

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.....

ORDINANCE NO. 31-18.....

PASSED.....

Dec 3.....

20 18.....

AN ORDINANCE

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF BONDS IN THE MAXIMUM PRINCIPAL AMOUNT OF \$2,000,000 FOR THE PURPOSE OF (A) REFUNDING ALL OR A PORTION THE CITY'S OUTSTANDING SEWER SYSTEM MORTGAGE REVENUE BONDS ISSUED IN 2015, (B) PAYING ADDITIONAL COSTS OF CONSTRUCTING, RECONSTRUCTING, AND OTHERWISE IMPROVING THE CITY'S SANITARY SEWER SYSTEM; AND (C) DECLARING AN EMERGENCY.

BE IT ORDAINED by the Council ("Council") of the City of Hubbard (the "City"), Trumbull County, Ohio:

Section 1. Findings and Determinations. This Council makes the following findings and determinations (capitalized terms are defined in Section 13):

- (a) The City has previously issued the Outstanding Bonds to finance the costs of the Projects.
- (b) It is now necessary and in the City's best interest for the City to issue the Series 2018 Bonds for the purpose of (1) refunding all or a portion of the outstanding maturities of the Outstanding Bonds, (2) paying additional costs of the Projects, and (c) paying Financing Costs of the Series 2018 Bonds.
- (c) The City Auditor, as fiscal officer, has certified to this Council the maximum maturity of the Series 2018 Bonds.
- (d) All acts and conditions necessary to be performed by the City or to have been met for the issuance of the Series 2018 Bonds in order to make them legal, valid, and binding special obligations of the City, have been performed and met, or will have been performed and met, at the time of delivery of the Series 2018 Bonds, as required by law.
- (e) No statutory or constitutional limitation of indebtedness or taxation will be exceeded by the issuance of the Series 2018 Bonds.
- (f) All formal actions of this Council relating to the enactment of this ordinance were taken in an open meeting of this Council, and all deliberations of this Council and of any of its committees that resulted in those formal actions, were in meetings open to the public, in compliance with the law.

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.

ORDINANCE NO. 31-18

PASSED Dec 3

20 18

Section 2. Terms of the Series 2018 Bonds. The Series 2018 Bonds will have the following terms:

- (a) **Amount.** The Series 2018 Bonds will be issued in the maximum principal amount of \$2,000,000, or any lesser principal amount as determined by the Auditor of the City (the "City Auditor") in the Certificate of Award.
- (b) **Date.** The Series 2018 Bonds will be dated the Closing Date, or any other date, not more than 31 days before the Closing Date, as determined by the City Auditor in the Certificate of Award.
- (c) **Maturity.** The Series 2018 Bonds will mature or be payable by Mandatory Sinking Fund Redemption in the amounts and on the Principal Payment Dates as determined by the City Auditor in the Certificate of Award.
- (d) **Redemption Before Stated Maturity.** The Series 2018 Bonds will be subject to redemption before their stated maturity as described in this Section 2(d), unless otherwise determined by the City Auditor in the Certificate of Award.

(1) **Mandatory Sinking Fund Redemption.** If any of the Series 2018 Bonds are issued as Term Bonds, the Term Bonds will be subject to Mandatory Sinking Fund Redemption, in part, on the Mandatory Redemption Dates, at a redemption price of 100% of the principal amount being redeemed, plus interest accrued to the redemption date. The principal amounts to be paid by Mandatory Sinking Fund Redemption will be those in the principal payment schedule determined by the City Auditor in accordance with Section 2(c) above.

The City will be entitled to a credit against its obligation to pay Debt Service by Mandatory Sinking Fund Redemption on any future Mandatory Redemption Date for Term Bonds that (A) are delivered by the City, (B) have previously been redeemed other than by Mandatory Sinking Fund Redemption, or (C) have been purchased and canceled by the City.

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

The City Auditor may determine to change the optional redemption provisions relating to the Series 2018 Bonds set forth above by (A) changing the earliest optional redemption date, which may be any date before the final maturity of the Series 2018 Bonds, (B) making the Series 2018 Bonds not subject to optional redemption, and (C) changing the redemption prices for the Series 2018 Bonds, which may not exceed 110% in any year in which the Series 2018 Bonds are subject to optional redemption. The City Auditor

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.....

