

RECORD OF ORDINANCES

Ordinance No. _____

Passed _____

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VILLAGE OF GENOA, OHIO

ORDINANCE NO. 62-2017

ORDINANCE AUTHORIZING THE VILLAGE'S PARTICIPATION IN THE TREASURER OF OHIO'S MARKET ACCESS PROGRAM; AUTHORIZING THE PREPARATION AND FILING OF AN APPLICATION FOR THAT PROGRAM AND THE EXECUTION AND DELIVERY OF A STANDBY NOTE PURCHASE AGREEMENT WITH THE TREASURER, A LOAN AGREEMENT WITH AMERICAN MUNICIPAL POWER, INC., AND OTHER NECESSARY AND APPROPRIATE DOCUMENTS; AND DECLARING AN EMERGENCY.

WHEREAS, on March 30, 1999 American Municipal Power, Inc., formerly known as American Municipal Power-Ohio, Inc. ("AMP") issued its bond anticipation notes, on behalf of the Village of Genoa (the "Village"), in the principal amount of \$1,400,000 (the "1999 Notes") for the purpose of financing the construction and improvement of substations which are used in the Village's electric system (the "1999 Project"), and the Village entered into a Loan Agreement (the "1999 Loan Agreement") with AMP and executed and delivered its promissory note in the amount of the 1999 Notes to AMP; and

WHEREAS, on October 12, 2000 AMP issued its additional bond anticipation notes, on behalf of the Village, in the principal amount of \$500,000 (the "2000 Notes") for the purpose of financing additional costs of the 1999 Project (the "2000 Project"), and the Village entered into a First Amendment to Loan Agreement (the "2000 Loan Agreement") with AMP and executed and delivered its promissory note in the amount of the 2000 Notes to AMP; and

WHEREAS, on October 12, 2001 AMP issued its additional bond anticipation notes, on behalf of the Village, in the principal amount of \$300,000 (the "2001 Notes") for the purpose of financing additional costs of the 1999 Project (the "2001 Project"), and the Village entered into a Second Amendment to Loan Agreement (the "2001 Loan Agreement") with AMP and executed and delivered its promissory note in the amount of the 2001 Notes to AMP; and

WHEREAS, on December 18, 2001 AMP issued its additional bond anticipation notes, on behalf of the Village, in the principal amount of \$2,100,000 (the "Generation Notes") for the purpose of financing the cost of acquiring and installing generating equipment for use in its electric system (the "Generation Project"), and the Village entered into a Third Amendment to Loan Agreement (the "Generation Loan Agreement") with AMP and executed and delivered its promissory note in the amount of the Generation Notes to AMP; and

WHEREAS, on February 11, 2004 AMP issued its additional bond anticipation notes, on behalf of the Village, in the principal amount of \$800,000 (the "2004 Notes") for the purpose of financing the costs of completing upgrades to its distribution system and completing the installation of its generating equipment (the "2004 Project"), and the Village entered into a Fourth Amendment to Loan Agreement (the "2004 Loan Agreement") with AMP and executed and delivered its promissory note in the amount of the 2004 Notes to AMP; and

WHEREAS, AMP subsequently renewed and combined the 1999 Notes, the 2000 Notes, the 2001 Notes, and the Generation Notes into a single note issue; and

WHEREAS, the Village requested AMP to convert the previously combined notes and the 2004 Notes into an AMP bond issue in order to permanently finance the 1999 Project, the 2000 Project, the 2001 Project, the Generation Project, and the 2004 Project (collectively, the "Project"); and

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WHEREAS, AMP assisted the Village in obtaining such financing by issuing its Village of Genoa Project Electric System Improvement Bonds, Series 2004, dated October 1, 2004 (the "2004 Bonds") in the aggregate principal amount of \$5,720,000, pursuant to a Trust Agreement dated as of October 1, 2004 (the "Trust Agreement") by and between AMP and U.S. Bank National Association, as trustee (the "Trustee") and the Village entered into an Amended and Restated Loan Agreement dated as of October 1, 2004 (the "2004 Loan Agreement") with AMP and executed delivered its promissory note in the amount of the 2004 Bonds to AMP; and

WHEREAS, the 2004 Bonds maturing on February 15, 2024 and February 15, 2029 were subject to optional redemption, on and after February 15, 2014, in whole or in part at a redemption price of par, plus accrued interest to the date of redemption; and

