

CITY COUNCIL AGENDA

December 4, 2017

7:30p.m.

The meeting convenes at City Hall, in Council Chambers, 1st Floor, 538 N. Market Street, Wooster, Ohio.

I. ROLL CALL & ORDERING OF AGENDA

II. APPROVAL OF MINUTES

III. COMMUNICATIONS FROM MAYOR/ADMINISTRATION

IV. PETITIONS/COMMUNICATIONS FROM PUBLIC

V. COMMITTEE REPORTS; PUBLIC HEARINGS

Law & Ordinances Committee

Finance Committee

VI. OLD BUSINESS

1. Second Reading – ORDINANCE 2017-36

AN ORDINANCE APPROPRIATING FROM VARIOUS FUNDS TO INDIVIDUAL ACCOUNTS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE CITY OF WOOSTER FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018 (Ansel)

VII. NEW BUSINESS

1. First Reading – RESOLUTION NO. 2017-49

A RESOLUTION ACCEPTING THE RECOMMENDATIONS OF THE WOOSTER TAX INCENTIVE REVIEW COUNCIL WITH RESPECT TO EXISTING COMMUNITY REINVESTMENT ACT AGREEMENTS (Ansel)

2. First Reading – RESOLUTION NO. 2017-52

A RESOLUTION ACCEPTING THE RECOMMENDATIONS OF THE WOOSTER TAX INCENTIVE REVIEW COUNCIL WITH RESPECT TO EXISTING ENTERPRISE ZONE AGREEMENTS (Ansel)

3. First Reading – ORDINANCE NO. 2017-37

AN ORDINANCE AMENDING ORDINANCE NO. 2012-10 BY INCREASING THE TERMS OF THE COMMUNITY REINVESTMENT AREA COMMITMENT, AND DECLARING AN EMERGENCY (Ansel)

4. First Reading – RESOLUTION NO. 2017-53

A RESOLUTION AUTHORIZING THE MAYOR TO MAKE A GIFT TO THE WOOSTER CITY SCHOOLS BOARD OF EDUCATION FOR THE ELLEN SHAPIRO NATATORIUM, AND DECLARING AN EMERGENCY (Myers)

5. First Reading – ORDINANCE NO. 2017-38

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF BONDS IN THE MAXIMUM PRINCIPAL AMOUNT OF \$5,000,000 FOR THE PURPOSE OF PAYING COSTS OF IMPROVING THE CITY'S SANITARY SEWERAGE SYSTEM BY ACQUIRING WASTEWATER TREATMENT FACILITIES AND EQUIPMENT, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, AND DECLARING AN EMERGENCY (Ansel)

VIII. MISCELLANEOUS

IX. ADJOURNMENT

ORDINANCE NO. 2017-36

AN ORDINANCE APPROPRIATING FROM VARIOUS FUNDS TO INDIVIDUAL ACCOUNTS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE CITY OF WOOSTER FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018

WHEREAS, the Charter of the City of Wooster provides, at §6.04, that no later than the second regular meeting of November the Mayor will prepare and present to the City Council for adoption an annual Appropriation Ordinance providing for the expenses of the municipal government for the coming fiscal year.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WOOSTER, OHIO:

SECTION 1. That to provide for the current expenses and other expenditures of the City of Wooster for the Fiscal Year ending December 31, 2018, the following appropriations are authorized. (copy attached)

SECTION 2. The budget approved by Council and the appropriation of funds to implement the budget represent the estimated expenditures needed to administer programs approved for the coming fiscal year. The budget is a work plan of the estimate of future needs for a given program as determined by Council when the budget is adopted.

In adopting the budget, Council recognizes that conditions may change during the fiscal year that may call for staff reductions or increases depending upon the facts in each instance.

In recognition of this fluid, constantly changing condition, the Mayor shall review requests for additional positions and for filling vacant positions within the limitations of the budget. After making a study of each request, he shall have the authority to approve, disallow or postpone such requests for additional personnel. In addition, he shall be responsible for resolving questions related to the staffing pattern of each department and division as determined by Council action on the annual budget.

Personnel requests in excess of the annual budget shall be studied, and recommendations developed for the consideration of Council.

The Mayor shall be responsible for ascertaining that personnel requirements do not exceed those included or implied in the budget and/or Appropriation Ordinances.

SECTION 3. This Council finds and declares that all formal actions concerning and relating to the adoption of this Ordinance occurred in an open meeting of this

Council or its committees, in compliance with law.

SECTION 4. This Ordinance shall be in full force and effect from and immediately after its passage and approval by the Mayor.

1st reading 11-20-17 2nd reading _____ 3rd reading _____

Passed: _____, 2017 Vote: _____

Attest: _____
Clerk of Council President of Council

Approved: _____, 2017 _____
Mayor

Introduced by: Jon Ansel

A RESOLUTION ACCEPTING THE RECOMMENDATIONS OF THE WOOSTER TAX INCENTIVE REVIEW COUNCIL WITH RESPECT TO EXISTING COMMUNITY REINVESTMENT ACT AGREEMENTS

WHEREAS, the Wooster TIRC, after issuance of the statutorily-required public notice, met on May 11, 2017, and after reviewing existing city CRA agreements coming within its jurisdiction as of December 31, 2016, has recommended that all such agreements should be continued in effect.

SECTION 1. This City Council, after reviewing the recommendations of the Wooster TIRC (as per the letter attached) as to existing CRA agreements coming within its jurisdiction, accepts and adopts of such recommendations.

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

Introduced by: Jon Ansel

Request for Agenda Item Non-Capital

Division

Meeting Date Requested

Project Name

☐ Approved for Agenda

Description (be as descriptive as possible, given space limitations)

The 2016 City of Wooster's Tax Incentive Review Council (TIRC) convened on May 11, 2017 at 5:30pm to review the performance of each active 2016 Community Reinvestment Area (CRA) agreement. Based on each participating company's compliance, the TIRC meets annually to recommend *Continuation*, *Modification*, or *Termination* of agreements to Wooster City Council. Wooster City Council may accept, reject, or modify these recommendations.

The City of Wooster had 31 CRA Agreements requiring review in 2016. Since 2005, the CRA has resulted in \$29,115,752 in new property improvements while creating 198 jobs and retaining 140 jobs, primarily within Downtown Wooster. The City collected an estimated \$112,164 in income tax related to CRA-created jobs in 2016, in addition to \$89,307 from retained jobs. Please view attached TIRC report excerpt.