ORDINANCE NO. 31-18.....

PASSED.....

Dec 3 2018.....

must set forth any change to the optional redemption provisions in the Certificate of Award.

(3) **Partial Redemption.** If Series 2018 Bonds are to be redeemed in part by optional redemption, the maturities of Series 2018 Bonds to be redeemed and the amounts of each maturity to be redeemed may be selected by the City. If fewer than all Series 2018 Bonds of a maturity are to be redeemed, the City must select the Series 2018 Bonds of a maturity to be redeemed by lot in any manner it determines. The City must treat each portion of Series 2018 Bonds of a maturity in the lowest authorized denomination as a separate bond for purposes of that selection. If Series 2018 Bonds that are subject to mandatory sinking fund redemption are to be redeemed by optional redemption at a premium, the Series 2018 Bonds to be redeemed by optional redemption must be selected before the selection of Series 2018 Bonds to be redeemed by mandatory sinking fund redemption. If a portion of a Series 2018 Bond is redeemed, the Holder must surrender that Series 2018 Bond for exchange of the unredeemed portion.

(4) **Notice of Redemption.** The City must give notice of redemption of Series 2018 Bonds to the Holders at least 30 days before the redemption date, by first class mail. If the City sends the notice, the failure of a Holder to receive the notice will not affect the validity of the redemption. The notice must state the following: (a) the redemption date and price, (b) the principal amount of Series 2018 Bonds to be redeemed, (c) if fewer than all the Series 2018 Bonds are to be redeemed, the identifying information of the Series 2018 Bonds to be redeemed, (d) the places where the amounts due on redemption are payable, (e) the redemption price of each Series 2018 Bond redeemed will be due and payable on the redemption date, and interest on that Series 2018 Bond will cease to accrue on and after the redemption date, and (f) if the redemption is a conditioned on having sufficient funds to redeem the Series 2018 Bonds, a statement to that effect and that the redemption may be rescinded if the money for redemption is not deposited with the City on or before the redemption date or if the City chooses to rescind the notice of redemption.

The City must also send a copy of the notice of redemption to the following entities: (a) any Rating Agency then rating the Series 2018 Bonds to be redeemed, (b) all of the registered clearing agencies known to the City to be in the business of holding substantial amounts of securities such as the Series 2018 Bonds, and (c) one or more national information services that disseminate notices of redemption of securities such as the Series 2018 Bonds. The failure, however, to send the notice provided in this subsection will not affect the validity of the redemption.

(e) **Interest.** The Series 2018 Bonds will bear interest at the rate or rates determined in the Certificate of Award. The weighted average of the rates of interest on the Series 2018 Bonds, determined by taking into account the principal amounts of

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.....

ORDINANCE NO. 31-18.....

PASSED Dec 3

20 18

the Series 2018 Bonds and the terms to maturity or Mandatory Redemption Dates of those principal amounts, may not exceed 6% per annum. Interest will be calculated on a 360-day year of twelve, 30-day months, unless otherwise determined by the City Auditor in the Certificate of Award.

The Series 2018 Bonds will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date. Interest on the Series 2018 Bonds will be payable on the Interest Payment Dates until the principal amount has been paid or provided for. The City Auditor must designate the first Interest Payment Date in the Certificate of Award, as determined by the City Auditor.

(f) **Form, Numbering, and Denominations.** The Series 2018 Bonds must be issued in fully registered form, registered in the name of the Holder. They must be issued in Authorized Denominations and in such numbers as requested by the Original Purchaser and approved by the City Auditor. They must express on their faces the purpose for which they are issued and that they are issued in accordance with this ordinance. If requested by the Original Purchaser, the Series 2018 Bonds may be issued as a single registered bond with multiple maturities of principal in Authorized Denominations set forth in a payment schedule in the Series 2018 Bond certificate. The Series 2018 Bonds will be designated "Sewer System Revenue Bonds, Series 2018" unless otherwise designated in the Certificate of Award.

