

1 the principal amount of Five Million, Nine Hundred Ten Thousand Dollars (\$5,910,000.00) for the purpose
2 of financing all or a portion of the costs of acquiring, constructing, equipping and installing the Property to
3 be Financed and paying expenses of issuing the Note. The Note shall be dated the date of its issuance and
4 shall bear interest on the outstanding principal amount at a fixed rate not to exceed 3.00% per annum. The
5 Note shall be repaid in five (5) substantially equal annual amortized installments of principal and interest,
6 commencing one (1)-year from the date of the Note and on the same day of each year thereafter, with the
7 final installment due five (5) years from the date of the Note. The Note shall be issued in fully registered
8 form. The Note shall be executed by the Mayor and the City Clerk, and the seal of the City shall be affixed
9 to the Note,

10 **Section 3.** The Note shall be issued to the Lender in consideration for the Loan. The Lender shall be
11 selected by the City Manager based upon the commitment or proposal for the Loan that the City Manager
12 determines to have the lowest cost to the City. The City Treasurer is hereby authorized and directed to
13 solicit proposals or commitments for the Loan from at least three (3) banking institutions having offices in
14 the City, in such manner as shall be approved by the City Manager. The City Manager shall have the right
15 to reject any and all proposals and commitments.

16 **Section 4.** As provided in Amendment No. 78, the annual debt service payments on the Note in each
17 fiscal year shall be charged against and paid from the general revenues of the City for such fiscal year. For
18 the purpose of making the annual debt service payments, there is hereby, and shall be, appropriated to pay
19 the Note, an amount of general revenues of the City sufficient for such purpose. The City Treasurer is
20 hereby authorized and directed to withdraw from the General Fund of the City the amounts at the times
21 necessary to make the annual debt service payments on the Note.

22 **Section 5.** (a) The City covenants with the owner of the Note (the "Owner") from time to time that
23 it shall not take any action or suffer or permit any action to be taken or condition to exist which causes or
24 may cause the interest payable on the Note to be included in gross income for federal income tax purposes.
25 Without limiting the generality of the foregoing, the City covenants with the Owner that the proceeds of
26 the sale of the Note will not be used directly or indirectly in such manner as to cause the Note to be treated
27 as an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended
28 (the "Code").

29 (b) The City covenants with the Owner that it will not use or permit the use of the Property to be
30 Financed or the proceeds of the Note in such manner as to cause the Note to be a "private activity bond"
31 within the meaning of Section 141 of the Code.

32 (c) The City covenants with the Owner that it will not reimburse itself from Note proceeds for any
33 costs paid prior to the date the Note is issued except in compliance with United States Treasury Regulation
34 No. 1.150-2. This ordinance shall constitute an "official intent" for purposes of the Regulation.

1 (d) The City covenants with the Owner that it will submit to the Secretary of the Treasury of the
2 United States, not later than the 15th day of the second calendar month after the close of the calendar quarter
3 in which the Note is issued, a statement concerning the Note which contains the information required by
4 Section 149(e) of the Code.

5 **Section 6.** The City shall provide such financial information to the Lender as the Lender may
6 reasonably request.

7 **Section 7.** The Mayor, City Manager, City Treasurer, City Attorney and City Clerk are hereby
8 authorized and directed, for an on behalf of the City, to perform all acts of whatever nature necessary to
9 effect and carry out the authority conferred by this ordinance and to execute all papers, documents,
10 certificates and other instruments that may be required for the carrying out of such authority or to evidence
11 the exercise thereof.

12 **Section 8. Severability.** In the event any title, section, paragraph, item, sentence, clause, phrase or
13 word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or
14 adjudication shall not affect the remaining portions of this ordinance which shall remain in full force and
15 effect as if the portion so declared or adjudged invalid or unconstitutional were not originally a part of the
16 ordinance.

17 **Section 9. Repealer.** All laws, ordinances, resolutions or parts of the same which are inconsistent
18 with the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

19 **Section 10. Emergency Clause.** The Board of Directors hereby determines that the instigation and
20 completion of the capital improvements constituting the Property to be Financed hereinabove described are
21 essential to the public health, safety and welfare of the citizens of the City, and must be financed as quickly
22 as possible; an emergency is, therefore, declared to exist and this ordinance shall be in full force and effect
23 from and after the date of its execution.

24 **PASSED: May 5, 2015**

25 **ATTEST:**

APPROVED:

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27 _____
28 **Susan Langley, City Clerk**

_____ **Mark Stodola, Mayor**

29 **APPROVED AS TO LEGAL FORM:**

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32 **Thomas M. Carpenter, City Attorney**

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