

1 BILL NO. S-16-05-16

2 SPECIAL ORDINANCE NO. _____

3 AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY
4 OF FORT WAYNE, INDIANA, AUTHORIZING THE
5 ACQUISITION AND INSTALLATION OF CERTAIN
6 IMPROVEMENTS TO THE CITY'S SEWAGE WORKS,
7 AUTHORIZING THE REFUNDING BY THE CITY OF FORT
8 WAYNE OF CERTAIN OUTSTANDING SEWAGE WORKS
9 REVENUE BONDS, THE ISSUANCE AND SALE OF
10 ADDITIONAL REVENUE BONDS TO PROVIDE FUNDS FOR
11 THE PAYMENT OF THE COSTS THEREOF, AND THE
12 COLLECTION, SEGREGATION AND DISTRIBUTION OF THE
13 REVENUES OF SUCH SEWAGE WORKS AND OTHER
14 RELATED MATTERS, AND REPEALING ORDINANCES
15 INCONSISTENT HERewith

16 WHEREAS, the City of Fort Wayne, Indiana ("City") owns and operates a
17 sewage works by and through its Board of Public Works ("Board") for the collection
18 and treatment of sewage and other wastes ("Sewage Works"), pursuant to the
19 provisions of Indiana Code 36-9-23, as in effect on the date of delivery of the bonds
20 authorized herein; and

21 WHEREAS, pursuant to Ordinance No. S-14-07-13 adopted by the
22 Common Council on July 22, 2014 ("2014 Bond Ordinance"), the City has
23 heretofore authorized certain improvements and extensions to the Sewage
24 Works, as generally described in Exhibit A to the 2014 Bond Ordinance and
25 included on Exhibit A of this ordinance ("2014 Projects"); and

26 WHEREAS, the Board has determined and recommended to the Common
27 Council of the City ("Common Council") that (i) additional improvements and
28 extensions to the Sewage Works, as more fully set forth in summary fashion in
29 Exhibit A hereto and made a part hereof, are necessary, and (ii) the estimated cost
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1 of completing the 2014 Projects has increased and the funding authorized in this
2 ordinance will also be used to finance the 2014 Projects; and

3 WHEREAS, for purposes of this ordinance and the 2014 Bond Ordinance,
4 the term "Project" shall include (i) the additional projects set forth in summary
5 fashion in Exhibit A hereto and made a part hereof and (ii) the 2014 Projects; this
6 authorization will enable the City to use financing proceeds from the authority
7 provided under this ordinance and under the 2014 Bond Ordinance to pay the costs
8 of Project, a combination of additional projects authorized under this ordinance
9 and the 2014 Projects; and
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11 WHEREAS, the City has employed consulting engineers ("Consulting
12 Engineers") to prepare and file plans, specifications, and estimates of the costs of
13 the Project, which plans, specifications and estimates, to the extent required by law,
14 have been or will be duly submitted to and approved by all governmental
15 authorities having jurisdiction thereover, including, without limitation, the
16 Indiana Department of Environmental Management ("Department"); and
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18 WHEREAS, the Common Council finds that the estimates prepared and
19 delivered by the Consulting Engineers with respect to the costs (as defined in Indiana
20 Code 36-9-23-11) of the Project, and including all costs relating thereto, including
21 the costs of issuance of bonds for the Project and BANs (as hereinafter defined) on
22 account of the financing of all or a portion thereof, is in an amount not to exceed
23 \$55,000,000; and
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25 WHEREAS, the Common Council finds that certain hereinafter described
26 2005 Bonds and 2007 Bonds of the sewage works may be refunded to obtain a
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1 reduction in interest payments and effect a savings to the City; that the refunding of
2 those outstanding bonds, together with redemption premium, if any, and accrued
3 interest thereon and including all costs related to the refunding will require funds not
4 to exceed \$50,000,000; that the total cost of the refunding cannot be provided for
5 entirely out of funds of the sewage works now on hand and the refunding should be
6 accomplished by the use of certain funds on hand and the issuance of revenue bonds
7 of the sewage works; and
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9 WHEREAS, the Common Council finds that the 2005 Bonds and the 2007
10 Bonds (hereinafter, "Refunded Bonds") should be refunded pursuant to the
11 provisions of IC 5-1-5 to enable the City to obtain a reduction in interest payments
12 and effect a savings to the City; and
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14 WHEREAS, pursuant to Ordinance No. S-129-05 adopted by the
15 Common Council on August 23, 2005 ("2005 Bond Ordinance"), the City has
16 heretofore issued revenue bonds payable from the net revenues of the Sewage
17 Works, designated as "Sewage Works Revenue Bonds, Series 2005" ("2005
18 Bonds"), outstanding after August 1, 2015, in the amount of \$23,030,000, bearing
19 interest at the rate of 3.10% and maturing in various amounts annually on August
20 1 in the years 2016 to and including 2025; and
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22 WHEREAS, pursuant to Ordinance No. 5-07-05-26 adopted by the
23 Common Council on June 12, 2007 ("2007 Bond Ordinance"), the City has
24 heretofore issued revenue bonds payable from the net revenues of the Sewage
25 Works, designated as "Sewage Works Revenue Bonds, Series 2007" ("2007
26 Bonds"), outstanding after August 1, 2015, in the amount of \$16,895,000, bearing
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1 interest at various rates and maturing in various amounts annually on August 1 in
2 the years 2016 to and including 2027; and

