of the amount or amounts so paid.

308  
309 Any Bond may be exchanged for Bonds of any authorized denomination upon  
310 presentation and surrender at the designated office of the Bond Registrar, together with a  
311 request for exchange signed by the registered owner or by a person legally empowered to do so in  
312 a form satisfactory to the Bond Registrar. A Bond may be transferred only on the Bond Register  
313 upon presentation and surrender of the Bond at the designated office of the Bond Registrar  
314 together with an assignment signed by the registered owner or by a person legally empowered to  
315 do so in a form satisfactory to the Bond Registrar. Upon exchange or transfer the Bond  
316 Registrar shall complete, authenticate and deliver a new Bond or Bonds of any authorized  
317 denomination or denominations requested by the owner equal in the aggregate to the unmaturing  
318 principal amount of the Bond surrendered and bearing interest at the same rate and maturing  
319 on the same date.

320  
321 If manual signatures on behalf of the City are required, the Bond Registrar shall  
322 undertake the exchange or transfer of Bonds only after the new Bonds are signed by the  
323 authorized officers of the City. In all cases of Bonds exchanged or transferred, the City shall sign  
324 and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions  
325 of the Bond Proceedings. The exchange or transfer shall be without charge to the owner, except  
326 that the City and Bond Registrar may make a charge sufficient to reimburse them for any tax or  
327 other governmental charge required to be paid with respect to the exchange or transfer. The City  
328 or the Bond Registrar may require that those charges, if any, be paid before the procedure is  
329 begun for the exchange or transfer. All Bonds issued and authenticated upon any exchange or

330 transfer shall be valid obligations of the City, evidencing the same debt, and entitled to the same  
331 security and benefit under the Bond Proceedings, as the Bonds surrendered upon that exchange  
332 or transfer. Neither the City nor the Bond Registrar shall be required to make any exchange or  
333 transfer of a Bond during the period beginning at the opening of business 15 days before the day  
334 of the mailing of a notice of redemption of Bonds and ending at the close of business on the day  
335 of such mailing or to transfer or exchange any Bond selected for redemption, in whole or in part.  
336

337 Notwithstanding any other provisions of this ordinance, if it is determined by the Director  
338 of Finance to be in the best interests of and financially advantageous to the City, the Bonds may  
339 be issued in book entry form in accordance with the provisions of this Section. As used in this  
340 Section and this ordinance:  
341

342 "Book entry form" or "book entry system" means a form or system under which (i) the  
343 ownership of book entry interests in Bonds and the principal of and interest on the Bonds may  
344 be transferred only through a book entry, and (ii) physical Bond certificates in fully registered  
345 form are issued by the City only to a Depository or its nominee as registered owner, with the  
346 Bonds "immobilized" in the custody of the Depository. The book entry maintained by others  
347 than the City is the record that identifies the owners of book entry interests in those Bonds and  
348 that principal and interest.  
349

350 "Depository" means any securities depository that is a clearing agency under federal law  
351 operating and maintaining, with its Participants or otherwise, a book entry system to record  
352 ownership of book entry interests in Bonds or the principal and interest, and to effect transfers  
353 of Bonds, in book entry form, and includes and means initially The Depository Trust Company (a  
354 limited purpose trust company), New York, New York.  
355

356 "Participant" means any participant contracting with a Depository under a book entry  
357 system and includes security brokers and dealers, banks and trust companies, and clearing  
358 corporations.  
359

360 The Bonds may be issued to a Depository for use in a book entry system and, if and as  
361 long as a book entry system is utilized, (i) the Bonds may be issued in the form of a single, fully  
362 registered Bond representing each maturity and registered in the name of the Depository or its  
363 nominee, as registered owner, and immobilized in the custody of the Depository; (ii) the book  
364 entry interest owners in book entry form shall have no right to receive Bonds in the form of  
365 physical securities or certificates; (iii) ownership of book entry interests in book entry form shall  
366 be shown by book entry on the system maintained and operated by the Depository and its  
367 Participants, and transfers of the ownership of book entry interests shall be made only by book  
368 entry by the Depository and its Participants; and (iv) the Bonds as such shall not be transferable  
369 or exchangeable, except for transfer to another Depository or to another nominee of a  
370 Depository, without further action by the City.  
371