The 2016 TIRC's recommendations for active CRA agreements are as follows (**Please note two modifications**):

# 05-001 - Wooster Republican Printing Company - <i>Continue</i>	# 12-003 - S & D Realty, LLC - <i>Continue</i>
# 06-001 - Michael R. Rose - <i>Continue</i>	# 12-004 - G&G Properties of Ohio - <i>Continue</i>
# 06-002 - Liberty Market Properties LLC - <i>Continue</i>	# 13-001 - Condor Pacific Properties, dba Gomaplast Machinery - <i>Continue</i>
# 06-003 - HAYNN Construction Inc. - <i>Continue</i>	# 13-002 - Palm House Apartments II, LLC - <i>Continue</i>
# 06-004 - Coyote Group LLC - <i>Continue</i>	# 13-003 - Xcess Limited LLC - <i>Continue</i>
# 06-005 - Gold Star Holdings, LLC - <i>Continue</i>	# 14-001 - C&C Wellert Properties LLC - <i>Continue</i>
# 07-001 - 544 LLC - <i>Continue</i>	# 14-002 - Wootown Properties LLC - <i>Continue</i>
# 07-002 - CCM Real Estate LLC - <i>Continue</i>	# 14-003 - Ekho Kole LLC - <i>Continue</i>
# 07-003 - Coyote Group LLC - <i>Continue</i>	# 15-002 - Liberty Street Partners - <i>Continue</i>
# 07-004 - Liberty Market Properties - <i>Continue</i>	# 15-001 - Morrison Enterprises LLC - <i>Continue</i>
# 07-005 - S Properties LLC - <i>Continue</i>	# 16-001 - JAS LLC (<i>New</i>) - <i>Continue</i>
# 07-006 - MRR Properties - <i>Continue</i>	# 16-002 - North Pole Holdings LLC (<i>New</i>) - <i>Continue</i>
# 10-001 - Coyote Group LLC - <i>Continue</i>	# 16-003 - Brian Polen & Tammy Polen (<i>New</i>) - <i>Continue</i>
# 10-002 - Merchants Block LLC - <i>Continue</i>	# 16-004 - Wooster Fit Holdings (<i>New</i>) - <i>Continue</i>
# 11-001 - CM Properties-Wooster LLC - <i>Continue</i>	
# 12-001 - Brasfond USA Corp. - <u>MODIFY</u>	
# 12-002 - Just Basic Sports, Inc. / Retail Rentals LLC - <u>MODIFY</u>	

Is there a need for rules suspension or time limitation when this must be passed?

A decision by December 31, 2017 is needed for timely filing. Ohio Revised Code 5709.85 requires that City Council, within sixty-days (60) after receipt of the aforementioned recommendations, hold a meeting to accept, reject, or modify all of any portion of the recommendations.

Manager Requesting

Date

Approved for Agenda

RESOLUTION NO. 2017-52

A RESOLUTION ACCEPTING THE RECOMMENDATIONS
OF THE WOOSTER TAX INCENTIVE REVIEW COUNCIL
WITH RESPECT TO EXISTING ENTERPRISE ZONE
AGREEMENTS

WHEREAS, the state's Enterprise Zone law provides that the legislative authority, upon receipt of the written recommendations of the municipal tax incentive review council (TIRC), must vote to accept, reject or modify all or any part of the TIRC's recommendations as to existing enterprise zone agreements; and

WHEREAS, the Wooster TIRC, after issuance of the statutorily-required public notice, met on May 11, 2017, and after reviewing existing city EZ agreements coming within its jurisdiction as of December 31, 2016, has recommended that all such agreements should be continued in effect.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WOOSTER, OHIO:

SECTION 1. This City Council, after reviewing the recommendations of the Wooster TIRC (as per the letter attached) as to existing enterprise zone agreements coming within its jurisdiction, accepts of such recommendations.

SECTION 2. This Council finds and declares that all formal actions concerning and relating to the adoption of this resolution occurred in an open meeting of this Council or its committees, in compliance with law.

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

1st reading _____ 2nd reading _____ 3rd reading _____

Passed: _____, 2017 Vote: _____

Attest: _____
 Clerk of Council President of Council

Approved: _____, 2017 _____
 Mayor

Introduced by: Jon Ansel

Request for Agenda Item Non-Capital

Division

Meeting Date Requested

Project Name

☐ Approved for Agenda

Description (be as descriptive as possible, given space limitations)

The 2016 City of Wooster's Tax Incentive Review Council (TIRC) convened on May 11, 2017 at 5:30pm to review the performance of each active 2016 Enterprise Zone (EZ) agreement. Based on each participating company's compliance, the TIRC meets annually to recommend Continuation, Modification, or Termination of agreements to Wooster City Council. Wooster City Council may accept, reject, or modify these recommendations.

For 2016, the City of Wooster had 15 active EZ Agreements requiring review, in addition to one EZ agreement under the jurisdiction of the Wayne County Commissioners. A total of 12 Enterprises within the City are subject to the Enterprise Zone. The active agreements have enabled \$11,967,716 in property investment to date, generating \$318,815 in *created* real estate taxes for 2015 (\$17,109 directly payable to the City of Wooster). The active agreements have resulted in the creation of 172 jobs with \$4,750,118 in created payroll, and retaining 2,714 jobs with \$139,972,609 in annual payroll, generating \$2,170,840 in income tax. (Note, the majority of retained jobs were created under earlier active EZs, but are reported as retained.)

The 2016 TIRC's recommendations for active EZ agreements are as follows:

- # 389-06-01 - Eldorado Stone LLC & Chesterland Estates – *Continue* (Expired Dec 31, 2016. Annual Increase ~\$130,878)
- # 389-06-03 - Westerman, Inc. - *Continue* (Expired Dec 31, 2016. Annual Increase ~\$69,931)
- # 389-06-04 - COMPAK Inc. - *Continue* (Expired Dec 31, 2016. Annual Increase ~\$65,605)
- # 389-07-01 - Bosch Rexroth Corporation & Chesterland Estates - *Continue*
- # 389-08-01 - Technigraphics Inc. Et. Al. – *Continue* (0%)
- # 389-12-01 - Seaman Corporation - *Continue*
- # 389-12-02 - ABS Materials - *Continue*
- # 389-13-01 - Luk USA, Inc. - *Continue*
- # 389-13-02 - McConnel Wooster Properties dba Bauer Corporation - *Continue*
- # 389-14-01 - Daisy Brand LLC - *Continue*
- # 389-14-02 - Certified Angus Beef LLC– *Continue*
- # 389-15-01 - Luk USA LLC - *Continue*
- # 389-15-02 - Wooster Growth / Tekfor USA - *Continue*
- # 389-16-01 - Luk USA LLC (New) - *Continue*

Is there a need for rules suspension or time limitation when this must be passed?

