VILLAGE OF THE CITY OF GALLIPOLIS, OHIO

ORDINANCE NO. O2026-14

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED $425,000 ROAD IMPROVEMENT BONDS, SERIES 2026 FOR THE PURPOSE OF PAYING PART OF THE COSTS OF ROAD IMPROVEMENTS, INCLUDING ROAD PAVING AND ALL NECESSARY APPURTENANCES THERETO.

WHEREAS, this commission (the "Commission") of the Village of the City of Gallipolis, Ohio (the "Municipality") has heretofore by proper legislation determined the necessity of road improvements, including road paving and all necessary appurtenances thereto (the "Project"); and

WHEREAS, the Commission desires to finance such Project, in part, by issuing securities in the form of bonds under the provisions of Chapter 133 of the Ohio Revised Code (the "Act"); and

WHEREAS, the City Auditor, as fiscal officer of the Municipality, has estimated that the life of the improvements and assets constituting the Project is at least five (5) years and certified the maximum maturity of bonds issued therefor is fifteen (15) years; and

WHEREAS, The Ohio Valley Bank Company (the "Bank") has agreed to purchase such bonds upon the terms set forth herein and in the hereinafter defined Certificate of Award; and

WHEREAS, the Commission expects that debt service on such bonds will be paid from the general revenues of the Municipality (the "Revenues");

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. That it is necessary to issue securities in the form of bonds of the Municipality in the principal sum of not to exceed $425,000 (the "Bonds"), for the purpose of paying part of the costs of the Project, including costs related to the issuance of the Bonds, under authority of the general laws of the State of Ohio, particularly the Act, and the Charter of the Municipality. It is hereby determined that notes shall not be issued in anticipation of such Bonds.

SECTION 2. That the Bonds shall be issued in such principal amount for the purpose aforesaid. The Bonds shall (i) be issued in one or more series in an aggregate principal amount not to exceed the amount set forth above, for the purpose aforesaid, (ii) be dated, (iii) be of denominations, (iv) mature or be subject to mandatory sinking fund redemption on dates and in amounts, provided that the total principal and interest payments on the Bonds (the "Debt Charges") in any fiscal year in which principal is payable (whether due to maturity or mandatory sinking fund redemption) shall be not more than three times the amount of such payments in any other fiscal year, and provided further that the final maturity of the Bonds shall be not later than December 31, 2041, and (v) bear interest payable semiannually (or at such other times) on dates and at a rate or rates per annum, provided that the net interest cost payable by the Municipality over the life of the Bonds shall not exceed seven percent (7%) per annum, all as determined by the City Auditor without further action of this Commission in a certificate of award related to such series (the "Certificate of Award"), which determinations shall be conclusive.

The Bonds may be subject to call for redemption prior to their stated maturity, or not at all, as set forth in the Certificate of Award.

The Bonds shall be designated "Road Improvement Bonds, Series 2026" or as otherwise determined by the City Auditor in the Certificate of Award.

It is hereby determined by this Commission that the issuance of the Bonds provided herein, including without limitation, the redemption provisions set forth above, are in the best interests of the Municipality.

SECTION 3. That such Bonds shall express upon their faces the purpose for which they are issued and that they are issued in pursuance of this ordinance. The Bonds shall be in fully registered form without coupons, shall be signed by the City Manager and City Auditor, and shall be approved as to form and correctness by the City Solicitor, provided that all but one of such signatures may be facsimiles. The Bonds shall bear the manual authenticating signature of the City Auditor serving as, or of an authorized representative of a bank or trust company determined by the City Auditor in the Certificate of Award without further action of this Commission to serve as, the paying agent, registrar and transfer agent (the "Paying Agent and Registrar") for the Bonds. The final payment of the Debt Charges shall be payable at the designated office of the Paying Agent and the Registrar and all other Debt Charges shall be paid on each Bond Payment Date to the person whose name appears on the record date (being the 15th day of the calendar month preceding each Bond Payment Date or as otherwise set forth in the Certificate of Award) on the Bond registration records as the registered holder thereof, by check or draft mailed to such registered holder at his address as it appears on such registration records.

The Bonds shall be transferable by the registered holder thereof in person or by his attorney duly authorized in writing at the designated office of the Paying Agent and Registrar upon presentation and surrender thereof to the Paying Agent and Registrar. The Municipality and the Paying Agent and Registrar shall not be required to transfer any Bond during the 15-day period preceding any Bond Payment Date or preceding any selection of Bonds to be redeemed, or after such Bond has been selected for partial or complete redemption, and no such transfer shall be effective until entered upon the registration records maintained by the Paying Agent and Registrar. Upon such transfer, a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount shall be issued to the transferee in exchange therefor.

The Municipality and the Paying Agent and Registrar may deem and treat the registered holders of the Bonds as the absolute owners thereof for all purposes, and neither the Municipality nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

SECTION 4. That for the payment of the Debt Charges, the full faith, credit, and revenue of the Municipality are hereby irrevocably pledged, and for the purpose of providing the necessary funds to pay the Debt Charges promptly when and as the same fall due, there shall be and is hereby levied on all the taxable property in the Municipality, within the ten-mill limitation of Article XII, Section 2 of the Constitution of Ohio, in addition to all other taxes, a direct tax annually during the period the Bonds are to run in an amount sufficient to provide funds to pay the Debt Charges as and when the same fall due, which tax shall not be less than the interest and sinking fund tax required by Article XII, Section 11 of the Constitution of Ohio; provided, that in each year to the extent that Revenues or moneys from other sources are available for the payment of the Debt Charges and are appropriated for such purpose, the amount of such tax shall be reduced by the amount of such Revenues or other moneys so available and appropriated. Said tax shall be and is hereby 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 said years are certified, extended or collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof.