372 If any Depository determines not to continue to act as a Depository for the Bonds for use  
373 in a book entry system, the Director of Finance may attempt to establish a securities  
374 depository/book entry relationship with another qualified Depository. If the Director of Finance  
375 does not or is unable to do so, the Director of Finance, after making provision for notification of  
376 the book entry interest owners by the then Depository and any other arrangements deemed  
377 necessary, shall permit withdrawal of the Bonds from the Depository, and authenticate and  
378 deliver bond certificates in registered form to the assigns of the Depository or its nominee, all at  
379 the cost and expense (including any costs of printing), if the event is not the result of City action  
380 or inaction, of those persons requesting such issuance.  
381

382 The Director of Finance is also hereby authorized and directed to the extent necessary or  
383 required to enter into any agreements determined necessary in connection with the book entry  
384 system for the Bonds, after determining that the signing thereof will not endanger the funds or

385 securities of the City and after the approval of the form of any such agreement by the Director of  
386 Law.

387  
388 Section 7. (a) The Bonds are sold at private sale to Stifel, Nicolaus & Company,  
389 Incorporated, or its successor (the Original Purchaser), at a purchase price of not less than 97%  
390 of par plus any accrued interest from the date of the Bonds to the date of their delivery to the  
391 Original Purchaser, with the principal amount of the Bonds, final purchase price, interest rate or  
392 rates, annual principal installments, Serial Bonds, Term Bonds, Mandatory Redemption Dates  
393 and Mandatory Sinking Fund Redemption Requirements, optional redemption provisions, and  
394 such other terms and conditions, all as set forth in the Final Terms Certificate in accordance  
395 with law and the provisions of this ordinance and the Bond Purchase Agreement described  
396 below. The Mayor and the Director of Finance shall sign and deliver, in the name of and on  
397 behalf of the City, the Bond Purchase Agreement between the City and the Original Purchaser in  
398 substantially the form as is now on file with the Clerk of Council in Council File No. \_\_\_\_\_.  
399 The Bond Purchase Agreement is approved, together with any changes or amendments that are  
400 not inconsistent with this ordinance and not substantially adverse to the City and that are  
401 approved by the Mayor and the Director of Finance on behalf of the City, all of which shall be  
402 conclusively evidenced by the signing of the Bond Purchase Agreement or amendments thereto.  
403 The Director of Finance shall cause the Bonds to be prepared and signed and delivered, together  
404 with a true transcript of proceedings with reference to the issuance of the Bonds, to the Original  
405 Purchaser upon payment of the purchase price. The Mayor, the Clerk of Council, the Director of  
406 Finance, the Director of Law and other City officials, as appropriate, are each authorized and  
407 directed to sign any transcript certificates, financial statements and other documents and  
408 instruments and to take such actions as are necessary or appropriate to consummate the  
409 transactions contemplated by this ordinance.

410  
411 The Director of Finance is authorized, if it is determined to be in the best interest of the  
412 City, to combine the issue of Bonds with one or more other bond issues of the City into a  
413 consolidated bond issue pursuant to Section 133.30(B) of the Revised Code.

414  
415 (b) If, in the judgment of the Mayor and the Director of Finance, a disclosure document  
416 in the form of an official statement is appropriate relating to the original issuance of the Bonds,  
417 any or all of those officers, on behalf of the City and in their official capacities, are authorized to  
418 (i) prepare or cause to be prepared, and make or authorize modifications, completions or  
419 changes of or supplements to, such an official statement, (ii) determine, and to certify or  
420 otherwise represent, when the official statement is to be deemed final or is a final official  
421 statement, (iii) use and distribute, or authorize the use and distribution of those official  
422 statements and any supplements thereto in connection with the original issuance of the Bonds,  
423 and (iv) complete and sign the final official statement together with certificates, statements or  
424 other documents in connection with the finality, accuracy and completeness of those official  
425 statements.

