

ORDINANCE NO. 275 AC CMS

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE OF A NOTE IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE CONSTRUCTION OF IMPROVEMENTS TO THE MUNICIPAL WATERWORKS SYSTEM, AND DECLARING AN EMERGENCY

WHEREAS, pursuant to Ordinance No. 229 AC CMS, passed September 18, 1961, a note in the principal amount of \$425,000, dated November 6, 1961, was issued for the purpose of renewing and retiring a note in like amount dated November 6, 1960 and issued for the purpose hereinafter stated, to mature on or before November 6, 1962; and

WHEREAS, Council deems it not advisable to issue presently the bonds anticipated thereby, and to preserve the credit of the City, it is essential to issue a new note to retire such outstanding note, and in anticipation of the issue of bonds; and

WHEREAS, the fiscal officer has certified to the maximum maturity of the bonds anticipated and to the note herein authorized;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, Ohio, five-sevenths of all members elected thereto concurring:

SECTION 1. That it is hereby declared necessary to issue bonds to the City of Oberlin in the principal sum of \$425,000 for the purpose of the construction of improvements to the municipal waterworks system.

SECTION 2. That said bonds shall be dated approximately November 1, 1963, shall bear interest at the estimated rate of four per centum (4%) per annum, payable semiannually, until the principal sum is paid, and shall mature in thirty-five annual installments after their issuance.

SECTION 3. That for the purpose of raising money in anticipation of the issuance of the aforesaid bonds for the above described improvement, and to pay and retire said existing note dated November 6, 1961, it is hereby declared necessary to issue and there shall be issued a note of said City in the principal amount of \$425,000.

SECTION 4. That such anticipatory note in the amount aforesaid shall bear interest at the rate of two and one-half per centum (2-1/2%) per annum, payable at maturity, with provision that in the event of default such note shall bear interest until paid at the rate of three and one-half per centum (3-1/2%) per annum. Such note shall be dated November 6, 1962 and shall mature on or before November 6, 1963.

SECTION 5. Such note shall be executed by the City Manager and Auditor and bear the seal of the corporation. It shall be payable at the office of the legal depository, presently The Peoples Oberlin Office of the Lorain County Savings and Trust Company, Oberlin, Ohio.

SECTION 6. That said note shall first be offered to the City Auditor as officer in charge of the Bond Retirement Fund, and if not taken by said officer, shall be and is hereby awarded and sold to The National City Bank of Cleveland at the par value thereof and in accordance with the proposal of

said bank dated 14 September 1962, and the Auditor is hereby authorized and directed to deliver said note, when executed, to said purchaser upon payment of such purchase price. The proceeds of such sale shall be paid into the proper fund and used for the purpose for which said note is being issued under the provisions of this ordinance.

SECTION 7. Said note shall be the full general obligation of the City and the full faith, credit and revenue of said City are hereby pledged for the prompt payment of the same. The par value to be received from the sale of the bonds anticipated by said note and any excess fund resulting from the issuance of said note shall, to the extent necessary, be used only for the retirement of said note at maturity, together with interest thereon, and is hereby pledged for such purpose.

SECTION 8. During the period while such note runs there shall be levied on all the taxable property in the City of Oberlin, in addition to all other taxes, a direct tax annually not less than that which would have been levied if bonds had been issued without the prior issue of such note; provided, that the amount of such tax shall be reduced to the extent that surplus earnings of the waterworks system shall be available and appropriated for the payment of interest and principal of such note or of the bonds anticipated thereby.

SECTION 9. It is hereby determined that all acts, conditions and things required to be done precedent to and in the issuance of said note, in order to make it a legal, valid and binding obligation of the City of Oberlin, have happened, been done and performed in regular and due form as required by law; and that the amount of indebtedness to be incurred by the issuance of said note does not exceed any limitation of indebtedness now fixed by law.

SECTION 10. The Clerk is hereby directed to forward a certified copy of this ordinance to the County Auditor.

SECTION 11. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of said City and for the further reason that the immediate issuance and sale of the note herein authorized is necessary to provide funds to enable the City to retire its existing indebtedness and thereby preserve its credit; wherefore, this ordinance shall be in full force and effect from and immediately after its passage.

Passed: 17 Sept. 1962 Emergency

Attest:



Clerk of Council



Chairman of Council

Posted: 19 Sept. 1962 to
3 Oct. 1962