Resolution 2015-15

BOARD OF TOWNSHIP TRUSTEES
BLENDON TOWNSHIP
FRANKLIN COUNTY, OHIO

The Board of Township Trustees (the “Board”) of Blendon Township (the “Township”), Franklin County, Ohio, met in regular session on December 16, 2015, at 6:30 p.m. at 6330 South Hempstead Road, Westerville, Ohio 43081, with the following members present:

Stewart Flaherty
Jan Heichel
James Welch

Mr. Flaherty introduced the following Resolution:

BLENDON TOWNSHIP RESOLUTION NO. 2015-15

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF NOTES IN THE MAXIMUM PRINCIPAL AMOUNT OF $650,000, IN ANTICIPATION OF THE ISSUANCE OF BONDS, FOR THE PURPOSE OF PAYING THE COSTS OF IMPROVING THE TOWNSHIP’S ROADWAY INFRASTRUCTURE, BY CONSTRUCTING OR RECONSTRUCTING SIDEWALKS, CURBS AND STREETS, TOGETHER WITH ALL NECESSARY AND RELATED APPURTENANCES THERETO.

WHEREAS, this Board has requested that the Fiscal Officer, as fiscal officer of this Township, certify the estimated life or period of usefulness of the Improvement described in Section 1 and the estimated maximum maturity of the Bonds described in Section 1; and

WHEREAS, the Fiscal Officer, as fiscal officer of this Township, has certified to this Board that the estimated life or period of usefulness of the Improvement described in Section 1 is at least five years, the estimated maximum maturity of the Bonds described in Section 1 is twenty (20) years, and the maximum maturity of the Notes described in Section 3, to be issued in anticipation of the Bonds, is two hundred forty (240) months;

NOW, THEREFORE, BE IT RESOLVED by the Board of Township Trustees of Blendon Township, Franklin County, Ohio, that:

Section 1. It is necessary to issue bonds of this Township in the maximum principal amount of $650,000 (the “Bonds”) for the purpose of paying the costs of improving the Township’s roadway infrastructure, by constructing or reconstructing sidewalks, curbs and streets, together with all necessary and related appurtenances thereto (the “Improvement”).

Section 2. The Bonds shall be dated approximately February 1, 2017, shall bear interest at the now estimated rate of 5.00% per year, payable semiannually until the principal amount is paid, and are estimated to mature on December 1 of each of the years and in such amounts as set forth below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal Amount</th>
<th>Year</th>
<th>Principal Amount</th>
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<tbody>
<tr>
<td>2018</td>
<td>$1,000</td>
<td>2028</td>
<td>$35,000</td>
</tr>
<tr>
<td>2019</td>
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<td>2027</td>
<td>35,000</td>
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Section 4. The date charges on the Notes shall be payable in lawful money of the United States of America, or in Federal Reserve Bonds of the United States, or in any other local currency at the option of the holder. The holder may deliver the Notes to the Fiscal Officer, who shall either pay the interest or negotiate the same as provided in Section 3 of this Resolution. The Notes shall be payable at the office of the Fiscal Officer in accordance with the terms thereof. The holder shall receive notice of the date and place of payment of interest and the amount thereof. The holder shall have the right to receive any interest or principal due on the Notes, and to enforce the rights of the holder under the Notes, and to enforce the rights of the holder under the Notes, and to enforce the rights of the holder under the Notes.

Section 5. The Notes shall be signed by at least two members of this Board and by the Fiscal Officer, in the name and on behalf of the Township, in the amount of $20,000,000, and shall be payable at the office of the Fiscal Officer, or at such other place as the Board may determine. The Notes shall be paid on the maturity date of the Notes, and shall be payable in lawful money of the United States, or in any other local currency at the option of the holder. The holder may deliver the Notes to the Fiscal Officer, who shall either pay the interest or negotiate the same as provided in Section 3 of this Resolution. The Notes shall be payable at the office of the Fiscal Officer in accordance with the terms thereof. The holder shall receive notice of the date and place of payment of interest and the amount thereof. The holder shall have the right to receive any interest or principal due on the Notes, and to enforce the rights of the holder under the Notes, and to enforce the rights of the holder under the Notes, and to enforce the rights of the holder under the Notes.