426  
427 (c) For the benefit of the holders and beneficial owners from time to time of the Bonds,  
428 the City agrees to provide or cause to be provided such financial information and operating data,  
429 audited financial statements and notices of the occurrence of certain events, in such manner as  
430 may be required for purposes of Securities and Exchange Commission Rule 15c2-12 (the Rule).  
431 The Mayor and the Director of Finance are authorized and directed to complete, sign and deliver  
432 the Continuing Disclosure Agreement, in the name and on behalf of the City, in substantially the  
433 form as is now on file with the Clerk of Council in Council File No. \_\_\_\_\_. The Continuing  
434 Disclosure Agreement is approved, together with any changes or amendments that are not  
435 inconsistent with this ordinance and not substantially adverse to the City and that are approved  
436 by the Director of Finance and Director of Law on behalf of the City, all of which shall be  
437 conclusively evidenced by the signing of the Continuing Disclosure Agreement.

438



439 The Director of Finance is further authorized and directed to establish procedures in  
440 order to ensure compliance by the City with its Continuing Disclosure Agreement, including  
441 timely provision of information and notices as described above. Prior to making any filing  
442 required under the Rule, the Director of Finance shall consult with and obtain legal advice from,  
443 as appropriate, the Director of Law and bond counsel or other qualified independent special  
444 counsel selected by the City. The Director of Finance, acting in the name and on behalf of the  
445 City, shall be entitled to rely upon any such legal advice in determining whether a filing should  
446 be made. The performance by the City of its Continuing Disclosure Agreement shall be subject  
447 to the annual appropriation of any funds that may be necessary to perform it.  
448

449 (d) If he determines it to be in the best interests of and financially advantageous to the  
450 City, the Director of Finance is authorized, on behalf of this City, (i) to apply for and accept a  
451 commitment for municipal bond insurance issued by a nationally-recognized municipal bond  
452 insurance company insuring the payment when due of the principal of and interest on the  
453 Bonds; (ii) to apply for a rating on the Bonds from one or more nationally-recognized rating  
454 organizations; (iii) to do any and all things and take any and all actions required to secure a  
455 policy of municipal bond insurance and/or a rating or ratings on the Bonds including, but not  
456 limited to, entering into agreements on behalf of this City necessary to secure a policy of  
457 municipal bond insurance, which agreements may be in separate documents or included in the  
458 Bond Purchase Agreement, the Bond Registrar Agreement or the Final Terms Certificate, or any  
459 combination thereof; and (iv) to provide for the payment of the cost of obtaining each such rating  
460 or policy, except to the extent paid by the Original Purchaser in accordance with the Bond  
461 Purchase Agreement, from the proceeds of the Bonds to the extent available and otherwise from  
462 any other funds lawfully available and that are appropriated or to be appropriated for that  
463 purpose.  
464

465 Section 8. This Council determines that, subject to the determination of the Director of  
466 Finance that interest rates available on the sale date will enable the City to obtain an interest  
467 rate savings on a net present value, it is necessary and in the best interest of the City to refund  
468 the Refunded Bonds and to redeem the Refunded Bonds by optional redemption on a date to be  
469 determined by the Director of Finance not earlier than December 1, 2011 and not later than  
470 February 15, 2012. The Director of Finance is authorized and directed to give written notice to  
471 The Huntington National Bank, or its successor, as the bond registrar for the Refunded Bonds,  
472 of such call for redemption. The Refunded Bonds shall be redeemed in accordance with the  
473 ordinance authorizing the Refunded Bonds and the Escrow Agreement, as defined in Section 9 of  
474 this ordinance. The City covenants for the benefit of the holders of the Refunded Bonds and of  
475 the Bonds, that it will at no time on or after the Closing Date take actions to modify or rescind  
476 that call for prior redemption, and that it will take, and will cause the bond registrar and paying  
477 agent for the Refunded Bonds to take, all steps required by the terms of the Refunded Bonds to  
478 make and perfect that call for prior redemption.  
479