A decision by December 31, 2017 is needed for timely filing. Ohio Revised Code 5709.85 requires that City Council, within sixty-days (60) after receipt of the aforementioned recommendations, hold a meeting to accept, reject, or modify all of any portion of the recommendations.

Manager Requesting

Date

Approved for Agenda

ORDINANCE NO. 2017-37

AN ORDINANCE AMENDING ORDINANCE NO. 2012-10 BY
INCREASING THE TERMS OF THE COMMUNITY
REINVESTMENT AREA COMMITMENT, AND DECLARING
AN EMERGENCY

WHEREAS, this City Council, in Ordinance No. 2012-10, authorized the Mayor to enter into an agreement with Brasfond USA for Community Reinvestment Area (CRA) Tax Incentives, including a capital investment of up to \$700,000.00 for construction of a new facility with the creation of at least two full-time jobs; and

WHEREAS, the project had been so successful that the enterprise sought and received an amendment to its agreement to include an expansion with an additional investment of \$800,000.00 with City Council's passage of Ordinance No. 2013-12, which also amended the full-time job numbers from two to eleven.

WHEREAS, international economic conditions have negatively impacted the enterprise's employment levels and the firm reported a total of four full-time positions on site for reporting years 2015 and 2016.

WHEREAS, the 2016 Wooster City Tax Incentive Review Council recommended that Brasfond USA LLC's CRA agreement be modified with the guidance that the job commitment should be lowered from eleven full-time jobs to four full-time jobs.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WOOSTER, OHIO:

SECTION 1. That Section 1 of Ordinance No. 2012-10 is amended to read: That the Mayor is authorized to enter into an agreement on behalf of the City of Wooster with Brasfond USA for CRA tax incentives. The terms of such agreement will include, but not be limited to, the following: (1) investment of up to \$1,500,000.00 for new construction; (2) abatement of real estate taxes of 50%; (3) for a maximum term not to exceed ten (10) years; (4) creation of at least four (4) full-time jobs; and (5) such other terms as the Mayor, in his/her discretion, deems appropriate.

SECTION 2. This Council finds and declares that all formal actions concerning and relating to the adoption of this Ordinance occurred in an open meeting of this Council or its committees, in compliance with law.

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

1st reading _____ 2nd reading _____ 3rd reading _____

Passed: _____, 2017 Vote: _____

Attest: _____
 Clerk of Council President of Council

Approved: _____, 2017 _____
 Mayor

Introduced by: Jon Ansel

Request for Agenda Item Non-Capital

Division

Meeting Date Requested

Project Name

☐ Approved for Agenda

Description (be as descriptive as possible, given space limitations)

Council's recommendation is being sought in having the Mayor, on the City of Wooster's behalf, amend for the second time a Community Reinvestment Area (CRA) agreement Brasfond USA by reducing the total on-site job commitments from 11 full-time jobs to two full-time jobs.

The 2016 Wooster City Tax Incentive Review Council (TIRC) has recommended a modification of the City's CRA agreement with Brasfond USA LLC. Specifically, the TIRC noted that Brasfond USA LLC reported four full-time jobs for 2016, seven short of the eleven jobs it had committed to in its amended agreement. The TIRC advised that the job commitments be lowered from eleven to four so that the firm would be compliant in the future, and suggested no other changes. Members of the TIRC also stated that the new job commitments were still higher than the minimum commitments required under the CRA program.

Brasfond USA LLC's original agreement, authorized by Council's passage of Ordinance 2012-10, provided a 10-year, 50% tax abatement on a projected \$700,000 investment in return for the firm creating 2 new full-time jobs.

As Brasfond USA's project grew unexpectedly larger, Council passed Ordinance 2013-12 authorizing the Mayor to amend Ordinance 2012-10 to change the terms of the agreement, specifically to require a new construction investment of up to \$1,450,000 with the retention of eight full-time employees and the creation of three new full-time positions, for a total of 11 positions.

Over the course of the last few years, however, Brasfond USA's operations have shifted from production and maintenance to project management. The firm, whose parent company is based in São Paulo, was particularly impacted by recent political turmoil that has devastated the Brazilian economy. The firm reported a total payroll of \$421,000 for all of 2016 with a full-time staff of four persons as of December 31, 2016. As part of its transition, Brasfond USA has focused on bringing Brazilian construction methods to US-based projects and is involved in construction project and program management at various client sites throughout the Country. It intends to continue maintaining its headquarters in Wooster.

Preserving the abatement will assist a company that has made an investment in the CRA as it works to reconfigure its operations while keeping Wooster its headquarters.

Is there a need for rules suspension or time limitation when this must be passed?

Ohio Revised Code 5709.85 requires that City Council, within sixty-days (60) after receipt of the aforementioned recommendations, hold a meeting to accept, reject, or modify all of any portion of the recommendations.

Manager Requesting

Date

Approved for Agenda



538 N. Market Street * P.O. Box 1128
Wooster, Ohio 44691-3406



Jonathan S. Millea, AICP
Development Coordinator
Phone : (330) 263-5250
Fax: (330) 263-5247
Email: jmillea@woosteroh.com

MEMO

To: Wooster City Council
From: Jonathan Millea, Development Coordinator
CC: Mayor Robert Breneman, Mr. Joel Montgomery PE MSM, Ms. Linda Applebaum JD,
Mr. Andrei Dordea CPA.
Date: 11/28/2017
Re: 2016 Tax Incentive Review Council Recommendations for Modification

Dear Members of Council,

The 2016 Wooster City Tax Incentive Review Council recommended the modification of two CRA agreements. The following is an update of the two Enterprises.:

- **CRA Agreement 12-001: Brasfond USA Corp.** The City entered into a CRA agreement with the Enterprise in April of 2012, permitting a 10-year, 50 percent abatement on a \$700,000 new construction investment for its facility at 1785 Geyers Chapel Road in return for creating two full-time jobs. On March 31, 2013, the agreement was amended to allow for a \$1,400,000 investment with the retention/creation of 11 jobs. The firm has saved \$12,334 annually since 2014, while paying \$20,061 in annual property taxes.

The Enterprise reported a total of four employees both in 2015 and 2016. The 2016 TIRC recommended that the current agreement be modified to reflect a commitment of four jobs, reasoning that current employment still exceeds the CRA minimums and that the firm had been impacted by international events. Approximately six years remains on the abatement, a value of about \$73,000.

