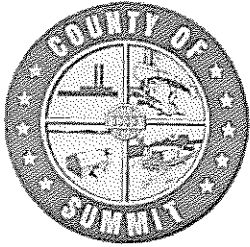


SUMMIT COUNTY



COUNCIL

Legislative Summary Sheet

Council Office
175 South Main Street
Akron, OH 44308
330.643.2725 phone
330.643.2531 fax

09 - 295

Subject: Confirming the award by the Board of Control of a professional service contract to Vorys, Sater, Seymour and Pease LLP to provide bond counsel legal services for a County bond issue to assist in financing the Bridgestone Firestone North American Tire, LLC Research Center Project.

Elected Official/Agency: Executive

Department/Agency Contact: Jason Dodson Telephone: (330) 643-2075 Fax: (330) 643-2507

E-mail: jdodson@summitoh.net

Council District(s): 8

History/Background: County Council previously adopted Resolution No. 2008-350, ratifying and confirming a letter of understanding between the County of Summit, Summit County Port Authority, City of Akron and Bridgestone Firestone North American Tire, LLC ("Bridgestone Firestone") for the construction of a new technical center in the City of Akron, Council District 8, wherein the County will contribute \$6,800,000.00 for the costs of the technical center and/or associated parking facility, and an additional \$500,000.00 for the construction of a covered skywalk between the technical center and parking facility. The County intends to issue bonds in order to contribute funds for financing the Bridgestone Firestone North American Tire, LLC Research Center Project and requires bond counsel legal services to assist the County in issuing the bonds.

Financial Information: The cost of the bond counsel legal services will be in an amount not to exceed \$40,000.00.

Prior Approvals/Recommendations: The Board of Control awarded the contract to Vorys, Sater, Seymour and Pease LLP at its July 29, 2009 meeting.

Evaluation: N/A.

Other: N/A.



COUNTY OF SUMMIT, OHIO
Russell M. Pry, Executive

09 - 295

175 S. Main Street · Akron, Ohio 44308-1308 · 330.643.2510 · fax: 330.643.2507 · www.co.summit.oh.us

MEMO

To: Summit County Council Members and Staff

From: Jason D. Dodson

Re: Proposal from Vorys, Sater, Seymour and Pease for Bond Counsel Services
Related to Bridgestone-Firestone Bonds

Date: August 4, 2009

RECEIVED
COUNTY OF SUMMIT
COUNCIL
09 AUG -4 AM 9:54

As requested at last night's Council meeting, please find a proposal and scope of services submitted by Vorys, Sater, Seymour and Pease to serve as bond counsel and to provide legal advice related to a bond issuance to assist in the financing of the Bridgestone-Firestone development project. As we discussed last night, the total cost of the contract will not exceed \$40,000.00, and that cost will be part of the issuance costs related to the bond rather than coming from the general fund. As was also discussed last night, we intend to request first reading passage of a resolution authorizing the Executive to execute a contract with Vorys, Sater, Seymour and Pease to serve as bond counsel in this transaction.

Please do not hesitate to contact me with any questions or concerns.

Thank you.

JDD
JDD



09 - 295

106 South Main St.
Suite 1100
Akron, OH 44308

330.208.1000 | www.vorys.com

Founded 1909

Thomas R. Trotter
Direct Dial (330) 208-1126
Facsimile (330) 206-1081
E-Mail - trtrotter@vorys.com

July 22, 2009

Brian D. Nelsen, C.P.A.
Deputy Director of Finance & Budget
County of Summit
175 South Main Street
Akron OH 44308

Dear Brian:

Vorys, Sater, Seymour and Pease LLP appreciates the opportunity to provide legal services to Summit County. This letter is our proposal to provide bond counsel services for a County bond issue to assist in financing the Bridgestone Research Center project, in response to Linda Phelps's June 26th e-mail.

I have enclosed a summary of services we would provide as bond counsel. If the bonds are general obligation bonds, we would charge a fee of \$35,000. For non-tax revenue bonds, we would charge a fee of \$40,000. The difference reflects the additional work required for the Official Statement for non-tax revenue bonds. Those fees are based on the assumption that the bond issue will be approximately \$7.3 million and that we will perform the services described in the enclosed memorandum under **Scope of Services**. As we discussed, the advice concerning federal tax matters, under **Scope of Services**, includes analysis of issuing the bonds as Recovery Zone Bonds.

These fee quotes are also based on the assumption that the County will prepare an Annual Information Statement ("AIS") in 2010. That AIS would be used as an Appendix to the Official Statement for the bonds. We would be happy to assist the County in preparing that document, but the fees for our services for the AIS are not included in the quoted fees. We would charge a fee of \$10,000 for assistance in preparing the AIS.

If the scope of the bond financing changes significantly—including the size of the bond issue or the source of payment, or both—so that the services that we must perform in order to adequately serve the County's interests change, we will review that with you and negotiate a different fee at that time.