480 Section 9. The Huntington National Bank, or its successor, is authorized and appointed  
481 to act as the escrow agent (the Escrow Agent) with respect to the refunding of the Refunded  
482 Bonds and to cause notice of the refunding of the Refunded Bonds to be given in accordance  
483 with the Escrow Agreement. The Mayor and Director of Finance shall sign and deliver, in the  
484 name and on behalf of the City, an agreement (the Escrow Agreement) between the City and the  
485 Escrow Agent, in substantially the form as is now on file with the Clerk of Council in Council  
486 File No. \_\_\_\_\_. The Escrow Agreement is approved, together with any changes or  
487 amendments that are not inconsistent with this ordinance and not substantially adverse to the  
488 City and that are approved by the Mayor and Director of Finance on behalf of the City, all of  
489 which shall be conclusively evidenced by the signing of the Escrow Agreement or amendments  
490 thereto. The Mayor and Director of Finance shall provide for the payment of the services  
491 rendered and for reimbursement of expenses incurred pursuant to the Escrow Agreement from  
492 the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully  
493 available and that are appropriated or to be appropriated for that purpose.

494  
495       Section 10. There is created under the Escrow Agreement a trust fund as provided in the  
496 Escrow Agreement (the Escrow Fund) which shall be held and maintained by the Escrow Agent  
497 in trust for the registered owners of the Refunded Bonds and is pledged for the payment of  
498 principal of and interest and any redemption premium on the Refunded Bonds, all in accordance  
499 with the provisions of the Escrow Agreement. The Director of Finance is hereby authorized and  
500 directed to transfer to the Escrow Agent for deposit in the Escrow Fund (i) any funds on deposit  
501 in the Bond Retirement Fund or otherwise available for the payment of debt charges on the  
502 Refunded Bonds and (ii) all of the proceeds from the sale of the Bonds other than those needed  
503 for issuance costs of the Bonds and for the costs of refunding of the Refunded Bonds, as  
504 determined by the Director of Finance, and excepting any accrued interest. Those funds are  
505 appropriated and shall be used to pay principal of and interest and any redemption premium on  
506 the Refunded Bonds, as provided in the Escrow Agreement.  
507

508       The funds deposited in the Escrow Fund shall be (a) held in cash to the extent that they  
509 are not needed to make the investments hereinafter described and (b) invested in direct  
510 obligations of, or obligations guaranteed as to payment by, the United States of America (within  
511 the meaning of Section 133.34(D) of the Revised Code) that mature or are subject to redemption  
512 by and at the option of the holder, in amounts sufficient, together with any uninvested cash in  
513 the Escrow Fund but without further investment or reinvestment, for (i) the payment of principal  
514 and interest on the Refunded Bonds to the extent due prior to the date of redemption, and (ii)  
515 the payment of principal, interest and any redemption premium on the Refunded Bonds on the  
516 date of redemption as provided in this ordinance and the Escrow Agreement. If the Director of  
517 Finance determines it to be necessary or desirable in connection with the refunding of the  
518 Refunded Bonds, the securities deposited into the Escrow Fund may be certified by an  
519 independent accounting firm to be selected by the Director of Finance (the "Verification Agent"),  
520 to be of such maturities and interest payment dates and to bear such interest as will, without  
521 further investment or reinvestment of either the principal amount thereof or interest earnings  
522 therefrom together with any such cash deposited with and to be retained in that form by the  
523 Escrow Trustee, be sufficient to pay the principal of and interest and any redemption premium  
524 on the Refunded Bonds through the date of redemption.  
525