Per the agreement and also Ordinance No. 2013-12, Council's authorization is being sought to amend, for a second time, Ordinance No. 2012-10, to reflect a total employment commitment of four full-time jobs.

- **CRA Agreement 12-002: Just Basic Sports, Inc., and Retail Rentals LLC.** The City of Wooster entered into a CRA agreement with the Enterprise in April of 2012 to allow a 10-year, 50 percent tax abatement for its facility at 1615 N. Geyers Chapel Road in return for retaining six full-time and one part-time jobs (or equivalents) with a payroll of \$417,800 on site. The firm has had \$10,026 in taxes abated since the inception of its agreement, with \$3,363 in real estate taxes foregone in 2016.

The 2016 TIRC, noting that employment as of December 31, 2016 was reported as four full-time positions, recommended that the agreement be modified, providing guidance that the job creation commitment be reduced to four, which was still in excess of the program's minimum requirements.

The Enterprise informed the City on October 10, 2017 that it would voluntarily terminate its CRA agreement. A termination agreement is now pending signature. The termination means that the Enterprise will forgo approximately \$3,363 over the five remaining years of the abatement. With five years remaining on the abatement, the termination will result in an additional \$16,815 in real estate tax revenue.

Sincerely,

Jonathan S. Millea, AICP - Development Coordinator

RESOLUTION NO. 2017-53

A RESOLUTION AUTHORIZING THE MAYOR TO MAKE A
GIFT TO THE WOOSTER CITY SCHOOLS BOARD OF
EDUCATION FOR THE ELLEN SHAPIRO NATATORIUM,
AND DECLARING AN EMERGENCY

WHEREAS, the City of Wooster, recognizes that the Ellen Shapiro Natatorium located at Wooster High School, is a quality of life asset to the community.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WOOSTER, OHIO:

SECTION 1. That the Mayor is authorized to make a gift to the Wooster City Schools Board of Education in the amount of \$40,000 for improvement to the Ellen Shapiro Natatorium.

SECTION 2. The Director of Administration is authorized to enter into a 5-year agreement for facility rentals at no cost to the City.

SECTION 3. The Director of Finance is authorized to make appropriation transfers in the general fund in the aggregate amount of \$40,000 for payment to the Wooster City Schools Board of Education.

SECTION 4. This Council finds and declares that all formal actions concerning and relating to the adoption of this resolution occurred in an open meeting of this Council or its committees, in compliance with law.

SECTION 5. This Resolution is declared to be an emergency measure necessary to the immediate preservation of the public health, peace, safety and welfare of the City, or providing for the usual daily operation of a municipal department or division, and for the further reason that prompt action is necessary to commence this project in accordance with the beginning of the school year; wherefore, this Resolution shall be in full force and effect from and immediately after its passage and approval by the Mayor; provided it receives the affirmative vote of at least three-fourths of the members of the Council; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

1st reading _____ 2nd reading _____ 3rd reading _____

Passed: _____, 2017 Vote: _____

Attest: _____
 Clerk of Council President of Council

Approved: _____, 2017 _____
 Mayor

Introduced by: Scott Myers

Request for Agenda Item Non-Capital

Division Administration

Meeting Date Requested December 4, 2017

Project Name Natatorium Renovations Partnership

☐ **Approved for Agenda**

Description (be as descriptive as possible, given space limitations)

The Wooster City Schools Natatorium Renovation Committee has requested that the City participate in the funding of much needed Natatorium renovations. The estimated cost for these renovations is just over \$1,000,000. The Committee has raised over \$300,000 from multiple community partners and sources to date.

The City has benefited from our partnership with the Wooster Schools and the YMCA, and the availability of these facilities and programs that complement our recreational programs.

This legislation would authorize the City to partner with the Wooster City Schools by contributing \$40,000 in cash, \$10,000 in water, and receive \$10,000 in facility rentals for the next 5 years.

The value of the water for filling the pool one time is approximately \$8,000 to \$12,000. In addition, the City periodically uses and rents various School facilities for our programs. We estimate that usage of Follis Field and various school gyms costs approximately \$2,000 to \$3,000 per year. While these costs are not directly associated with the Natatorium, they would be a tangible benefit to the City for contributions to other school facilities, and are representative the ongoing partnership.

Council previously authorized periodic water donation for pool filling in 2005 via Resolution 2005-77, and authorized the original partnership agreement in 1992 via Resolution 1992-43.

Is there a need for rules suspension or time limitation when this must be passed?

Requested By: Administration/City Council

Date 11/29/2017

Approved for Agenda Yes

ORDINANCE NO. 2017-38

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF BONDS IN THE MAXIMUM PRINCIPAL AMOUNT OF \$5,000,000 FOR THE PURPOSE OF PAYING COSTS OF IMPROVING THE CITY'S SANITARY SEWERAGE SYSTEM BY ACQUIRING WASTEWATER TREATMENT FACILITIES AND EQUIPMENT, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to Ordinance No. 2016-36, passed on December 5, 2016, there were issued \$4,700,000 Sanitary Sewerage System Improvement Notes, Series 2017 (the Outstanding Notes), in anticipation of bonds for the purpose stated in Section 2, which Outstanding Notes mature on February 15, 2018; and

WHEREAS, this Council finds and determines that the City should retire the Outstanding Notes with the proceeds of the Bonds described in Section 2; and

WHEREAS, this Council finds and determines that it is necessary and in the best interest of the City to issue the Bonds described in Section 2 to provide funds sufficient for that purpose, including the payment of expenses properly allocable to the issuance of the Bonds; and

WHEREAS, the Director of Finance, as fiscal officer of the City, has certified to this Council that the estimated life or period of usefulness of the improvement described in Section 2 is at least five years and the estimated maximum maturity of the Bonds described in Section 2 is 40 years;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Wooster, County of Wayne, Ohio, that:

Section 1: Definitions and Interpretation. In addition to the words and terms elsewhere defined in this Ordinance, unless the context or use clearly indicates another or different meaning or intent:

“Authorized Denominations” means (subject to any limitations in Section 3) the denomination of \$5,000 or any integral multiple thereof.

“Bond proceedings” means, collectively, this Ordinance, the Certificate of Award, the Continuing Disclosure Agreement and such other proceedings of the City, including the Bonds, that provide collectively for, among other things, the rights of holders and beneficial owners of the Bonds.

“Bond Register” means all books and records necessary for the registration, exchange, and transfer of Bonds as provided in Section 5.