If the County determines not to proceed with the securities issue, we would charge for our services to that date at hourly rates, not to exceed the quoted fee. We will also charge hourly

rates for services outside the **Scope of Services**, such as those described under **Additional Services** in the enclosed memorandum.

Legal Fees

In charging our fees—both the fixed fees and hourly rates—we are required to, and do, take factors into account such as the difficulty of the matter, the amount involved, the results obtained, and time limitations imposed by the County. We attempt to accomplish our work on an efficient basis, using people with lower billing rates when practicable under the supervision of the lawyer in charge of the project. The billing rates of the attorneys and paralegals who we currently expect will provide services on this matter range from \$310 to \$560 per hour for partners, from \$175 to \$370 per hour for associates, and from \$110 to \$240 per hour for paralegals. My billing rate on this matter will be \$380. Carolynn Coleman of our Akron office and Scott Powell and Brian Hoover of our Columbus office will also be working on this matter. Their hourly rates are \$195, \$395, and \$200, respectively. These hourly rates are provided for your information in case we charge the County at hourly rates because you have determined not to go forward with the issue or have asked us to do work outside the **Scope of Services**, as noted above.

Expenses and Disbursements

To the extent practicable, we allocate the costs of support systems in accordance with the extent of usage by individual clients. Therefore, certain costs of support services will be billed to the County as expenses, such as long-distance telephone charges, courier services, copying and scanning charges, mileage, secretarial overtime, travel expenses, computer research services, and automation support required by the engagement. Charges for those support-service expenses will be billed to the County with the charges for legal services.

In addition, charges payable to others—such as filing fees, legal publication fees, fees payable to public bodies, and similar charges—are to be paid by the County. Those charges payable to others will be sent directly to the County for payment or, if advanced by Vorys, will be billed directly to the County as disbursements, either separately or with our statement for legal services.

The nature of this engagement is such that we expect expenses and disbursements to be minimal.

Billing

Our statement for services and reimbursement for expenses and disbursements will be rendered on completion of the transaction. Those statements are due and payable upon receipt, unless other arrangements have been made with the firm in advance.

July 22, 2009
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Any time you have any question about our billing policies or procedures or about a specific statement, please contact me.

Thank you for the opportunity to make this proposal. I look forward to hearing from you.

Very truly yours,

Thomas R. Trotter

TRT/cec

Enclosure

cc: Richard E. Dobbins, Director of Law (w/encl.)
Linda Phelps, Director Finance and Budget (w/encl.)
Jason Dodson, Chief of Staff (w/encl.)

July 22, 2009
Page 4

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Bond Counsel Services—Direct Obligation Bonds and Notes

This memorandum describes services that Vorys, Sater, Seymour and Pease LLP provides as bond counsel for direct obligation securities of Ohio political subdivisions. These are general obligation bonds and notes or special obligation bonds and notes payable from a limited source of governmental revenue. Our fees are paid by the issuer and may be paid from the proceeds of the bonds or notes.

Scope of Services

- We consult with the appropriate officials and employees of the issuer concerning the transaction and advise the issuer concerning the structure of the financing.
- We prepare all documents and other proceedings for the authorization, issuance, and sale of the bonds or notes, including all resolutions, agreements, ordinances, trust indentures, transcript certificates, and any sale notices or bid invitations.
- We render an approving opinion to the purchaser of the securities. It is a standard, unqualified opinion as to validity, nature, and source of payment, and the tax status of the interest.
- If requested, we attend the meetings of the legislative body and any of its committees.
- We assist the fiscal officer of the issuer in preparing debt statements to demonstrate compliance with direct and indirect debt limits.
- We provide advice concerning state and federal tax matters, including arbitrage and arbitrage rebate matters, and we prepare the required federal tax forms.
- We assemble the transcript of proceedings for the issue.
- If requested, we attend and supervise any bid opening.
- We provide advice with respect to compliance with state and federal securities laws, including primary and secondary market disclosure.

Columbus | Washington | Cleveland | Cincinnati | Alexandria | Akron | Houston

- We provide advice and assistance in obtaining a rating for the issue, if any.
- We assist the issuer in preparing an official statement in connection with the bonds.

Additional Services

We can provide the following additional services in our capacity as bond counsel. Those services, however, are in addition to our standard services described under **Scope of Services** above, and we would charge additional fees.

- We review and assist the issuer in negotiating derivative instruments related to the bond issue, such as interest rate swaps, caps, and collars; forward delivery agreements; and guaranteed investment contracts. If those derivative instruments are bid, we will review the bid specifications for compliance with federal tax rules. We will render appropriate opinions to the derivative counterparty.
- We will meet with rating agencies and bond insurers outside of Ohio. (Meeting with those entities in Ohio would be part of our standard services.)
- We will assist the issuer in complying with any continuing disclosure obligation, such as preparing an annual information statement.
- We will assist the issuer in complying with arbitrage rebate requirements.
- We will assist the issuer in any post-issuance actions by the Internal Revenue Service, such as audits, examinations, compliance checks, deficiency assessments, tax-exemption challenges, and closing agreements.