The Revenues to be applied to the payment of the Debt Charges and the funds derived from said tax levies hereby required shall be placed in a separate and distinct fund, which shall be irrevocably pledged for the payment of the Debt Charges when and as the same shall fall due.

SECTION 5. That the Bonds shall be sold at not less than 97% of the principal amount thereof plus accrued interest to the date of delivery, to the Bank as determined by the City Auditor without further action of this Commission in a Certificate of Award pursuant to the Bank's offer to purchase which such officer is hereby authorized to accept. The proceeds from the sale of the Bonds, except as any premium and accrued interest received, shall be deposited in an appropriate fund and used for the purpose aforesaid and for no other purpose and for which purpose such proceeds are hereby appropriated. Any premium and accrued interest received from such sale shall be transferred to the bond retirement fund to be applied to the payment of the principal and interest of the Bonds in the manner provided by law.

SECTION 6. That the Commission hereby covenants that it will restrict the use of the proceeds of the Bonds hereby authorized in such manner and to such extent, if any, and take such other actions as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations prescribed thereunder, including any expenditure requirements, investment limitations, or rebate requirements.

The City Auditor or any other officer having responsibility with respect to the issuance of the Bonds is authorized and directed to (a) make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the Municipality with respect to the Bonds as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the City Auditor, which action shall be in writing and signed by the City Auditor or any other officer on behalf of the Municipality; and (b) give an appropriate certificate on behalf of the Municipality on the date of delivery of the Bonds for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to the use of the proceeds thereof and the provisions of said Sections 103(b)(2) and 148, and the representations, warranties and covenants of the Municipality regarding compliance by the Municipality with Sections 141 through 150 of the Code, and the regulations thereunder.

Such Bonds are hereby designated as "qualified tax exempt obligations" to the extent permitted by Section 265(b)(3) of the Code. This Commission finds and determines that the reasonably anticipated amount of qualified tax exempt obligations (other than private activity bonds) which will be issued by the Municipality during the calendar year in which the Bonds are initially delivered to the Bank does not, and the Commission hereby covenants that, during such year, the amount of tax exempt obligations issued by the Municipality and designated as "qualified tax exempt obligations" for such purpose will not, exceed $10,000,000. The City Auditor and other appropriate officers of the Municipality, and any of them, are authorized to take such actions and give such certifications on behalf of the Municipality with respect to the reasonably anticipated amount of tax exempt obligations to be issued by the Municipality during such calendar year and with respect to such other matters as appropriate under Section 265(b)(3).

SECTION 7. That the City Auditor is hereby authorized to execute and deliver an agreement with the Paying Agent and Registrar for its services as paying agent, registrar and transfer agent for the Bonds in such form as such officer may approve, the execution thereof by such officer to be conclusive evidence of such authorization and approval.

SECTION 8. That the law firm of Dinsmore & Shohl LLP, attorneys, be and are hereby retained as bond counsel to the Municipality with respect to the issuance of such Bonds to prepare the necessary authorizing documents, and related closing documents for the issuance of such Bonds and, if appropriate, rendering its approving legal opinion to the Bank in connection therewith. The City Auditor, the City Manager, and either of them, are hereby authorized, alone or with others, to enter into an agreement with said firm for such services.

SECTION 9. That it is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuance of such Bonds in order to make the same legal, valid and binding obligations of the Municipality have been done, have happened and have been performed in regular and due form as required by law, and that such issue of Bonds and the tax for the payment of their principal and interest as the same fall due and are payable do not exceed any limitations of indebtedness or taxation fixed by law. All actions of the officers and employees of the Municipality heretofore taken in connection with the authorization, sale and issuance of the Bonds are hereby approved, ratified and confirmed.

SECTION 10. That the Certificate of Award may set forth such terms and matters referred to in this ordinance, and such other matters as the City Auditor determines are consistent with this ordinance, as well as modifications to the terms or conditions set forth in this ordinance if necessary or appropriate, provided that any such modifications are consistent with the purpose of this ordinance and are in the best interests of the Municipality. Unless otherwise modified, that the matters contained in the Certificate of Award are consistent with this ordinance shall be conclusively evidenced by the execution of the Certificate of Award by the City Auditor. The Certificate of Award, when executed, shall be and is hereby incorporated by reference into this ordinance.

SECTION 11. That if any provision of this ordinance or such Bonds, or any covenant, obligation or agreement contained herein or therein is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein or therein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 12. That it is found and determined that all formal actions of the Commission concerning and relating to the passage of this ordinance were passed in an open meeting of the Commission; and that all deliberations of the 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 Ohio Revised Code.

SECTION 13. That the City Auditor be and is hereby directed to forward a certified copy of this ordinance to the County Auditor.

SECTION 14. That this ordinance shall take effect and be in force at the earliest time permitted by law and by the City Charter.

PASSED: June 2, 2026

Michael Cfuls
President of City Commission

Attest: Shelly Clonch
Clerk of City Commission

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

City Solicitor

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