Section 3. Payment. The Debt Service on the Series 2018 Bonds will be payable in lawful money of the United States of America without deduction for the services of the Registrar as paying agent. Principal and any premium on the Series 2018 Bonds will be payable when due upon presentation and surrender of the Series 2018 Bonds at the office of the Registrar. Interest on the Series 2018 Bonds will be paid on each Interest Payment Date by check or draft mailed on the Interest Payment Date to the Holder as shown on the Register at the close of business on the 15th day of the month preceding the Interest Payment Date. Notwithstanding the foregoing, so long as the Original Purchaser is the Holder of the Series 2018 Bonds, (a) the principal installments on the Series 2018 Bonds will be paid on each Principal Payment Date and any redemption date to the registered owner, without presentation or surrender of the Series 2018 Bond certificates, to an account in the United States as the Holder directs in writing to the Registrar, provided that the Holder must present and surrender its Series 2018 Bond certificates at the office of the Registrar during the payment or redemption of the final principal installment of the Series 2018 Bonds, and (b) interest on the Series 2018 Bonds will be paid on each Interest Payment Date to the Holder to an account in the United States as the Holder directs in writing to the Registrar. All such payments will be valid and effectual to satisfy and discharge the City's liability upon that Series 2018 Bond to the extent of the amount or amounts so paid.

Section 4. Signing and Authentication of Series 2018 Bonds.

(a) **Signing.** The Series 2018 Bonds must be signed on behalf of the City by the Mayor and the City Auditor. In the absence of the Mayor, the Series 2018 Bonds must be signed by the Director of Law and, in the absence of the City Auditor, the Series 2018 Bonds must be signed by the City Treasurer. Any signature may be by

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.

ORDINANCE NO. 31-18

PASSED

Dec 3 20 18

facsimile. If any officer whose signature or facsimile signature appears on the Series 2018 Bonds no longer holds that office at the time of delivery of the Series 2018 Bonds, the signature will nonetheless be valid and sufficient for all purposes, as though the officer held the office at delivery.

- (b) **Authentication.** No Series 2018 Bond will be valid or obligatory for any purpose or will be entitled to any security or benefit under the Bond Proceedings unless and until the certificate of authentication printed on the Series 2018 Bond certificate is signed by the Registrar as authenticating agent. Authentication by the Registrar will be conclusive evidence that the Series 2018 Bond so authenticated has been duly issued, signed, and delivered under, and is entitled to the security and benefit of, the Bond Proceedings. The certificate of authentication may be signed by any authorized officer or employee of the Registrar or by any other person acting as an agent of the Registrar and approved by the City Auditor on behalf of the City. The same person need not sign the certificate of authentication on all of the Series 2018 Bonds.

Section 5. Registration, Transfer, and Exchange.

- (a) **Registration.** So long as any of the Series 2018 Bonds remain outstanding, the City must cause the Registrar to maintain the Register. The person in whose name a Series 2018 Bond is registered on the Register will be regarded as the absolute owner of that Series 2018 Bond for all purposes of the Bond Proceedings. Neither the City nor the Registrar will be affected by any notice to the contrary, but the registration may be changed as provided in this Section.
- (b) **Transfer and Exchange.** Any Series 2018 Bond may be exchanged for Series 2018 Bonds of any Authorized Denomination, upon presentation and surrender of that Series 2018 Bond at the office of the Registrar, together with a request for exchange or an assignment signed by the Holder or by a person legally empowered to do so on behalf of the Holder, in a form satisfactory to the Registrar. The Registrar must complete, authenticate, and deliver new Series 2018 Bonds, upon an exchange, to the Holder or its agent or, upon a transfer, to the new Holder of the transferred Series 2018 Bonds or its agent, in Authorized Denominations equal in the aggregate to the principal amount of the Series 2018 Bonds surrendered. Every exchange or transfer of the Series 2018 Bonds will be made without charge to the Holders, except that the City and the Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required for the exchange or transfer.
- If manual signatures on behalf of the City are required, the Registrar will undertake the exchange or transfer of a Series 2017 Bond only after the new Series 2018 Bond is signed by the authorized officers of the City. In all cases of Series 2018 Bonds exchanged or transferred, the City will sign, and the Registrar will authenticate and deliver Series 2018 Bonds in accordance with the provisions of the Bond Proceedings. The exchange or transfer will be without charge to the Holder, except that the City and the Registrar may make a charge sufficient to

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.

