

ORDINANCE NO. O2016-41

AN ORDINANCE AMENDING ORDINANCE NO. O2015-21 PASSED MARCH 30, 2015 TO INCREASE THE MAXIMUM OUTSTANDING PRINCIPAL AMOUNT OF NOTES ISSUED IN ANTICIPATION OF THE RECEIPT OF GRANTS FROM THE OHIO DEPARTMENT OF NATURAL RESOURCES AND THE U.S. FISH AND WILDLIFE SERVICE FROM \$200,000 TO \$750,000, AND DECLARING AN EMERGENCY.

WHEREAS, the City of Gallipolis, Ohio (the "Municipality") has heretofore issued its Riverfront Access Improvements Bond Anticipation Notes (Project Grants Portion), Series 2015 (the "Notes") pursuant to Ordinance No. O2015-21 passed by the this city commission (the "Commission") on March 30, 2015 (the "Prior Ordinance"); and

WHEREAS, Prior Ordinance provided that the Notes were issued in anticipation of the receipt of the Project Grants, as defined in the Prior Ordinance, to pay costs of improving the Municipality's riverfront by constructing boating and fishing access improvements (the "Project"), provided that the outstanding principal amount of the Notes not exceed \$200,000; and

WHEREAS, reimbursement of the Municipality for costs of the Project from the Project Grants are taking longer than anticipated and this Commission deems it necessary to increase the maximum amount of the Notes that may be outstanding to \$750,000; and

WHEREAS, the City Auditor, as fiscal officer of the Municipality, has estimated the life or period of usefulness of the improvements constituting the Project is at least five (5) years and certified the maximum maturity of bonds issued therefor as twenty (20) years, and of the notes to be issued in anticipation thereof is twenty (20) years; and

WHEREAS, The Ohio Valley Bank Company (the "Bank"), the current holder of the Notes, has agreed to such increase in the principal amount of the Notes; and

WHEREAS, the City Manager has recommended in writing the passage of this ordinance as an emergency measure to take effect immediately upon its passage, it being for the immediate preservation of the public peace, health, safety or property, or providing for the usual daily operation of a municipal department, for the reason that the immediate effectiveness of this ordinance is necessary (i) to assure that the payments for costs of the Project are made in a timely manner pending receipt of proceeds of the Project Grants, and (ii) so that the Municipality, its citizens and taxpayers may receive the benefits of the Project as soon as possible;

NOW, THEREFORE, BE IT ORDAINED by the City Commission of the Village of the City of Gallipolis, State of Ohio, all members elected or appointed thereto concurring, that:

SECTION 1. Section 2. of the Prior Ordinance reading as follows"

"SECTION 2. It is hereby determined necessary to issue and sell notes in anticipation of such bonds and the receipt of the Project Grants (the "Notes") pursuant to the Act. The Notes shall (i) be issued in a principal amount not to exceed the amount set



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forth above, for the purpose aforesaid, provided that at no time shall the advanced but unpaid and unredeemed principal amount of the Notes (the "Outstanding Principal Amount") exceed \$200,000, (ii) be dated, (iii) be of denominations, (iv) mature on a date not more than three (3) years from their date of issuance (the "Maturity Date"), and (v) bear interest on the Outstanding Principal Amount from time to time at the rate of three and five hundredths percent (3.05%) per annum, which interest shall be calculated on the basis of the actual number of days and a 360-day year, or such other basis as may be set forth in the Notes, and be payable monthly on dates to be set forth in the Notes and on the Maturity Date (each, a "Note Payment Date"), all as determined by the City Auditor without further action of this Commission and set forth in the Notes, which determinations shall be conclusive.

"The principal amount of the Notes shall be advanced by the Bank to the Municipality in installments upon request of the Municipality and interest shall accrue on the amount of each advance from the actual date of such advance, provided that in no event shall any advance be made which would cause the Outstanding Principal Amount to exceed \$200,000 nor shall the aggregate of such advances exceed the amount of the Project Grants (\$1,790,975). Subject to such limitations, such advances shall be made until the earlier of (i) the date on which the aggregate amount of such advances equals the amount of the Project Grants, or (ii) the date on which the Municipality notifies the Bank that no further advances will be requested.

"The Notes shall be subject to redemption prior to maturity at the sole option of the Municipality in whole, or in part, at any time at the price of 100% of the principal amount of the Notes to be redeemed plus accrued interest to the redemption date, and on such redemption date, interest on such principal amount shall cease to accrue. Any such redemption date shall also be a "Note Payment Date". In the event that the then entire Outstanding Principal Amount shall have been so redeemed prior to the Maturity Date, the Notes shall nevertheless not be extinguished but shall remain outstanding and subject to additional advances upon the request of the Municipality as described above.

