

ORDINANCE NO. 25-18

AN ORDINANCE AUTHORIZING THE MAYOR, ON BEHALF OF THE CITY OF MEDINA, TO ENGAGE THE LAW FIRM OF WALTER HAVERFIELD LLP, JOINTLY WITH THE REGIONAL INCOME TAX AGENCY (RITA) AND OTHER MUNICIPALITIES FOR PURPOSES OF INITIATING LITIGATION TO CHALLENGE THE CONSTITUTIONALITY OF AMENDMENTS TO CHAPTER 718 OF THE OHIO REVISED CODE RELATING TO MUNICIPAL INCOME TAX, AND DECLARING AN EMERGENCY.

WHEREAS: The City of Medina recognizes that municipal income tax administration and collection is vital to the health, safety and welfare of the municipality; and

WHEREAS: The City of Medina relies on the revenue from effective municipal income tax administration and collection to provide the services that maintain the health, safety and welfare of the municipality; and

WHEREAS: Upon recommendation of the Law Director, the Administration and Council believe that it now would be in the best interests of the City to enter into an Engagement Letter, insubstantially the form attached hereto as Exhibit A, for joint representation with other municipalities in order to challenge H.B. 49 as to the Centralized Administration and Collection of the Municipal Net Profit Tax provisions of R.C. Chapter 718, and to retain the law firm of Walter Haverfield LLP in representing the City in further proceedings in this matter.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEDINA, OHIO:

SEC. 1: That the Mayor is hereby authorized and directed to execute an Engagement Letter with the law firm of Walter Haverfield LLP, in order to assist RITA in joint representation of the City of Medina and other municipalities to initiate litigation to challenge H.B. 49 as to the Centralized Administration and Collection of the Municipal Net Profit Tax provisions of R.C. Chapter 718.

SEC. 2: That a copy of the Engagement Letter is marked Exhibit A, attached hereto and incorporated herein.

SEC. 3: It is understood that RITA will pay all legal fees, costs, charges, or expenses related to this matter.

SEC. 4: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SEC. 5: That this Ordinance shall be considered an emergency measure necessary for the immediate preservation of the public peace, health and safety, and for the further reason that the retention of such special legal services is immediately necessary in order to commence judicial proceedings to challenge H.B. 49 given that the effective date of said legislation is January 1, 2018, and to protect the legal and financial interests of the City and other municipalities with common interests in such significant litigation. Therefore, provided this Ordinance receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

PASSED: February 12, 2018

SIGNED: John M. Coyne, III
President of Council

ATTEST: Kathy Patton
Clerk of Council

APPROVED: February 13, 2018

SIGNED: Dennis Hanwell
Mayor

February 1, 2018

Gregory A. Huber
Law Director
City of Medina, Ohio
132 N Elmwood Avenue
Medina, OH 44256

Re: *Engagement of Walter | Haverfield LLP for Legal Services in regard to Joint Representation of Municipalities and the Regional Income Tax Agency (RITA) to challenge H.B. 49 in regard to the Centralized Administration and Collection of the Municipal Net Profit Tax of O.R.C. Chapter 718.*

Dear Mr. Huber:

You have requested that Walter | Haverfield LLP (the "Firm") provide legal services to the City of Medina, Ohio ("Client") jointly with other municipalities and the Regional Income Tax Agency ("RITA") (collectively the "Joint Clients") in regard to the matter described herein under "Scope of Services." The purpose of this Engagement Letter is to confirm the terms and conditions upon which the Firm will provide those legal services. If the terms set forth below meet with your approval, please return a signed and dated letter to me by e-mail.

Fundamental to an attorney-client relationship is a clear understanding of the terms and conditions upon which the Firm will provide legal services. If any of the information contained in this Engagement Letter is inaccurate or unclear, please advise me immediately.

Clients

The Joint Clients for whom the Firm will be providing legal services under this Engagement Letter are identified in "Attachment A" to this Engagement Letter. Only chartered municipal clients will be named as parties to any litigation.

Scope of Services

The Firm will represent the Joint Clients in connection with challenging H.B. 49 as to the Centralized Administration and Collection of the Municipal Net Profit Tax provisions of Ohio Revised Code Chapter 718. This will include filing a lawsuit against the State of Ohio. Legal services related to our representation of you and the Joint Clients will include: representation through final trial court decision and any appeals, including ongoing communication and consultation with respect to all issues and facts involved in the matter; drafting of all pleadings, motions, briefs and other court filings; legal research; coordination of efforts with counsel for

municipalities in other similar lawsuits around the state; performing discovery in the case, if any; court appearances; participation in settlement discussions, if any; and preparing for court hearings or trial, if necessary.