ORDINANCE NO. 31-18

PASSED Dec 3

20 18

reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The City or the Registrar may require that those charges, if any, be paid before the procedure is begun for the exchange or transfer.

All Series 2018 Bonds issued and authenticated upon any exchange or transfer will be valid obligations of the City, evidencing the same debt, and entitled to the same security and benefit under the Bond Proceedings as the Series 2018 Bonds surrendered upon that exchange or transfer.

Section 6. Sale of the Series 2018 Bonds.

(a) **Private Sale.** The Series 2018 Bonds will be sold at private sale to the Original Purchaser at a purchase price determined by the City Auditor in the Certificate of Award, which must not be less than 97% of the original principal amount of the Series 2018 Bonds, plus any accrued interest on the Series 2018 Bonds from their date to the Closing Date. The City Auditor may enter into a Purchase Agreement with the Original Purchaser in that private sale or may sell the Series 2018 Bonds without a Purchase Agreement. The Series 2018 Bonds must be sold 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 the law, the provisions of this ordinance, and any Purchase Agreement.

(b) **Certificate of Award.** The City Auditor must deliver a Certificate of Award to the Original Purchaser in connection with the sale of the Series 2018 Bonds. The City Auditor must state the following in the Certificate of Award: the principal amounts of the Series 2018 Bonds to be issued as Serial Bonds and Term Bonds; the interest rates on the Series 2018 Bonds; the first Interest Payment Date; the purchase price for the Series 2018 Bonds; the Original Purchaser and any other terms required by this ordinance. The City Auditor may state the following in the Certificate of Award: any changes in the date, the principal payment schedule, redemption provisions, the manner in which the interest on the Series 2018 Bonds is calculated, and the designation of the Series 2018 Bonds; and any other terms authorized by this ordinance, subject to the limitations stated in this ordinance.

(c) **Delivery.** The City Auditor must cause the Series 2018 Bonds to be prepared, signed, and delivered to the Original Purchaser. This Council authorizes and directs the Clerk of Council to deliver a true transcript of proceedings for the issuance of the Series 2018 Bonds to the Original Purchaser upon payment of the purchase price.

Section 7. Financing Costs. The City retains the professional services and authorizes and directs the payment of the Financing Costs for the Series 2018 Bonds, as provided in this Section 7.

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.

ORDINANCE NO. 31-18

PASSED

Dec 3 20 18

(a) **Bond Counsel.** The City retains the legal services of Calfee, Halter & Griswold LLP, as bond counsel for the Series 2018 Bonds. The legal services will be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the issuance and sale of the Series 2018 Bonds and rendering legal opinions upon the delivery of the Series 2018 Bonds. Bond counsel must render those services to the City in an attorney-client relationship. Bond counsel must be paid just and reasonable compensation for those legal services.

(b) **Original Purchaser.** This Council authorizes and directs the City Auditor to select the Original Purchaser of the Series 2018 Bonds. The City Auditor may engage a person or entity to act as a placement agent in connection with the sale of the Series 2018 Bonds, and the placement agent will be paid for its services in accordance with any agreement entered into between the placement agent and the City.

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

(d) **Payment of Financing Costs.** This Council authorizes and approves the expenditure of the amounts necessary to pay those Financing Costs specifically authorized above and all other necessary Financing Costs in connection with the issuance and sale of the Series 2018 Bonds. This Council authorizes the City Auditor to provide for the payment of those Financing Costs from the proceeds of the Series 2018 Bonds to the extent available and, otherwise, from any other funds lawfully available and appropriated for the purpose.

Section 8. Use of Proceeds and Refunding. The proceeds from the sale of the Series 2018 Bonds must be deposited and used, and the Refunded Bonds must be paid, as provided in this Section 8.

(a) This Council appropriates those proceeds for the following purposes, and those proceeds must be used for those purposes:

(1) Any accrued interest or premium received by the City on the sale of the Series 2018 Bonds must be deposited in the Bond Retirement Fund of the City and used for the payment of interest on the Series 2018 Bonds on the first Interest Payment Date.

