**ORDINANCE 25-17-O**

**AN ORDINANCE AUTHORIZING THE SAFETY-SERVICE DIRECTOR TO ENTER INTO A RATE LEVELIZATION ARRANGEMENT FOR THE BENEFIT OF THE CITY OF CELINA, OHIO AND ITS ELECTRIC SYSTEM AND IN CONNECTION THEREWITH TO OBTAIN A RATE LEVELIZATION LOAN IN A PRINCIPAL AMOUNT NOT TO EXCEED $1,600,000.**

WHEREAS, the City of Celina, Ohio (the "City") and American Municipal Power, Inc. ("AMP") have entered into a Master Services Agreement designated as AMP Contract No. C-04-2004-3994 (the "MSA") pursuant to which certain services can be provided pursuant to schedules thereto; and

WHEREAS, because of fluctuations in the cost of power and energy, weather patterns and usage by customers, the City and its customers experience variations in their monthly power costs; and

WHEREAS, such variations increase the difficulty of projecting cash flow needs for the City's electric system (the "System") and can cause unpredictable and undesirable variations in consumers' bills; and

WHEREAS, AMP has established a Rate Levelization Program (the "Program") to assist its members to lessen their volatility in cash flow due to fluctuations in monthly power supply costs and to smooth their customers' monthly bills; and

WHEREAS, the City wishes to participate in the Program.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Celina, County of Mercer, State of Ohio.

SECTION ONE

THAT, the City shall participate in the Program, upon the terms and conditions as set forth in a Rate Levelization Schedule to the MSA (the "Schedule"), in substantially the form attached hereto and made a part hereof as Exhibit A.

SECTION TWO

THAT, as set forth in the Schedule, in order to provide the City with a levelized power supply cost during the power delivery period from January 1, 2018 through December 31, 2022, AMP will loan the city up to $1,600,000. Such loan will be on the terms and conditions as set forth in a Draw to Term Loan Agreement (the "Loan Agreement") and evidenced by a Promissory Notes (the "Promissory Note"), each substantially in the form attached hereto and made a part hereof as Exhibit B. The loan shall be repayable solely from the net revenues of the System.

SECTION THREE

THAT, the Safety-Service Director is authorized to execute and deliver, on behalf of the City, the Schedule, the Loan Agreement and the Promissory Note substantially in the form of the Schedule, the Loan Agreement and the Promissory Note attached to this Ordinance and made a part hereof as Exhibit B with such changes thereto as may be mutually agreed upon by AMP and the City.

SECTION FOUR

THAT, the Promissory Note is secured by the revenues of the System on a parity basis with the City's current or future obligations to AMP.

SECTION FIVE

THAT, it is found and determined that all formal actions of this Council concerning and 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 SIX

NOW, therefore, this Ordinance shall take effect and be in force from and after its passage and approval by the Mayor at the earliest period allowed by law.

PASSED this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2017

Jason D. King, President of Council

ATTEST:

Joan S. Wurster, Clerk of Council

APPROVED , 2017

Jeffrey S. Hazel, Mayor

APPROVED AS TO FORM:

George Erik Moore, Esq., City Law Director