"Book entry system" means a form or system under which (a) the ownership of beneficial interests in the Notes and the principal and interest payable thereon shall be evidenced by book entry only through the use of depositary application in the names of the beneficial owners of the Notes and (b) the record of the beneficial ownership of the Notes and the principal and interest payable thereon shall be maintained by the Fiscal Officer or its designated agent for that purpose. The book entry maintained by others than the Township or its designated agent for that purpose is the record that identifies the owners of beneficial interests in the Notes and that principal and interest.
"Depository" means any securities depository that is a clearing agency registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of beneficial interests in the Notes or the principal of and interest on the Notes, and to effect transfers of the Notes, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

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

The Notes may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (a) the Notes may be issued in the form of a single Note made payable to the Depository or its nominee and immobilized in the custody of the Depository or its agent for that purpose; (b) the beneficial owners in book entry form shall have no right to receive the Notes in the form of physical securities or certificates; (c) ownership of beneficial interests 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 beneficial interests shall be made only by book entry by the Depository and its Participants; and (d) the Notes 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 Township.

If any Depository determines not to continue to act as a Depository for the Notes 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 beneficial owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Notes from the Depository, and shall cause the Notes in bearer or payable form to be signed by the officers authorized to sign the Notes and delivered to the assignee of the Depository or its nominee, at all the cost and expense (including any costs of printing), if the event is not the result of Township action or inaction, of those persons requesting such issuance.

The Fiscal Officer is also hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the book entry system for the Notes, after determining that the signing thereof will not endanger the funds or securities of the Township.

Section 6

(a) The Notes shall be sold at not less than par plus accrued interest (if any) at private sale by the Fiscal Officer in accordance with law and the provisions of this Resolution. The Fiscal Officer shall sign the Certificate of Award referred to in Section 3 fixing the interest rate or rates which the Notes shall bear and evidencing that sale to the original purchaser, cause the Notes to be prepared, and have the Notes signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchaser, to the original purchaser upon payment of the purchase price. Any member of this Board, the Fiscal Officer and other Township 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 Resolution. The Fiscal Officer is authorized, if it is determined to be in the best interest of the Township, to combine the issue of Notes with one or more other note issues of the Township into a consolidated note issue pursuant to Section 133.30(B) of the Ohio Revised Code.

(b) To the extent that the Fiscal Officer determines that it would be in the best interest of the Township and elects to utilize the Ohio Market Access Program (the "Ohio Market Access Program") which is administered by the Treasurer of the State of Ohio (the "Treasurer"), the President of the Board and the Fiscal Officer are authorized to sign and deliver, in the name and on behalf of the Township, the Standby Note Purchase Agreement (the "Standby Note Purchase Agreement") in substantially the form as presented to this Board with such changes as are not materially adverse to the Township and as may be approved by the officers of the Township executing the Standby Note Purchase Agreement. The Township acknowledges the agreement of the Treasurer in the Standby Note Purchase Agreement that, in the event the Township is
unable to repay the principal amount and accrued and unpaid interest of the Notes at their maturity, whether through its own funds or through the issuance of other obligations of the Township, the Treasurer agrees to (i) purchase the Notes from the holders or beneficial owners thereof upon their presentation to the Treasurer for such purchase at a price of par plus accrued interest to maturity or (ii) purchase renewal notes of the Township in a principal amount not greater than the principal amount of the Notes plus interest due at maturity, with such renewal notes bearing interest at the Renewal Note Rate (as defined in the Standby Note Purchase Agreement), maturing not more than one year after the date of their issuance, and being prepayable at any time with 30 days’ notice, provided that in connection with the Treasurer’s purchase of such renewal notes the Township shall deliver to the Treasurer an unqualified opinion of nationally recognized bond counsel that (A) such renewal notes are the legal, valid and binding general obligations of the Township, and the principal of and interest on such renewal notes, unless paid from other sources, are to be paid from the proceeds of the levy of ad valorem taxes, within the ten-mill limitation imposed by law, on all property subject to ad valorem taxes levied by the Township and (B) interest on the renewal notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code, as amended, to the same extent that interest on the Notes is so excluded.

The officers signing the Notes are authorized to take all actions that may in their judgment reasonably be necessary to provide for the Standby Note Purchase Agreement, including but not limited to the inclusion of a notation on the form of the Notes providing notice to the holders or beneficial owners of the existence of the Standby Note Purchase Agreement and providing instructions to such holders or beneficial owners regarding the presentation of the Note for purchase by the Treasurer at stated maturity.

Section 7. The proceeds from the sale of the Notes received by the Township (or withheld by the original purchaser on behalf of the Township) shall be paid into the proper fund or funds, and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. The Certificate of Award may authorize the original purchaser to withhold certain proceeds from the sale of the Notes to provide for the payment of certain financing costs on behalf of the Township. Any portion of those proceeds received by the Township (after payment of those financing costs) representing premium or accrued interest shall be paid into the Bond Retirement Fund.