(2) An amount necessary to pay the Financing Costs of the Series 2018 Bonds, to the extent not paid by the Original Purchaser in accordance with the Purchase Agreement and to the extent that the City Auditor determines to pay those Financing Costs from the proceeds of the Series 2018 Bonds,

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.....

ORDINANCE NO... 31-18.....

PASSED..... Dec 3 20 18.....

must be deposited in a separate fund and used for the payment of those Financing Costs.

(3) An amount sufficient to redeem the Refunded Bonds on the Closing Date must be paid into the proper fund or funds.

(4) The remainder of the proceeds must be paid into the proper fund or funds and used to pay costs of the Projects.

(b) This Council authorizes the City Auditor to select the maturities of the Outstanding Bonds to the refunded, to establish the redemption date of the Refunded Bonds, and to give any required notices of redemption of the Refunded Bonds.

Section 9. Security and Source of Payment. The Series 2018 Bonds will be special obligations of the City and the payment of Debt Service on the Series 2018 Bonds shall be secured by a pledge of and lien on the Net Revenues of the sanitary sewer system of the City, provided that any such pledge and lien shall be valid and enforceable only to the extent permitted by law.

Nothing in this ordinance or the Series 2018 Bonds will represent or constitute a general obligation, debt, or bonded indebtedness of the City and further, nothing in the Bond Proceedings gives the Holder the right to have excises, ad valorem taxes, or other taxes levied by this Council, by the State of Ohio, or the taxing authority of any other political subdivision, for the payment of Debt Service on the Series 2018 Bonds.

Notwithstanding the foregoing, nothing in this ordinance shall be deemed to prohibit the City, of its own volition, from using, to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions, or obligations of the Series 2018 Bonds.

Section 10. Federal Tax Matters. The City covenants that it will take those actions required to maintain the Federal Tax Status of the Series 2018 Bonds and that it will not take or permit to be taken any actions that would adversely affect that Federal Tax Status. Without limiting these covenants, the City specifically covenants as follows:

(a) **Private Activity Bonds.** The City will apply the proceeds received from the sale of the Series 2018 Bonds to the uses described in Section 8. The City will not permit the use of the Projects by any person, will not secure or derive the money for payment of Debt Service on the Series 2018 Bonds by any property or payments, and will not loan the proceeds of the Series 2018 Bonds to any person, all in a manner as to cause the Series 2018 Bonds to be "private activity bonds" within the meaning of Code Section 141(a).

(b) **Arbitrage.** The City will restrict the use of proceeds of the Series 2018 Bonds in the manner and to the extent as may be necessary, after taking into account reasonable expectations on the Closing Date, so that the Series 2018 Bonds will not

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.....

ORDINANCE NO. 31-18.....

PASSED.....

Dec 3 2018.....

constitute "arbitrage bonds" within the meaning of Code Section 148. The City Auditor or any other official having responsibility for issuing the Series 2018 Bonds, is authorized and directed, alone or in conjunction with any other official, employee, or consultant of the City, to sign and deliver a certificate of the City, for inclusion in the transcript of proceedings for the Series 2018 Bonds. That certificate must set forth the reasonable expectations of the City on the Closing Date, regarding the amount and use of the proceeds of the Series 2018 Bonds in accordance with Code Section 148. If required, the City will limit the yield on any "investment property" (as defined in Code Section 148(b)(2)) acquired with the proceeds of the Series 2018 Bonds.

- (c) **Arbitrage Rebate.** Unless the gross proceeds of the Series 2018 Bonds are expended in accordance with one of the spending period exceptions set forth in Treas. Reg. §1.148-7, the City will pay the amounts required by Code Section 148(f)(2) to the United States at the times required by Code Section 148(f)(3). The City will maintain the books and records and make calculations and reports as required to comply with the Code's arbitrage rebate requirements.
- (d) **Federal Guarantee.** The City will not permit the use of the Projects, or make loans of the proceeds of the Series 2018 Bonds, or invest the proceeds of the Series 2018 Bonds in a manner as to cause the Series 2018 Bonds to be "federally guaranteed" within the meaning of Code Section 149(b).
- (e) **Information Reporting.** This Council authorizes and directs the City Auditor or any other official of the City having responsibility for issuing the Series 2018 Bonds to sign and file Form 8038-G for the Series 2018 Bonds with the Internal Revenue Service.
- (f) **Bank-Qualified Obligations.** This Council designates the Series 2018 Bonds as "qualified tax-exempt obligations" for purposes of Code Section 265(b)(3).