Staffing

I will be the attorney at the Firm primarily responsible for the legal services to the Joint Clients. Brendan D. Healy, an associate at the Firm, will also be involved in providing the legal services. Other attorneys and paralegals in the Firm may also assist in order to competently and efficiently perform the legal services.

The Firm's attorneys may express opinions or beliefs concerning the events or various courses of action and results that might be anticipated. Those statements are an expression of opinion only based on information available to the Firm at the time and are not, and must not be construed to be, a promise or guaranty of any particular result.

It is important that you are satisfied with the Firm's services and responsiveness at all times. When questions or comments arise regarding the Firm's services, staffing, billing or other aspects of the representation, please contact me by email and/or at my direct dial number listed above. Any issues related to a bill should be raised immediately upon receipt of the bill for our services.

Fees, Disbursements and Other Charges

A clear understanding now of how our fees are determined can avoid any misunderstanding later. In preparing a bill, the Firm will take into account a number of factors, the principal factor being the schedule of hourly rates for the attorneys and legal assistants who serve you.

You understand and agree that RITA will pay, on your behalf, all legal fees, costs, charges or expenses related to this matter. The Firm's bill will be sent directly to RITA for review, approval and payment. Should any Joint Clients request copies of the Firm's billing statements related to its representation of the Joint Clients, the Firm shall provide this information.

Designation of RITA as Point-of-Contact and Administrator/Director

The "Joint Clients" have aligned interests regarding this matter and its outcome. You acknowledge and agree that it is necessary to designate a single party to serve as a point-of-contact with the Firm. Accordingly, you acknowledge and consent to RITA serving as the point-of-contact for you.

In addition, you acknowledge and consent to RITA serving as the director or administrator on your behalf regarding this matter. This means RITA will be directly involved in the coordination, development, and implementation of litigation strategy and will otherwise be

responsible for directing and controlling all aspects of this matter on your behalf, i.e., unless the Firm's representation of you is terminated as provided below.

Joint Clients' Responsibilities

In order for the Firm to provide quality legal services, representatives of the Joint Clients must keep the Firm reasonably informed of the progress and development of the matter, and respond to our inquiries in a timely manner. The Joint Clients must also fully and accurately disclose to us all facts that may be relevant to the matter or that we may otherwise reasonably request in order to keep us apprised of developments relating to the matter.

We will keep you informed of the status of this matter as developments occur. This will include sending you copies of significant correspondence and documents that we prepare as well as copies of important letters and other documents which we may receive from others. Usually, you will have to take no action upon receipt of this information, but you should read it to be aware of what is taking place. We suggest that you maintain a file marked "Confidential/Attorney-Client Communications" in which to keep copies of the items we send you.

Shared Information

One of the necessary consequences of joint representation of multiple clients by a single lawyer or law firm is the sharing of confidential information concerning the subject matter of the joint representation. You acknowledge and agree that communication between the firm and any or all of the Joint Clients relating to this matter will be treated as confidential and will not be disclosed outside Joint Clients without your informed consent or as otherwise permitted by the applicable rules of professional conduct or other law. You also acknowledge and agree that whatever relevant or material communications or information that we receive from any one or more Joint Clients concerning this matter will be shared with each of the Joint Clients as we consider appropriate. You further acknowledge and agree that in the event the Client is no longer represented by the Firm in this matter as the result of a conflict of interest or other cause, we may nevertheless use any confidential information we have concerning this matter adversely to you or to the advantage of those we continue to represent in any subsequent negotiation or proceeding relating to this matter.

Resolution of Conflicts

The Firm has not identified any conflicts of interest among the Joint Clients in regard to this Joint Representation. It is our understanding that you are not aware of any conflicts of interest between any of the Joint Clients on this Joint Representation, and you consent to this Joint Representation as provided in this letter.

In the event you become aware of any conflict of interest issue between any of the Joint Clients, you will notify us immediately so that the issue can be satisfactorily resolved. If a disagreement among the Joint Clients arises concerning the Joint Representation, we will attempt

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to resolve the issue in a manner satisfactory to all the Joint Clients. If the matter cannot be resolved to the satisfaction of all Joint Clients, the Joint Clients authorize and consent to RITA resolving any disagreements or conflicts that may arise. Any Joint Client may withdraw from this litigation and retain, at their expense, separate legal counsel.

Termination of Representation

Any of the Joint Clients may withdraw from the joint representation at any time for any reason, upon written notice to the Firm. You acknowledge and agree, however, that: (i) you will be responsible for retaining and paying for separate legal representation, and (ii) we may continue to represent the other Joint Clients consistent with the other provisions of this letter, even if we take positions adverse to your interests in any subsequent negotiation or proceeding relating to this matter. If permission for withdrawal is required by a court or arbitration panel, we will promptly request such permission, and you agree not to oppose our request.