“Bond Registrar” means the bank or trust company appointed pursuant to Section 4 as the initial authenticating agent, bond registrar, transfer agent and paying agent for the Bonds under the Bond Registrar Agreement and until a successor Bond Registrar shall have become such pursuant to the provisions of the Bond Registrar Agreement and, thereafter, “Bond Registrar” shall mean the successor Bond Registrar.

“Bond Registrar Agreement” means the Bond Registrar Agreement between the City and the Bond Registrar, as it may be modified from the form on file with the Clerk of Council and signed by the Fiscal Officer in accordance with Section 4.

“Bonds” means, collectively, the Serial Bonds and the Term Bonds, each as is designated as such in the Certificate of Award.

“Book-entry form” or “book-entry system” means a form or system under which (a) the ownership of book-entry interests in Bonds and the principal of and interest on the Bonds may be transferred only through a book entry and (b) physical Bond certificates in fully registered form are issued by the City only to a Depository or its nominee as registered owner, with the Bonds “immobilized” in the custody of the Depository or its agent. The book-entry maintained by others than the City is the record that identifies the owners of book-entry interests in those Bonds and that principal and interest.

“Certificate of Award” means the certificate authorized by Section 6(a), to be signed by the Fiscal Officer, setting forth and determining those terms or other matters pertaining to the Bonds and their issuance, sale and delivery as this Ordinance requires or authorizes to be set forth or determined therein.

“Closing Date” means the date of physical delivery of, and payment of the purchase price for, the Bonds.

“Code” means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section of the Code includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

“Continuing Disclosure Agreement” means the agreement authorized by Section 6(c), to be substantially in the form on file with the Clerk of Council, made by the City for the benefit of holders and beneficial owners of the Bonds in accordance with the Rule.

“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 Bonds or the principal of and interest on Bonds, and to

effect transfers of Bonds, in book-entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Fiscal Officer” means the Director of Finance of the City.

“Interest Payment Dates” means, unless otherwise determined by the Fiscal Officer in the Certificate of Award, June 1 and December 1 of each year that the Bonds are outstanding, commencing June 1, 2018.

“Original Purchaser” means the original purchaser of the Bonds designated by the Fiscal Officer in the Certificate of Award.

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

“Principal Payment Dates” means, unless otherwise determined by the Fiscal Officer in the Certificate of Award, December 1 in each of the years from and including 2018 to and including 2037, provided that in no case shall the total number of Principal Payment Dates exceed the maximum maturity of the Bonds referred to in the preambles hereto.

“Rule” means Rule 15c2-12 prescribed by the SEC pursuant to the Securities Exchange Act of 1934.

“SEC” means the Securities and Exchange Commission.

“Serial Bonds” means those Bonds designated as such and maturing on the dates outlined in the Certificate of Award, bearing interest payable on each Interest Payment Date and not subject to mandatory sinking fund redemption.

“Term Bonds” means those Bonds designated as such and maturing on the date or dates outlined in the Certificate of Award, bearing interest payable on each Interest Payment Date and subject to mandatory sinking fund redemption.

The captions and headings in this Ordinance are solely for the convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof. Reference to a Section means a section of this Ordinance unless otherwise indicated.

Section 2: Authorized Principal Amount and Purpose; Application of Proceeds. This Council determines that it is necessary and in the best interest of the City to issue bonds of the City in one lot in the maximum principal amount of \$5,000,000 (the Bonds) for the purpose of paying costs of improving the City’s sanitary sewerage system by acquiring wastewater treatment facilities and equipment, together with all necessary appurtenances thereto (the improvement),

including the payment of expenses related to the issuance of the Bonds, and to retire the Outstanding Notes.

The aggregate principal amount of Bonds to be issued shall not exceed \$5,000,000 and shall be issued in an amount determined by the Fiscal Officer in the Certificate of Award to be the aggregate principal amount of Bonds required to be issued, taking into account any premium above or discount from the aggregate principal amount of the Bonds at which they are sold to the Original Purchaser, in order to effect the purpose for which the Bonds are to be issued, including the payment of any expenses properly allocable to the issuance of the Bonds.

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

Section 3: Denominations; Dating; Principal and Interest Payment and Redemption Provisions. The Bonds shall be issued in one lot and only as fully registered bonds, in the Authorized Denominations, but in no case as to a particular maturity date exceeding the principal amount maturing on that date. The Bonds shall be dated as provided in the Certificate of Award, provided that their dated date shall not be more than 60 days prior to the Closing Date.

(a) Interest Rates and Interest Payment Dates. The Bonds shall bear interest at the rate or rates per year (computed on the basis of a 360-day year consisting of 12 30-day months) as shall be determined by the Fiscal Officer in the Certificate of Award. Interest on the Bonds shall be payable at such rate or rates on the Interest Payment Dates until the principal amount has been paid or provided for. The Bonds shall 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.

(b) Principal Payment Schedule. The Bonds shall mature or be payable pursuant to Mandatory Sinking Fund Redemption Requirements (as hereinafter defined and described) on the Principal Payment Dates in principal amounts as shall be determined by the Fiscal Officer, subject to subsection (c) of this Section, in the Certificate of Award, consistent with the Fiscal Officer's determination of the best interest of and financial advantages to the City.

Consistent with the foregoing and in accordance with the Fiscal Officer's determination of the best interest of and financial advantages to the City, the Fiscal Officer shall specify in the Certificate of Award (i) the aggregate principal amount of Bonds to be issued as Serial Bonds, the Principal Payment Dates on which those Bonds shall be stated to mature and the principal amount thereof that shall be stated to mature on each such Principal Payment Date, and (ii) the aggregate principal amount of Bonds to be issued as Term Bonds, the Principal Payment Date or Dates on which those Bonds shall be stated to mature, the principal amount thereof that shall be stated to mature on each such Principal Payment Date, the Principal Payment Date or Dates on which Term Bonds shall be subject to mandatory sinking fund redemption (Mandatory Redemption Dates) and the principal amount thereof that shall be payable pursuant to Mandatory Sinking Fund Redemption Requirements on each Mandatory Redemption Date.

(c) Conditions for Establishment of Interest Rates and Principal Payment Dates and Amounts. The rate or rates of interest per year to be borne by the Bonds, and the principal amount of Bonds maturing or payable pursuant to Mandatory Sinking Fund Redemption Requirements on each Principal Payment Date, shall be such that (i) the total principal and interest payments on the Bonds in any fiscal year in which principal is payable is not more than three times the amount of those payments in any other such fiscal year and (ii) the true interest cost of the Bonds does not exceed 6%.