526       If U.S. Treasury Securities -- State and Local Government Series are to be purchased for  
527 the Escrow Fund, the Escrow Agent is hereby specifically authorized to file, on behalf of the City,  
528 subscriptions for the purchase and issuance of those U.S. Treasury Securities - State and Local  
529 Government Series. If, in the judgment of the Director of Finance, an open-market purchase of  
530 obligations described in (b) in the preceding paragraph for the Escrow Fund is in the best  
531 interest of and financially advantageous to this City, the Director of Finance or any other officer  
532 of the City, on behalf of the City and in his official capacity, may purchase and deliver such  
533 obligations, engage the services of a financial advisor, bidding agent or similar entity for the  
534 purpose of facilitating the bidding, purchase and delivery of such obligations for, and any related  
535 structuring of, the Escrow Fund, execute such instruments as are deemed necessary to engage  
536 such services for such purpose, and provide further for the payment of the cost of obtaining  
537 such services, except to the extent paid by the Original Purchaser in accordance with the Bond  
538 Purchase Agreement, from the proceeds of the Bonds to the extent available and otherwise from  
539 any other funds lawfully available and that are appropriated or shall be appropriated for that  
540 purpose. Any actions heretofore taken by any of those officers in connection with the foregoing  
541 are hereby ratified and approved.  
542

543       If the City determines to refund other outstanding unvoted general obligation bonds  
544 (collectively, the Other Refunded Obligations) contemporaneously with the refunding of the  
545 Refunded Bonds, the proceeds from the sale of bonds and other funds necessary and sufficient  
546 for that purpose may be deposited in the Escrow Fund and commingled and invested with the  
547 proceeds of the Bonds and other funds necessary and sufficient for the refunding of the  
548 Refunded Bonds. In that event, the Escrow Fund shall be held and maintained by the Escrow

549 Trustee in trust for the registered owners of the Refunded Bonds and the Other Refunded  
550 Obligations and pledged to the payment of principal of and interest and redemption premium on  
551 the Refunded Bonds and the Other Refunded Obligations.  
552

553 Section 11. There shall be levied on all the taxable property in the City, in addition to all  
554 other taxes, a direct tax annually during the period the Bonds are outstanding in an amount  
555 sufficient to pay the debt charges on the Bonds when due, which tax shall not be less than the  
556 interest and sinking fund tax required by Section 11 of Article XII of the Ohio Constitution. The  
557 tax shall be within the eleven-mill limitation provided by the Charter of the City, shall be and is  
558 ordered computed, certified, levied and extended upon the tax duplicate and collected by the  
559 same officers, in the same manner and at the same time that taxes for general purposes for each  
560 of those years are certified, levied, extended and collected, and shall be placed before and in  
561 preference to all other items and for the full amount thereof. The proceeds of the tax levy shall  
562 be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt  
563 charges on the Bonds when and as the same fall due. In each year to the extent money from the  
564 City's waterworks system for Project 1 and Project 2 is available for the payment of debt charges  
565 on the Bonds and is appropriated for any of those purposes, the tax shall be reduced by the  
566 amount of money so available and appropriated.  
567

568 Section 12. The City covenants that it will use, and will restrict the use and investment  
569 of, the proceeds of the Bonds in such manner and to such extent as may be necessary so that (a)  
570 the Bonds will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under  
571 Section 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be  
572 treated other than as bonds to which Section 103(a) of the Code applies, and (b) the interest  
573 thereon will not be treated as an item of tax preference under Section 57 of the Code.  
574

575 The City further covenants that (a) it will take or cause to be taken such actions that may  
576 be required of it for the interest on the Bonds to be and to remain excluded from gross income  
577 for federal income tax purposes, (b) it will not take or authorize to be taken any actions that  
578 would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of  
579 compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the borrowing,  
580 (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely and  
581 adequate payments to the federal government, (iv) maintain books and records and make  
582 calculations and reports, and (v) refrain from certain uses of those proceeds, and, as applicable,  
583 of property financed with such proceeds, all in such manner and to the extent necessary to  
584 assure such exclusion of that interest under the Code.  
585

586 The City hereby represents that the Outstanding Bonds (the Refunded Obligation) were  
587 designated or deemed designated, and qualified, as a "qualified tax-exempt obligation" under  
588 Section 265(b)(3) of the Code. The City hereby covenants that it will redeem the Refunded  
589 Obligation from proceeds of, and within 90 days after issuance of, the Bonds, and represents  
590 that all other conditions are met for treating the amount of the Bonds not in excess of the  
591 principal amount of the Refunded Obligation outstanding immediately prior to the redemption of  
592 the Refunded Obligation as "qualified tax-exempt obligations" without necessity for further  
593 designation and as not to be taken into account under subparagraph (D) of Section 265(b)(3) of  
594 the Code pursuant to subparagraph (D)(ii) of Section 265(b)(3) of the Code.  
595