"The Bank shall maintain books and records documenting the principal amounts advanced and the dates thereof, the interest on such advances, and the principal amounts redeemed, which shall be available for inspection by the officers of the Municipality during the Bank's regular business hours. Upon the final payment on the Notes, whether on the Maturity Date or upon redemption accompanied by notice from the Municipality that no further advances of principal will be requested, the Bank shall cancel the Note and return it to the Paying Agent and Registrar (as hereinafter defined).

"The Notes shall be designated "Riverfront Access Improvements Bond Anticipation Notes (Project Grants Portion), Series 2015".

"It is hereby determined by this Commission that (a) the components of the Project comprise one group or category of permanent improvements for or devoted to the same general purpose, function or use, and (b) the issuance of the Notes provided herein, including without limitation, the redemption provisions set forth above, are in the best interests of this Municipality."



be and is hereby amended to read as follows:

“SECTION 2. It is hereby determined necessary to issue and sell notes in anticipation of such bonds and the receipt of the Project Grants (the “Notes”) pursuant to the Act. The Notes shall (i) be issued in a principal amount not to exceed the amount set forth above, for the purpose aforesaid, provided that at no time shall the advanced but unpaid and unredeemed principal amount of the Notes (the “Outstanding Principal Amount”) exceed \$750,000, (ii) be dated, (iii) be of denominations, (iv) mature on a date not more than three (3) years from their date of issuance (the “Maturity Date”), and (v) bear interest on the Outstanding Principal Amount from time to time at the rate of three and five hundredths percent (3.05%) per annum, which interest shall be calculated on the basis of the actual number of days and a 360-day year, or such other basis as may be set forth in the Notes, and be payable monthly on dates to be set forth in the Notes and on the Maturity Date (each, a “Note Payment Date”), all as determined by the City Auditor without further action of this Commission and set forth in the Notes, which determinations shall be conclusive.

“The principal amount of the Notes shall be advanced by the Bank to the Municipality in installments upon request of the Municipality and interest shall accrue on the amount of each advance from the actual date of such advance, provided that in no event shall any advance be made which would cause the Outstanding Principal Amount to exceed \$750,000 nor shall the aggregate of such advances exceed the amount of the Project Grants (\$1,790,975). Subject to such limitations, such advances shall be made until the earlier of (i) the date on which the aggregate amount of such advances equals the amount of the Project Grants, or (ii) the date on which the Municipality notifies the Bank that no further advances will be requested.

“The Notes shall be subject to redemption prior to maturity at the sole option of the Municipality in whole, or in part, at any time at the price of 100% of the principal amount of the Notes to be redeemed plus accrued interest to the redemption date, and on such redemption date, interest on such principal amount shall cease to accrue. Any such redemption date shall also be a “Note Payment Date”. In the event that the then entire Outstanding Principal Amount shall have been so redeemed prior to the Maturity Date, the Notes shall nevertheless not be extinguished but shall remain outstanding and subject to additional advances upon the request of the Municipality as described above.

“The Bank shall maintain books and records documenting the principal amounts advanced and the dates thereof, the interest on such advances, and the principal amounts redeemed, which shall be available for inspection by the officers of the Municipality during the Bank’s regular business hours. Upon the final payment on the Notes, whether on the Maturity Date or upon redemption accompanied by notice from the Municipality that no further advances of principal will be requested, the Bank shall cancel the Note and return it to the Paying Agent and Registrar (as hereinafter defined).

“The Notes shall be designated “Riverfront Access Improvements Bond Anticipation Notes (Project Grants Portion), Series 2015”.

“It is hereby determined by this Commission that (a) the components of the Project comprise one group or category of permanent improvements for or devoted to the same general purpose, function or use, and (b) the issuance of the Notes provided herein, including without limitation, the redemption provisions set forth above, are in the best interests of this Municipality.”


SECTION 2. In all other respects, the Prior Ordinance is hereby approved, ratified and confirmed.

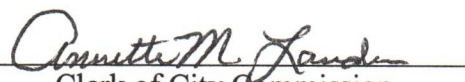
SECTION 3. The City Auditor is hereby directed to forward a certified copy of this ordinance to the county auditor of each county in which any part of this Municipality is located.

SECTION 4. It is found and determined that all formal actions of this Commission concerning and relating to the adoption of this ordinance were adopted in an open meeting of this Commission, and that all deliberations of this Commission and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law, including Section 121.22 of the Revised Code of Ohio.

SECTION 5. That this ordinance is hereby declared to be an emergency measure for the reason set forth in the preamble hereto, and therefore, shall take effect immediately upon its passage.

PASSED: September 20, 2016

  
President of City Commission

Attest:   
Clerk of City Commission

The foregoing ordinance is hereby approved as to form and correctness.

  
City Solicitor

Prepared by:  
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