(d) Payment of Debt Charges. The debt charges on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Bond Registrar as paying agent. The principal of and any premium on the Bonds shall be payable when due upon presentation and surrender of the Bonds at the office of the Bond Registrar designated in the Certificate of Award or, if not so designated, then at the principal corporate trust office of the Bond Registrar. Interest on a Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond was registered, and to that person's address appearing, on the Bond Register at the close of business on the 15th day preceding that Interest Payment Date. Notwithstanding the foregoing, if and so long as the Bonds are issued in a book entry system, principal of and interest and any premium on the Bonds shall be payable in the manner provided in any agreement entered into by the Fiscal Officer, in the name and on behalf of the City, in connection with the book-entry system.

(e) Redemption Provisions. The Bonds shall be subject to redemption prior to stated maturity as follows:

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

The aggregate of the money to be deposited with the Bond Registrar for payment of principal of and interest on any Term Bonds on each Mandatory Redemption Date shall include an amount sufficient to redeem on that date the principal amount of Term Bonds payable on that date pursuant to Mandatory Sinking Fund Redemption Requirements (less the amount of any credit as hereinafter provided).

The City shall have the option to deliver to the Bond Registrar for cancellation Term Bonds in any aggregate principal amount and to receive a credit against the then current or any subsequent Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation) of the City, as specified by the Fiscal Officer, for Term Bonds stated to mature on the same Principal Payment Date as the Term Bonds so delivered. That option shall be exercised by the City on or before the 45th day preceding any Mandatory Redemption Date

with respect to which the City wishes to obtain a credit, by furnishing the Bond Registrar a certificate, signed by the Fiscal Officer, setting forth the extent of the credit to be applied with respect to the then current or any subsequent Mandatory Sinking Fund Redemption Requirement for Term Bonds stated to mature on the same Principal Payment Date. If the certificate is not timely furnished to the Bond Registrar, the current Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation) shall not be reduced. A credit against the then current or any subsequent Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation), as specified by the Fiscal Officer, also shall be received by the City for any Term Bonds which prior thereto have been redeemed (other than through the operation of the applicable Mandatory Sinking Fund Redemption Requirements) or purchased for cancellation and canceled by the Bond Registrar, to the extent not applied theretofore as a credit against any Mandatory Sinking Fund Redemption Requirement, for Term Bonds stated to mature on the same Principal Payment Date as the Term Bonds so redeemed or purchased and canceled.

Each Term Bond so delivered, or previously redeemed, or purchased and canceled, shall be credited by the Bond Registrar at 100% of the principal amount thereof against the then current or subsequent Mandatory Sinking Fund Redemption Requirements (and corresponding mandatory redemption obligations), as specified by the Fiscal Officer, for Term Bonds stated to mature on the same Principal Payment Date as the Term Bonds so delivered, redeemed or purchased and canceled.

(ii) Optional Redemption. The Bonds of the maturities, if any, specified in the Certificate of Award shall be subject to redemption by and at the sole option of the City, in whole or in part in integral multiples of \$5,000, on the dates, in the years and at the redemption prices (expressed as a percentage of the principal amount to be redeemed), plus accrued interest to the redemption date, to be determined by the Fiscal Officer in the Certificate of Award; provided that (a) the earliest optional redemption date shall not be more than 10½ years after the Closing Date and (b) the redemption price for the earliest optional redemption date shall not be greater than 102%.

If optional redemption of Term Bonds at a redemption price exceeding 100% of the principal amount to be redeemed is to take place as of any Mandatory Redemption Date applicable to those Term Bonds, the Term Bonds, or portions thereof, to be redeemed optionally shall be selected by lot prior to the selection by lot of the Term Bonds of the same maturity to be redeemed on the same date by operation of the Mandatory Sinking Fund Redemption Requirements. Bonds to be redeemed pursuant to this paragraph shall be redeemed only upon written notice from the Fiscal Officer to the Bond Registrar, given upon the direction of this Council through a resolution or an ordinance. That notice shall specify the redemption date and the principal amount of each maturity of Bonds to be redeemed, and shall be given at least 45 days before the redemption date or such shorter period as shall be acceptable to the Bond Registrar.

(iii) Partial Redemption. If fewer than all of the outstanding Bonds are called for optional redemption at one time, and Bonds of more than one maturity are then outstanding, the

Bonds that are called shall be Bonds of the maturity or maturities selected by the City. If fewer than all of the Bonds of a single maturity are to be redeemed, the selection of Bonds of that maturity to be redeemed, or portions thereof in amounts of \$5,000 or any integral multiple thereof, shall be made by the Bond Registrar by lot in a manner determined by the Bond Registrar. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$5,000 are then outstanding, each \$5,000 unit of principal thereof shall be treated as if it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of principal amount represented by a Bond are to be called for redemption, then, upon notice of redemption of a \$5,000 unit or units, the registered owner of that Bond shall surrender the Bond to the Bond Registrar (a) for payment of the redemption price of the \$5,000 unit or units of principal amount called for redemption (including, without limitation, the interest accrued to the date fixed for redemption and any premium), and (b) for issuance, without charge to the registered owner, of a new Bond or Bonds of any Authorized Denomination or Denominations in an aggregate principal amount equal to the unmatured and unredeemed portion of, and bearing interest at the same rate and maturing on the same date as, the Bond surrendered.

(iv) Notice of Redemption. The notice of the call for redemption of Bonds shall identify (a) by designation, letters, numbers or other distinguishing marks, the Bonds or portions thereof to be redeemed, (b) the redemption price to be paid, (c) the date fixed for redemption, and (d) the place or places where the amounts due upon redemption are payable. The notice shall be given by the Bond Registrar on behalf of the City by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption, to the registered owner of each Bond subject to redemption in whole or in part at the registered owner's address shown on the Bond Register maintained by the Bond Registrar at the close of business on the fifteenth day preceding that mailing. Failure to receive notice by mail or any defect in that notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any Bond.