596 The amount of the Bonds (such amount being the issue price of the Bonds less accrued  
597 interest, if any, as determined under the Code) in excess of the principal amount of the Refunded  
598 Obligation that is outstanding immediately prior to the redemption of the Refunded Obligation, if  
599 any, is hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)  
600 of the Code. In that connection, the City hereby represents and covenants that it, together with  
601 all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it  
602 issues obligations, in or during the calendar year in which the Bonds are issued, (i) have not  
603 issued and will not issue tax-exempt obligations designated as "qualified tax-exempt obligations"

604 for purposes of Section 265(b)(3) of the Code, including the aforesaid amount of the Bonds, in an  
605 aggregate amount in excess of \$10,000,000, and (ii) have not issued, do not reasonably  
606 anticipate issuing, and will not issue, tax-exempt obligations (including the aforesaid amount of  
607 the Bonds, but excluding obligations, other than qualified 501(c)(3) bonds as defined in Section  
608 145 of the Code, that are private activity bonds as defined in Section 141 of the Code and  
609 excluding refunding obligations that are not advance refunding obligations as defined in Section  
610 149(d)(5) of the Code to the extent that the amount of the refunding obligations does not exceed  
611 the outstanding principal amount of the refunded obligations) in an aggregate amount exceeding  
612 \$10,000,000, unless the City first obtains a written opinion of nationally recognized bond  
613 counsel that such designation or issuance, as applicable, will not adversely affect the status of  
614 the Bonds as "qualified tax-exempt obligations."  
615

616 Further, the City represents and covenants that, during any time or in any manner as  
617 might affect the status of the Bonds as "qualified tax-exempt obligations," it has not formed or  
618 participated in the formation of, or benefitted from or availed itself of, any entity in order to avoid  
619 the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form,  
620 participate in the formation of, or benefit from or avail itself of, any such entity. The City further  
621 represents that the Bonds are not being issued as part of a direct or indirect composite issue  
622 that combines issues or lots of tax-exempt obligations of different issuers.  
623

624 Each covenant made in this Section with respect to the Bonds is also made with respect  
625 to all issues any portion of the debt service on which is paid from proceeds of the Bonds (and, if  
626 different, the original issue and any refunding issues in a series of refundings), to the extent  
627 such compliance is necessary to assure exclusion of interest on the Bonds from gross income for  
628 federal income tax purposes, and the officers identified above are authorized to take actions with  
629 respect to those issues as they are authorized in this Section to take with respect to the Bonds.  
630

631 The Director of Finance, as the fiscal officer, or any other officer of the City having  
632 responsibility for issuance of the Bonds is hereby authorized (a) to make or effect any election,  
633 selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to  
634 the Bonds as the City is permitted or required to make or give under the federal income tax laws,  
635 including, without limitation thereto, any of the elections provided for in Section 148(f)(4)(c) of  
636 the Code or available under Section 148 of the Code, for the purpose of assuring, enhancing or  
637 protecting favorable tax treatment or status of the Bonds or interest thereon or assisting  
638 compliance with requirements for that purpose, reducing the burden or expense of such  
639 compliance, reducing the rebate amount or payments or penalties, or making payments of  
640 special amounts in lieu of making computations to determine, or paying, excess earnings as  
641 rebate, or obviating those amounts or payments, as determined by that officer, which action  
642 shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain  
643 calculations, make payments, and make or give reports, covenants and certifications of and on  
644 behalf of the City, as may be appropriate to assure the exclusion of interest from gross income  
645 and the intended tax status of the Bonds, and (c) to give one or more appropriate certificates of  
646 the City, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable  
647 expectations of the City regarding the amount and use of all the proceeds of the Bonds, the facts,  
648 circumstances and estimates on which they are based, and other facts and circumstances  
649 relevant to the tax treatment of the interest on and the tax status of the Bonds.  
650