Section 11. Signing and Delivery of Series 2018 Bonds and Documents. This Council authorizes and directs the Mayor and the City Auditor, or the persons designated to sign in their absence, to sign and deliver the Series 2018 Bonds in accordance with Section 4 of this ordinance.

- (a) This Council authorizes and directs the City Auditor to sign and deliver, on behalf of the City the Certificate of Award and Purchase Agreement. In the absence of the City Auditor, this Council authorizes and directs the Mayor or the City Treasurer to sign and deliver any of those documents and certificates.
- (b) This Council authorizes and directs the City Auditor to sign and deliver, on behalf of the City, in his capacity as fiscal officer of the City any certificates required under Section 5705.41, Revised Code, for any of the agreements in connection with the Series 2018 Bonds.

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.

ORDINANCE NO. 31-18

PASSED Dec 3

20 18

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

- (1) to sign and deliver any certificates, instruments, and other documents or agreements that the official considers necessary or appropriate in connection with the issuance and sale of the Series 2018 Bonds and that are not inconsistent with this ordinance; and
- (2) to take such actions as are necessary or appropriate to consummate the transactions contemplated by this ordinance.

Section 12. Certification to County Auditor. This Council directs the City Auditor or the Clerk of this Council to forward a certified copy of this ordinance and a copy of the Certificate of Award to the County Auditor.

Section 13. Definitions. Words and terms are used in this ordinance with the following meanings:

“Authorized Denominations” means the denomination of \$100,000 or any whole multiple of \$1,000 in excess of \$100,000.

“Bond Proceedings” means, collectively, this ordinance, the Certificate of Award, the Purchase Agreement, and the other proceedings of the City, including the Series 2018 Bonds, that provide collectively for, among other things, the rights of the Holder of the Series 2018 Bonds.

“Certificate of Award” means the certificate authorized by Section 6 of this ordinance, setting forth the terms and other provisions of the Series 2018 Bonds required or authorized by this ordinance.

“Closing Date” means the date of delivery of and payment for the Series 2018 Bonds.

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

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

“Federal Tax Status” means the status of the interest on the Series 2018 Bonds as excluded from gross income for federal income tax purposes and not treated as an item of tax preference for purposes of the alternative minimum tax.

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

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.....

ORDINANCE NO... 31-18

PASSED Dec 3

20 18

“Holder” means, as to any Series 2018 Bond, the person in whose name the Series 2018 Bond is registered on the Register.

“Interest Payment Dates” means June 1 and December 1 of each year, beginning on the first Interest Payment Date designated by the City Auditor in the Certificate of Award.

“Mandatory Redemption Dates” means, unless otherwise determined by the City Auditor in the Certificate of Award, December 1 in each of the years designated in the Certificate of Award as Mandatory Redemption Dates.

“Mandatory Sinking Fund Redemption” means redemption in accordance with the mandatory redemption requirements, if any, for the Series 2018 Bonds as determined in the Certificate of Award and as described in Section 2(d).

“Net Revenues” means Revenues net of Operating Expenses.

“Operating Expenses” means all expenses for the operation, maintenance, administration, and ordinary current repairs of the Utility necessary to maintain and operate the Utility in a reasonable and prudent manner, and that are normally included as expenses in the operating budget of municipally-owned sewer systems in accordance with standard principles of municipal utility accounting in accordance with generally accepted accounting principles. The term includes, without limitation, insurance premiums; the City’s administrative expenses allocable to the Utility (including, without limitation, engineering, architectural, legal, consulting and accounting fees and expenses); any taxes or assessments, whether general or special, that are lawfully imposed on the Utility or on the revenue or income derived from its operation; charges for electricity, telephone, and other public or private utility services; fees and expenses of independent engineers, architects, consultants, accountants, and attorneys retained by the City, from time to time, to perform and carry out duties imposed on the City; and other expenses related to the foregoing; all as determined (except as otherwise specified in this definition) in accordance with standard principles of municipal utility accounting. The term “Operating Expenses” does not include: (1) Debt Service on debt issued to finance the Utility or any improvement to the Utility; (2) any money that is used to pay principal and interest on outstanding general obligation indebtedness of the City incurred to finance improvements to the Utility or to refund that indebtedness; and (3) any allowance for amortization or depreciation of the Utility.