Section 8. The par value to be received from the sale of the Bonds or of any renewal notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes at maturity and are pledged for that purpose.

Section 9. During the year or years in which the Notes are outstanding, there shall be levied on all the taxable property in the Township, in addition to all other taxes, the same tax that would have been levied if the Bonds had been issued without the prior issuance of the Notes. 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 Notes or the Bonds when and as the same fall due.

Section 10. The Township covenants that it will use, and will restrict the use and investment of, the proceeds of the Notes in such manner and to such extent as may be necessary so that (a) the Notes will not (i) constitute private activity bonds or arbitrage bonds under Sections 141 or 148 of the Internal Revenue Code of 1986, as amended (the “Code”) or (ii) be treated other than as bonds the interest on which is excluded from gross income under Section 103 of the Code, and (b) the interest on the Notes will not be an item of tax preference under Section 57 of the Code.

The Township 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 Notes to be and 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 Notes to the governmental purpose 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, as the fiscal officer, or any other officer of the Township having responsibility for issuance of the Notes is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the Township with respect to the Notes as the Township is permitted to or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Notes 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 with respect to the Notes, 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 with respect to the Notes, 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 Township, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes, and (c) to give one or more appropriate certificates of the Township, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the Township regarding the amount and use of all the proceeds of the Notes, 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 Notes. The Fiscal Officer or any other officer of the Township having responsibility for issuance of the Notes is specifically authorized to designate the Notes as “qualified tax-exempt obligations” if such designation is applicable and desirable, and to make any related necessary representations and covenants.

Section 11 The Fiscal Officer is authorized to request a rating for the Notes from Moody's Investors Service, Inc. or Standard & Poor's Ratings Services, or both, as the Fiscal Officer determines is in the best interest of the Township. The expenditure of the amounts necessary to secure any such ratings as well as to pay the other financing costs (as defined in Section 133.01 of the Ohio Revised Code) in connection with the Notes is hereby authorized and approved and the amounts necessary to pay those costs are hereby appropriated from the proceeds of the Notes, if available, and otherwise from available moneys in the General Fund.

Section 12 The legal services of the law firm of Squire Patton Boggs (US) LLP are hereby retained. Those legal services shall be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the authorization, sale and issuance of the Notes and securities issued in renewal of the Notes and rendering at delivery related legal opinions. In providing those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of this Township in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, any township or municipal corporation or of this Township, or the execution of public trusts. For those legal services that firm shall be paid just and reasonable compensation and shall be reimbursed for actual out-of-pocket expenses incurred in providing 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 13 The services of H.J. Umbaugh & Associates, Certified Public Accountants, LLP, as municipal advisor, are hereby retained. The municipal advisory services shall be in the nature of financial advice and recommendations in connection with the issuance and sale of the Bonds. In rendering those municipal advisory services, as an independent contractor, that firm shall not exercise any administrative discretion on behalf of the Township in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, the Township or any other political subdivision, or the execution of public trusts. That firm shall be paid just and reasonable compensation for those municipal advisory services and shall be reimbursed for the actual out-of-pocket expenses it incurs in rendering those municipal advisory 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 14. The Fiscal Officer is directed to promptly deliver a certified copy of this Resolution to the Franklin County Auditor.

Section 15. This Board determines that all acts and conditions necessary to be done or performed by the Township or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the Township have been performed and have been met, or will at the time of delivery of the Notes 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 9) of the Township are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

Section 16. It is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action took place in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 17. This Resolution shall be in full force and effect immediately upon its adoption.

Following its introduction, the Resolution was read by the Fiscal Officer by title only.

Mr. Flaherty moved the adoption of the Resolution and the motion was seconded by Mrs. Heichel. Roll was called on the question of adoption and the results were:

Vote Record:  

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<tr>
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<th>Yea</th>
<th>Nay</th>
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<tbody>
<tr>
<td>Mr. Flaherty</td>
<td>✓</td>
<td></td>
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<tr>
<td>Mrs. Heichel</td>
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<tr>
<td>Mr. Welch</td>
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ATTEST:

Wade Estep, Fiscal Officer

Stewart Flaherty, Trustee

Jan Heichel, Trustee

James Welch, Trustee

Res 2015-15
CERTIFICATION

The undersigned Fiscal Officer of the Board of Township Trustees of Blendon Township, Franklin County, Ohio hereby certifies that the foregoing is a true and exact copy of a resolution duly adopted by the Board of Township Trustees of said Township and filed with the Fiscal Officer on ____________, 2015.

Wade Estep, Fiscal Officer
Blendon Township, Franklin County, Ohio