(v) Payment of Redeemed Bonds. In the event that notice of redemption shall have been given by the Bond Registrar to the registered owners as provided above, there shall be deposited with the Bond Registrar on or prior to the redemption date, moneys that, in addition to any other moneys available therefor and held by the Bond Registrar, will be sufficient to redeem at the redemption price thereof, plus accrued interest to the redemption date, all of the redeemable Bonds for which notice of redemption has been given. Notice having been mailed in the manner provided in the preceding paragraph hereof, the Bonds and portions thereof called for redemption shall become due and payable on the redemption date, and, upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price, plus accrued interest to the redemption date. If money for the redemption of all of the Bonds and portions thereof to be redeemed, together with accrued interest thereon to the redemption date, are held by the Bond Registrar on the redemption date, so as to be available therefor on that date and, if notice of redemption has been deposited in the mail as aforesaid, then from and after the redemption date those Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be outstanding. If that money shall not be so available on the redemption date, or that notice shall not have been deposited in

the mail as aforesaid, those Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption. All money held by the Bond Registrar for the redemption of particular Bonds shall be held in trust for the account of the registered owners thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds, provided that any interest earned on the money so held by the Bond Registrar shall be for the account of and paid to the City to the extent not required for the payment of the Bonds called for redemption.

Section 4: Execution and Authentication of Bonds; Appointment of Bond Registrar.
The Bonds shall be signed by the Mayor and the Fiscal Officer, in the name of the City and in their official capacities, provided that either or both of those signatures may be a facsimile. The Bonds shall be issued in the Authorized Denominations and numbers as requested by the Original Purchaser and approved by the Fiscal Officer, shall be numbered as determined by the Fiscal Officer in order to distinguish each Bond from any other Bond, and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to the provisions of Chapter 133 of the Revised Code and this Ordinance.

The Huntington National Bank is appointed to act as the initial Bond Registrar; provided, however, that the Fiscal Officer is authorized to appoint a different Bond Registrar in the Certificate of Award after determining that such bank or trust company will not endanger the funds or securities of the City and that proper procedures and safeguards are available for that purpose. The Fiscal Officer shall sign and deliver, in the name and on behalf of the City, the Bond Registrar Agreement between the City and the Bond Registrar, in substantially the form as is now on file with the Clerk of Council. The Bond Registrar Agreement is approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the Fiscal Officer on behalf of the City, all of which shall be conclusively evidenced by the signing of the Bond Registrar Agreement or amendments thereto. The Fiscal Officer shall provide for the payment of the services rendered and for reimbursement of expenses incurred pursuant to the Bond Registrar Agreement from the proceeds of the Bonds to the extent available and then from other money lawfully available and appropriated or to be appropriated for that purpose.

No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under the Bond proceedings unless and until the certificate of authentication printed on the Bond is signed by the Bond Registrar as an authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the 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 Bond Registrar or by any other person acting as an agent of the Bond Registrar and approved by the Fiscal Officer on behalf of the City. The same person need not sign the certificate of authentication on all of the Bonds.

Section 5: Registration; Transfer and Exchange; Book-Entry System.

(a) Bond Registrar. So long as any of the Bonds remain outstanding, the City will cause the Bond Registrar to maintain and keep the Bond Register at the office satisfactory to the Fiscal Officer and the Bond Registrar. Subject to the provisions of Section 6, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute owner of that Bond for all purposes of the Bond proceedings. Payment of or on account of the debt charges on any Bond shall be made only to or upon the order of that person; neither the City nor the Bond Registrar shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the City's liability upon the Bond, including interest, to the extent of the amount or amounts so paid.

(b) Transfer and Exchange. Any Bond may be exchanged for Bonds of any Authorized Denomination upon presentation and surrender at the office of the Bond Registrar designated in the Certificate of Award or, if not so designated, then at the principal corporate trust office of the Bond Registrar, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. A Bond may be transferred only on the Bond Register upon presentation and surrender of the Bond at the designated office of the Bond Registrar together with an assignment signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. Upon exchange or transfer the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any Authorized Denomination or Denominations requested by the owner equal in the aggregate to the unmatured principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the City are required, the Bond Registrar shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the City. In all cases of Bonds exchanged or transferred, the City shall sign, and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of the Bond proceedings. The exchange or transfer shall be without charge to the owner, except that the City and Bond Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The City or the Bond Registrar may require that those charges, if any, be paid before the procedure is begun for the exchange or transfer. All Bonds issued and authenticated upon any exchange or transfer shall be valid obligations of the City, evidencing the same debt, and entitled to the same security and benefit under the Bond proceedings as the Bonds surrendered upon that exchange or transfer. Neither the City nor the Bond Registrar shall be required to make any exchange or transfer of (i) Bonds then subject to call for redemption between the 15th day preceding the mailing of notice of Bonds to be redeemed and the date of that mailing, or (ii) any Bond selected for redemption, in whole or in part.

(c) Book-Entry System. Notwithstanding any other provisions of this Ordinance, if the Fiscal Officer determines in the Certificate of Award that it is in the best interest of and

financially advantageous to the City, the Bonds may be issued in book-entry form in accordance with the following provisions of this Section.

The Bonds may be issued to a Depository for use in a book entry system and, if and so long as a book entry system is utilized, (i) the Bonds may be issued in the form of a single, fully registered Bond representing each maturity and registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository or its designated agent which may be the Bond Registrar; (ii) the book entry interest owners of Bonds in book entry form shall not have any right to receive Bonds in the form of physical securities or certificates; (iii) ownership of book entry interests in Bonds in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of book entry interests shall be made only by book entry by the Depository and its Participants; and (iv) the Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

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

The Fiscal Officer is hereby authorized and directed, to the extent necessary or required, to enter into any agreements, in the name and on behalf of the City, that the Fiscal Officer determines to be necessary in connection with a book-entry system for the Bonds.

Section 6: Award and Sale of the Bonds.

(a) Original Purchaser Designated in Certificate of Award. The Bonds shall be sold to the Original Purchaser at a purchase price, not less than 97% of their aggregate principal amount, to be determined by the Fiscal Officer in the Certificate of Award, plus accrued interest on the Bonds from their date to the Closing Date, and shall be awarded by the Fiscal Officer with and upon such other terms as are required or authorized by this Ordinance to be specified in the Certificate of Award, in accordance with law and the provisions of this Ordinance. The Fiscal Officer is authorized, if it is determined to be in the best interest of the City, to combine the issue of Bonds with one or more other bond issues of the City into a consolidated bond issue pursuant to Section 133.30(B) of the Revised Code in which case a single Certificate of Award may be utilized for the consolidated bond issue if appropriate and consistent with the terms of this Ordinance.

The Fiscal Officer shall sign and deliver the Certificate of Award and shall cause the Bonds to be prepared and signed and delivered, together with a true transcript of proceedings concerning the issuance of the Bonds, to the Original Purchaser upon payment of the purchase price. The Mayor, the Fiscal Officer, the Director of Law, the Clerk of Council and other City officials, as appropriate, each are authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Ordinance.

