

ORDINANCE NO. 00-97 AC CMS

AN ORDINANCE APPROVING A MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF OBERLIN AND THE OBERLIN MUNICIPAL COURT
CONCERNING THE PROPOSED MUNICIPAL COURT EXPANSION AND
IMPROVEMENT PROJECT AND DECLARING AN EMERGENCY

BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That the attached Memorandum of Understanding between the City of Oberlin and the Oberlin Municipal Court concerning the proposed Municipal Court Expansion and Improvement Project is hereby approved, and the City Manager and Chair of Council are hereby authorized and directed to execute same on behalf of the City.

SECTION 2. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. That this ordinance is hereby declared an emergency measure necessary for the preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio, to wit:

"To authorize a memorandum relating to costs apportionment for the Municipal Court Expansion and Improvement Project as soon as possible so construction can proceed in a timely fashion, and to provide for the usual daily operation of the municipality", and shall take effect immediately upon passage.

PASSED: 1st Reading - September 5, 2000 (E)
2nd Reading -
3rd Reading -

ATTEST:


CLERK OF COUNCIL


CHAIR OF COUNCIL

POSTED: 9/6/2000

EFFECTIVE DATE: 9/6/2000

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING by and between the Municipal Court of the City of Oberlin, Ohio (the "Court") and the City of Oberlin, Ohio (the "City") is entered into as of this 8TH day of September, 2000:

WITNESSETH:

WHEREAS, the Court and the City are in need of additional facilities at the Municipal Complex located at 85 South Main Street; and

WHEREAS, after lengthy discussions and preparation and review of various plans the Court and the City have agreed on a plan of enlargement and renovation of the Municipal Complex to accommodate both the needs of the City and the Court (the "Improvements"); and

WHEREAS, plans and specifications for the Improvements have been prepared and bids have been received for the construction of the Improvements; and

WHEREAS, those bids total \$906,300; and

WHEREAS, the cost of the Construction Manager for the Improvements is \$110,000; and

WHEREAS, the architectural fees remaining to be paid are \$51,240 of which the City and the Court will each pay 50%; and

WHEREAS, the Court presently estimates that an additional \$100,000 will be necessary to pay the costs of its furnishings and other costs related thereto; and

WHEREAS, the total cost of constructing the Improvements is therefore estimated

by the parties to be \$1,167,540 (which does not include the costs of Alternates G-2 and G-3 which will be paid directly by the City); and

WHEREAS, based upon the plans and specifications for the Improvements and other discussions between the parties, the parties are agreed that the portion of the Improvements which will relate primarily to the Court will constitute 84.1% of the Improvements and the portion of the Improvements which will relate primarily to the City will constitute 15.9% of the Improvements; and

WHEREAS, in addition to the amounts referred to herein, the parties acknowledge that each will bear other costs related to furnishing and equipping of its portion and any common areas of the Improvements;

NOW, THEREFORE, in consideration of the promises and benefits set forth herein, and intending to be legally bound thereby, the parties hereto agree as follows:

Section 1. Based upon the current estimate of \$1,167,540 to complete construction of the Improvements and the division of costs of the Improvements described in the preambles hereto, the Court's portion of the cost of constructing the Improvements shall be \$980,328.30 and the City's portion of the cost of constructing the Improvements shall be \$187,211.70. The parties hereto agree that if the final cost of constructing the Improvements, not including any change orders, is different than the \$1,167,540 estimate contained herein, the portions of that final cost allocable to the Court and the City shall be adjusted proportionally. The parties hereto further acknowledge that any change order related to the construction of the Improvements will be discussed by the parties and its costs allocated between the parties before it is approved.

Section 2. Of the amount presently contained in the Municipal Court

Improvement Fund held by the Court, \$350,000 shall be transferred upon the signing of this Memorandum to the City's Capital Improvement Fund for the purpose of certifying the availability of funds to pay the contracts for construction of the Improvements, that amount being a portion of the Court's portion of the cost of constructing the Improvements.

Section 3. After this transfer, \$817,540 of the cost of constructing the Improvements will remain to be financed. The City's portion shall be \$187,211.70; the Court's portion shall be \$630,328.30. The City will borrow the additional \$817,540 necessary in order to certify the availability of funds to pay the contracts for the construction of the Improvements. The borrowing will be in the form of one year bond anticipation notes which will bear interest payable at maturity. Interest on those notes when they mature shall be divided proportionally between the Municipal Court Improvement Fund and the City's Capital Improvement Fund. At the maturity of the notes the City expects to make a payment of at least \$50,000 toward the retirement of the principal of that note and, in addition, to pay its proportionate share of the interest due thereon. At the maturity of the notes the Court expects to make a payment of at least \$60,000 toward the retirement of the principal of that note and, in addition, to pay its proportionate share of the interest due thereon. A new note shall be issued in the amount necessary to pay the unpaid principal on the outstanding notes with the parties' intention being that the City shall reduce its portion of the principal each year by at least \$50,000 and the Court shall reduce its portion of the principal each year by at least \$60,000 until the notes are retired. On that schedule the City expects to retire its portion of the principal in 2004 and the Court expects to retire its portion of the principal in 2012.

Transfers of the amounts required will be made annually from the Municipal Court Improvement Fund and the City's Capital Improvement Fund to the City's Bond Retirement Fund.

Section 4. The annual amount to be contributed by each party toward the reduction of principal of the notes shall be as set forth in this Memorandum of Understanding except for circumstances of extraordinary, unusual or unexpected necessary expenses which diminish the amounts available to make those payments.

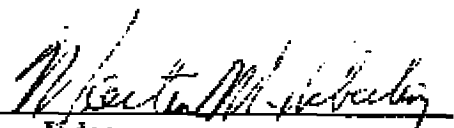
Section 5. The parties also further agree that the amounts paid to date by both the Court and the City for planning, architects and other professionals' fees and technical services related to the Improvements shall not be part of the cost of construction of the Improvements set forth herein and the parties are in agreement that the amounts contributed by each toward those previous costs is in proportion to the benefits each received. Neither party shall have any obligation to reimburse the other party for amounts already paid by the other party.

Section 6. If any provisions of this Memorandum or the application thereof to any particular circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Memorandum shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, this Memorandum is executed by the Court and the City as of the day and year first written above.

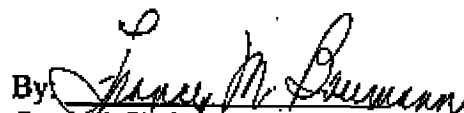
OBERLIN MUNICIPAL COURT

By.


Judge

CITY OF OBERLIN, OHIO

By.


Council Chair

By:

[Signature]
City Manager

By:

agreed as to form:
[Signature]
City Solicitor