WHEREAS, pursuant to the Member Commitment Agreement dated as of July 1, 2014, between AMP and the Village (the "Commitment Agreement"), AMP took out a loan, by drawing on its bank line of credit, to allow the Village to optionally redeem the 2004 Bonds on the redemption date; and

WHEREAS, \$2,600,000 is currently outstanding on AMP's bank line of credit, which loan shall now be paid off through the issuance by AMP of its notes in the principal amount of not to exceed \$2,700,000; and

WHEREAS, the Village wishes to have AMP issue the notes on its behalf, but in order to obtain a more favorable interest rate on the notes, the Village also wishes to participate in the Ohio Treasurer of State's Market Access Program (the "Program"); and

NOW, THEREFORE, Be It Ordained by the Council of the Village of Genoa, Ohio:

SECTION 1. That the Village's participation in the Ohio Treasurer of State's Market Access Program with respect to the issuance of AMP's not to exceed \$2,700,000 Electric System Improvement Bond Anticipation Notes is hereby authorized. The Mayor or his designee is authorized to prepare and file with the Treasurer an application for such Program.

SECTION 2. The Standby Note Purchase Agreement required for participation in the Program is hereby authorized in substantially the form presented to the Council with such changes not materially adverse to the Village as may be approved by the officers of the Village executing that Agreement. The Village acknowledges the agreement of the Treasurer of State in the Standby Note Purchase Agreement that, in the event the Village is unable to repay the principal amount and accrued and unpaid interest of the Notes issued by AMP on the Village's behalf as set forth in the AMP Loan Agreement at their maturity, whether through its own funds or through the issuance of other obligations by AMP on behalf of the Village, the Treasurer of State agrees (a) to purchase the Notes from the Holders or beneficial owners thereof upon their presentation to the Treasurer of State for such purchase at a price of par plus accrued interest to maturity or (b) to purchase renewal notes of AMP, issued on behalf of the Village, 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 a rate equal to the one-year benchmark on the Municipal Market Data (MMD) AAA scale plus 400 basis points on the date the AMP resolution authorizing the renewal notes is adopted, 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 of State's purchase of such renewal notes the Issuer shall deliver to the Treasurer of State an unqualified opinion of nationally recognized bond counsel that (i) such renewal notes are the legal, valid and binding obligations of AMP, issued on behalf of the Village, and the principal of and interest on such renewal notes, unless paid from other sources, are to be paid

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from the revenues of the Village's electric utility system as set forth in the AMP Loan Agreement and (ii) 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.

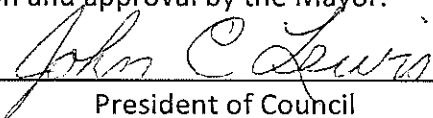
The Mayor and/or his designees are authorized to take all actions that may in their judgment reasonably be necessary to provide for such an Agreement.

SECTION 3. That the Mayor or his designee is authorized to execute and deliver, on behalf of the Village, the Standby Note Purchase Agreement, a Loan Agreement with AMP and Promissory Note substantially in the form of the Standby Note Purchase Agreement, the Loan Agreement and Promissory Note on file with the Clerk of Council, and any other documents or certificates deemed to be necessary or desirable in connection with this transaction. The Promissory Note is issued by the Village pursuant to Article 18, Section 12 of the Ohio Constitution and Section 133.34(A)(4) of the Ohio Revised Code.

SECTION 4. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this resolution 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 5. That this Ordinance is hereby declared to be an emergency measure for the immediate preservation of the public peace, health, safety and welfare of the inhabitants of the Village for the reason that the retirement of the outstanding loan with the issuance of notes by AMP on behalf of the Village must be assured at the earliest possible time; therefore, this Ordinance shall take effect immediately upon its adoption and approval by the Mayor.

Passed November 6, 2017

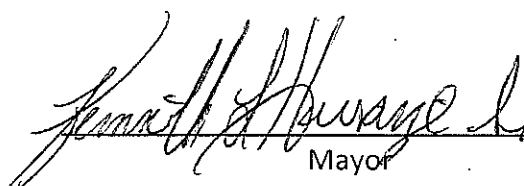


President of Council

Attest:



Clerk of Council



Mayor

Vote to Suspend Rules: Yeas 6 Nays 0
Vote on Emergency: Yeas 6 Nays 0
Passed: Yeas 6 Nays 0

Passed: Yes No _____

Immediate Effect: Yes No _____

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