(b) Primary Offering Disclosure – Official Statement. The Mayor and the Fiscal Officer, on behalf of the City and in their official capacities, are authorized to (i) prepare or cause to be prepared, and make or authorize modifications, completions or changes of or supplements to, an official statement in connection with the original issuance of the Bonds, (ii) determine, and to certify or otherwise represent, when the official statement is to be “deemed final” (except for permitted omissions) by the City or is a final official statement for purposes of SEC Rule 15c2-12(b)(1), (3) and (4), (iii) use and distribute, or authorize the use and distribution of, that official statement and any supplements thereto in connection with the original issuance of the Bonds and (iv) complete and sign that official statement as so approved together with such certificates, statements or other documents in connection with the finality, accuracy and completeness of that official statement as they deem necessary or appropriate.

(c) Agreement to Provide Continuing Disclosure. For the benefit of the holders and beneficial owners from time to time of the Bonds, the City agrees to provide or cause to be provided such financial information and operating data, audited financial statements and notices of the occurrence of certain events, in such manner as may be required for purposes of the Rule. The Fiscal Officer is authorized and directed to complete, sign and deliver the Continuing Disclosure Agreement, in the name and on behalf of the City, in substantially the form as is now on file with the Clerk of Council. The Continuing Disclosure Agreement is approved, together with any changes or amendments that are not inconsistent with this ordinance and not substantially adverse to the City and that are approved by the Fiscal Officer, all of which shall be conclusively evidenced by the signing of the Continuing Disclosure Agreement.

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

(d) Municipal Advisor; Application for Rating or Bond Insurance; Financing Costs. If, in the judgment of the Fiscal Officer, the (i) engagement of the services of a municipal advisor or (ii) filing of an application for (A) a rating on the Bonds by one or more nationally-recognized rating agencies, or (B) a policy of insurance from a company or companies to better assure the

payment of principal of and interest on the Bonds, is in the best interest of and financially advantageous to this City, the Fiscal Officer is authorized to engage a municipal advisor and prepare and to submit those applications, to provide to each such agency or company such information as may be required for the purpose, and to provide further for the payment of the fees of a municipal advisor or the cost of obtaining each such rating or policy from the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully available and that are appropriated or to be appropriated for that purpose. The Fiscal Officer is hereby authorized, to the extent necessary or required, to enter into any agreements, in the name of and on behalf of the City, that the Fiscal Officer determines to be necessary in connection with the engagement of a municipal advisor or of obtaining that bond insurance.

The expenditure of the amounts necessary to engage a municipal advisor and/or secure those rating(s) and to pay the other financing costs (as defined in Section 133.01 of the Revised Code) in connection with the Bonds, to the extent not paid by the Original Purchaser, is authorized and approved, and the Fiscal Officer is authorized to provide for the payment of any such amounts and costs from the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully available that are appropriated or shall be appropriated for that purpose.

Section 7: Provisions for Tax Levy. There shall be levied on all the taxable property in the City, in addition to all other taxes, a direct tax annually during the period the Bonds are outstanding in an amount sufficient to pay the debt charges on the Bonds when due, which tax shall not be less than the interest and sinking fund tax required by Section 11 of Article XII of the Ohio Constitution. The tax shall be within the ten-mill limitation imposed by law, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Bonds when and as the same fall due. In each year, to the extent that revenues and surplus funds from the City's sanitary sewerage system or other moneys are available for the payment of debt charges on the Bonds and are appropriated for that purpose, the amount of the tax shall be reduced by the amount of revenues and funds and/or moneys so available and appropriated. Nothing in this section in any way diminishes the irrevocable pledge of the full faith and credit and general property taxing power of the City to the prompt payment of the debt charges on the Bonds.

Section 8: Federal Tax Considerations. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Bonds in such manner and to such extent as may be necessary so that (a) the Bonds will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Section 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the Code), or (ii) be treated other than as bonds to which Section 103 of the Code applies, and (b) the interest thereon will not be an item of tax preference under Section 57 of the Code.

The City further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Bonds to be and to remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would

adversely affect that exclusion and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purposes of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

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

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

Section 9: Certification and Delivery of Ordinance and Certificate of Award. The Clerk of Council is directed to deliver or cause to be delivered a certified copy of this Ordinance and a signed copy of the Certificate of Award to the Wayne County Auditor.

Section 10: Retention of Bond Counsel. The legal services of Squire Patton Boggs (US) LLP, as bond counsel, be and are hereby retained. The legal services shall 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 Bonds and the rendering of the necessary legal opinion upon the delivery of the Bonds. In rendering those legal services, as an independent contractor and in an attorney-client relationship, that firm shall 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. That firm shall be paid just and reasonable compensation for those legal services and shall be reimbursed for the actual out-of-pocket expenses it incurs in rendering those legal services. The Fiscal Officer is authorized and directed to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

Section 11: Satisfaction of Conditions for Bond Issuance. This Council determines that all acts and conditions necessary to be performed by the City or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the City have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general property taxing power (as described in Section 7) of the City are pledged for the timely payment of the debt charges on the Bonds; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

Section 12: Compliance with Open Meeting Requirements. This Council finds and determines that all formal actions of this Council and of any of its committees concerning and relating to the passage of this Ordinance were taken in open meetings of this Council or committees, and that all deliberations of this Council and of any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law.

Section 13: Declaration of Emergency; Effective Date. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of this City, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Bonds, which is necessary to enable the City to retire the Outstanding Notes and thereby preserve its credit; wherefore, this Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor, provided it receives the affirmative vote of at least three-fourths of the members of Council; otherwise, it shall be in full force and effect from and after the earliest period allowed by law.

1st reading	2nd reading	3rd reading
1	2	3

Passed: _____, 2017 Vote: _____

Attest: _____
Clerk of Council

President of Council

Approved: _____, 2017

Mayor

Introduced by: Jon Ansel

FISCAL OFFICER'S CERTIFICATE

TO THE COUNCIL OF THE CITY OF WOOSTER, OHIO:

As fiscal officer of the City of Wooster, Ohio, I certify in connection with your proposed issue of bonds in the maximum principal amount of \$5,000,000 (the Bonds) for the purpose of paying costs of improving the City's sanitary sewerage system by acquiring wastewater treatment facilities and equipment, together with all necessary appurtenances thereto (the improvement), that:

1. The estimated life or period of usefulness of the improvement is at least five years.
2. The estimated maximum maturity of the Bonds, calculated in accordance with Section 133.20 of the Revised Code, is 40 years.

Dated: December 4, 2017



Director of Finance
City of Wooster, Ohio