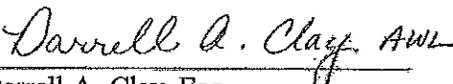
Unless previously terminated, the Firm's representation of you shall terminate within sixty (60) days upon final disposition of all litigation, including appeals, related to this matter. You are engaging the Firm to provide legal services to you solely described in the Scope of Services. Upon conclusion of your representation by the Firm, changes may occur in applicable laws that could impact your future rights and liabilities. Unless you engage the Firm in writing to provide additional services to you on issues arising from or related to our representation after its conclusion, the Firm shall have no continuing obligation to advise you with respect to future legal developments related to the subject matter described by the Scope of Services.

File Retention and Destruction

The legal documents in this representation and the files within which they are contained are the property of the Client and will be delivered to the Client at the Client's written request. If the Client does not request the Client's files the Firm will deem the absence of that request as permission to destroy the files seven years after each separate matter the Firm has handled for the Client has concluded.

If the foregoing terms of our engagement are satisfactory, please indicate your consent by signing in the space provided for your signature below. Kindly return a signed copy of this Final Engagement Letter to by e-mail us at your earliest convenience. If you should have any questions or comments concerning this representation agreement, please do not hesitate to contact me. We look forward to working on your behalf.

Very truly yours,



Darrell A. Clay, Esq.

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AGREED AND APPROVED this 13th day of February, 2018.

Dennis Hanwell

Client representative

Dennis Hanwell, Mayor
City of Medina

EXHIBIT A

CITY OF ELYRIA, OHIO
131 Court Street
Elyria, OH 44035

CITY OF AVON, OHIO
36080 Chester Road
Avon, Ohio 44011

CITY OF AVON LAKE, OHIO
150 Avon Belden Road
Avon Lake, Ohio 44012

CITY OF BEACHWOOD, OHIO
25325 Fairmount Blvd.
Beachwood, Ohio 44122

CITY OF BRECKSVILLE, OHIO
9069 Brecksville Road
Brecksville, Ohio 44141

VILLAGE OF CHAGRIN FALLS, OHIO
21 West Washington Street
Chagrin Falls, Ohio 44022

CITY OF GARFIELD HEIGHTS, OHIO
5407 Turney Road
Garfield Heights, Ohio 44125

VILLAGE OF GLENWILLOW, OHIO
29555 Pettibone Road
Glenwillow, Ohio 44139

CITY OF HUDSON, OHIO
115 Executive Parkway, Suite 400
Hudson, Ohio 44236

CITY OF LYNDHURST, OHIO
5301 Mayfield Road
Lyndhurst, Ohio 44124

VILLAGE OF MORELAND HILLS, OHIO
4350 SOM Center Road
Moreland Hills, Ohio 44022

CITY OF NORTH RIDGEVILLE, OHIO
7307 Avon Belden Road
North Ridgeville, Ohio 44039

CITY OF NORTH ROYALTON, OHIO
14600 State Road
North Royalton, Ohio 44133

CITY OF OBERLIN, OHIO
85 South Main Street
Oberlin, Ohio 44074

VILLAGE OF ORANGE, OHIO
4600 Lander Road
Orange Village, Ohio 44022

CITY OF PEPPER PIKE, OHIO
28000 Shaker Boulevard
Pepper Pike, Ohio 44124

CITY OF RICHMOND HEIGHTS, OHIO
26789 Highland Road
Richmond Heights, Ohio 44143

CITY OF SHAKER HEIGHTS, OHIO
3400 Lee Road
Shaker Heights, Ohio 44120

CITY OF SHEFFIELD LAKE, OHIO
609 Harris Road
Sheffield Lake, Ohio 44054

CITY OF STREETSBORO, OHIO
9184 State Route 43
Streetsboro, Ohio 44241

CITY OF TALLMADGE, OHIO
46 North Avenue
Tallmadge, Ohio 44278

CITY OF STRONGSVILLE, OHIO
16099 Foltz Parkway
Strongsville, Ohio 44149

CITY OF VERMILLION, OHIO
5511 Liberty Avenue
Vermilion, Ohio 44089

CITY OF WESTLAKE, OHIO
27700 Hilliard Boulevard
Westlake, Ohio 44145

EXHIBIT A

CITY OF WILLOUGHBY, OHIO
1 Public Square
Willoughby, Ohio 44094.

CITY OF YOUNGSTOWN, OHIO
26 South Phelps Street
Youngstown, Ohio 44503

VILLAGE OF YELLOW SPRINGS, OHIO
100 Dayton Street
Yellow Springs, Ohio 45387