651 Section 13. The Clerk of Council is directed to deliver a certified copy of this ordinance  
652 and a signed copy of the Final Terms Certificate to the Fiscal Officer in Summit County.  
653

654 Section 14. This Council determines that all acts and conditions necessary to be  
655 performed by the City or to have been met precedent to and in the issuing of the Bonds in order  
656 to make them legal, valid and binding general obligations of the City have been performed and  
657 have been met, or will at the time of delivery of the Bonds have been performed and have been  
658 met, in regular and due form as required by law; that the full faith and credit and general

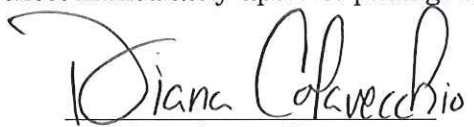
659 property taxing power (as described in Section 11) of the City are pledged for the timely payment  
660 of the debt charges on the Bonds; and that no statutory or constitutional limitation of  
661 indebtedness or taxation will have been exceeded in the issuance of the Bonds.  
662

663 Section 15. The Law Director is authorized to engage the legal services of the law firm of  
664 Squire, Sanders & Dempsey (US) LLP, which legal services are to be in the nature of legal advice  
665 and recommendations as to the documents and the proceedings, and rendering an approving  
666 legal opinion, in connection with the issuance and sale of the Bonds. In rendering those legal  
667 services, as an independent contractor and in an attorney-client relationship, that Firm shall not  
668 exercise any administrative discretion on behalf of this City in the formulation of public policy,  
669 expenditure of public funds, enforcement of laws rules and regulations of the State, any county,  
670 or cities or of this City, or the execution of public trusts. For those legal services that Firm shall  
671 be paid fees now estimated at \$50,000, and in addition shall be reimbursed for actual  
672 out-of-pocket expenses (including, but not limited to, travel, long-distance telephone, fax and  
673 duplicating expenses) incurred in rendering those legal services. It is anticipated that those fees  
674 will be paid from the proceeds of the Bonds or by the Original Purchaser from the underwriter's  
675 discount. The Director of Finance is authorized and directed to make appropriate certification as  
676 to the availability of funds for that fee and any reimbursement and to issue an appropriate order  
677 for their payment as they become payable.  
678

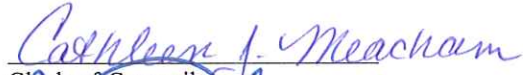
679 Section 16. This Council finds and determines that all formal actions of this Council  
680 concerning and relating to the passage of this ordinance were taken in an open meeting of this  
681 Council and that all deliberations of this Council and of any committees that resulted in those  
682 formal actions were in meetings open to the public in compliance with the law.  
683

684 Section 17. This ordinance is declared to be an emergency measure necessary for the  
685 immediate preservation of the public peace, health and safety, and for the further reason that  
686 this ordinance is required to be immediately effective in order to issue and sell the Bonds, which  
687 is necessary to enable the City to refund the Refunded Bonds upon terms in the best interest of  
688 and most advantageous to the City and under current favorable market conditions and thereby  
689 to enhance the reduction in principal and interest payments on City indebtedness; wherefore,  
690 this ordinance shall be in full force and effect immediately upon its passage and approval by the  
691 Mayor.

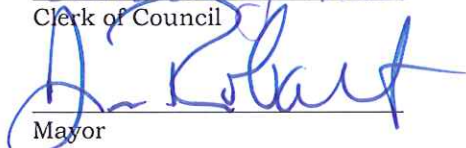
692  
693 Passed 9-12-11  
694

  
Diana Colavecchio  
President of Council

695  
696  
697  
698

  
Catherine J. Meacham  
Clerk of Council

699  
700 Approved 9/13/11  
701  
702  
703

  
Dan Kolant  
Mayor

704  
705 9/6/11  
706 O:\2011ords\Bond\_Ordinance\_-\_Refunding\_2001 iron filters\_Bonds.DOC