“Original Purchaser” means the entity selected by the City Auditor in accordance with Section 7(b) as the purchaser of the Series 2018 Bonds.

“Outstanding Bonds” means the City’s Sewer System Mortgage Revenue Bonds, Series 2015, issued in the original principal amount of \$2,000,000, to pay costs of the Projects.

“Principal Payment Dates” means, unless otherwise determined by the City Auditor in the Certificate of Award, December 1 of the years set forth in the Certificate of Award.

“Projects” means constructing, reconstructing, and otherwise improving the City’s municipal wastewater treatment plant and sewer system.

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.

ORDINANCE NO. 31-18

PASSED

Dec 3 2018

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

“Record Date” means for the Series 2018 Bonds, the 15th day of the month before each Interest Payment Date.

“Refunded Bonds” means the maturities of the Outstanding Bonds being refunded by the Series 2018 Bonds, as selected by the City Auditor in accordance with Section 8(b).

“Register” means the register or other books maintained by the City for registration, transfer, and exchange of the Series 2018 Bonds.

“Registrar” means the City Auditor.

“Revenues” means all revenues received by or on behalf of the City from or in connection with the ownership, operation, use, and services of the Utility including, without limitation, all rates, charges, rentals, and other income received by the City or accrued to the City, to be deposited in the Sewer Fund of the City, all as determined (except as otherwise specified in this definition) in accordance with standard principles of municipal utility accounting in accordance with generally accepted accounting principles. The term “Revenues” does not include (a) any income resulting from investments applicable to the Utility, (b) realized and unrealized gains and losses on investments applicable to the Utility, (c) the proceeds of the Series 2018 Bonds, (d) profit or loss of the sale or other disposition, not in the ordinary course of business, of any fixed or capital assets of the Utility, (e) proceeds of insurance (other than insurance that provides for lost revenue to the Utility when the Utility is unable to function) or eminent domain, (f) proceeds from the sale of natural gas, oil, or other minerals extracted from property of the Utility, (g) extraordinary items, or (h) revenues resulting from the early extinguishment of debt.

“Serial Bonds” means Series 2018 Bonds designated as Serial Bonds in the Certificate of Award maturing on the dates set forth in the Certificate of Award, and not subject to Mandatory Sinking Fund Redemption.

“Series 2018 Bonds” means the Sewer System Revenue Bonds, Series 2018, authorized by this ordinance.

“Sewer Fund” means the Sewer Fund of the City.

“Term Bonds” means the Series 2018 Bonds designated as Term Bonds in the Certificate of Award and maturing on the dates set forth in the Certificate of Award, and subject to Mandatory Sinking Fund Redemption.

“Utility” means the City’s municipal wastewater treatment plant and sewer system owned and operated by the City, together with all replacements, extensions, and improvements to that plant and system.

CITY OF HUBBARD, OHIO
RECORD OF ORDINANCES AND RESOLUTIONS

THE FRED PROCTER CO., CINTI, O.

RESOLUTION NO.

ORDINANCE NO. 31-18

PASSED

Dec 3 2018

Section 14. Emergency and Effective Date. This ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, welfare, and safety of the City and for the further reason that the Series 2018 Bonds must be sold promptly in order to permit the City to construct and improve the municipal wastewater treatment plant and sanitary sewer facilities that are urgently required to safely dispose of sewage and to take advantage of prevailing favorable market conditions; and provided this ordinance receives the affirmative vote of two-thirds of the members elected or appointed to Council, it will take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it will take effect and be in force at the earliest period allowed by law.

PASSED IN COUNCIL THIS 3RD DAY OF December, 2018.

ATTEST:

Larnie Brown
CLERK OF COUNCIL

William Williams
PRESIDENT OF COUNCIL

APPROVED:

John P. Parker
MAYOR

APPROVAL DATE: 12/4, 2018