3 WHEREAS, pursuant to Ordinance No. S-65-09 adopted by the
4 Common Council on June 9, 2009 ("2009 Bond Ordinance"), the City has heretofore
5 issued revenue bonds payable from the net revenues of the Sewage Works,
6 designated as "Sewage Works Revenue Bonds of 2009, Series A" ("2009A
7 Bonds"), outstanding after August 1, 2015, in the amount of \$3,686,804, bearing
8 interest at the rate of 0.16% and maturing in various amounts annually on August
9 1 in the years 2016 to and including 2030; and

11 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore
12 issued revenue bonds payable from the net revenues of the Sewage Works,
13 designated as "Sewage Works Revenue Bonds of 2009, Series B" ("2009B
14 Bonds"), outstanding after August 1, 2015, in the amount of \$23,870,238, bearing
15 interest at the rate of 4.16% and maturing in various amounts annually on August
16 1 in the years 2016 to and including 2030; and

18 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore
19 issued revenue bonds payable from the net revenues of the Sewage Works,
20 designated as "Sewage Works Revenue Bonds of 2010" ("2010 Bonds"),
21 outstanding after August 1, 2015, in the amount of \$35,805,000, bearing interest at
22 various rates and maturing in various amounts annually on August 1 in the years
23 2016 to and including 2030; and

25 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore
26 issued revenue bonds payable from the net revenues of the Sewage Works,
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1 designated as "Sewage Works Revenue Bonds of 2011, Series A" ("2011A
2 Bonds"), outstanding after August 1, 2015, in the amount of \$32,915,000, bearing
3 interest at the rate of 2.80% and maturing in various amounts annually on August
4 1 in the years 2016 to and including 2026; and
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6 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore
7 issued revenue bonds payable from the net revenues of the Sewage Works,
8 designated as "Sewage Works Revenue Bonds of 2011, Series B" ("2011B
9 Bonds"), outstanding after August 1, 2015, in the amount of \$28,143,000, bearing
10 interest at the rate of 2.29% and maturing in various amounts annually on August
11 1 in the years 2016 to and including 2031; and
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13 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore
14 issued revenue bonds payable from the net revenues of the Sewage Works,
15 designated as "Sewage Works Revenue Bonds of 2012, Series A" ("2012A
16 Bonds"), outstanding after August 1, 2015, in the amount of \$9,064,000, bearing
17 interest at the rate of 1.78% and maturing in various amounts annually on August
18 1 in the years 2016 to and including 2032; and
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20 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore
21 issued revenue bonds payable from the net revenues of the Sewage Works,
22 designated as "Sewage Works Revenue Bonds of 2012, Series B" ("2012B
23 Bonds"), outstanding after August 1, 2015, in the amount of \$13,525,000, bearing
24 interest at various rates and maturing in various amounts annually on August 1 in
25 the years 2016 to and including 2027; and
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1 WHEREAS, pursuant to Ordinance No. S-105-12 adopted by the
2 Common Council on October 23, 2012 ("2012 Bond Ordinance"), the City has
3 heretofore issued revenue bonds payable from the net revenues of the Sewage
4 Works, designated as "Sewage Works Refunding Revenue Bonds of 2012"
5 ("2012 Refunding Bonds"), outstanding after August 1, 2015, in the amount of
6 \$14,335,000, bearing interest at the rate of 1.45% and maturing in various
7 amounts annually on August 1 in the years 2016 to and including 2022; and
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9 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore
10 issued revenue bonds payable from the net revenues of the Sewage Works,
11 designated as "Sewage Works Revenue Bonds of 2013, Series A" ("2013A
12 Bonds"), outstanding after August 1, 2015, in the amount of \$28,985,000, bearing
13 interest at the rate of 1.95% and maturing in various amounts annually on August
14 1 in the years 2016 to and including 2024; and
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16 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore
17 issued revenue bonds payable from the net revenues of the Sewage Works,
18 designated as "Sewage Works Revenue Bonds of 2013, Series B" ("2013B
19 Bonds"), outstanding after August 1, 2015, in the amount of \$42,260,000, bearing
20 interest at various rates and maturing in various amounts annually on August 1 in
21 the years 2025 to and including 2033; and
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23 WHEREAS, pursuant to the 2012 Bond Ordinance, the City has
24 heretofore issued revenue bonds payable from the net revenues of the Sewage
25 Works, designated as "Sewage Works Refunding Revenue Bonds of 2013"
26 ("2013 Refunding Bonds"), outstanding after August 1, 2015, in the amount of
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1 \$4,130,000, bearing interest at the rate of 1.00% and maturing in various amounts
2 annually on August 1 in the years 2016 to and including 2018; and
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4 WHEREAS, pursuant to the 2009 Bond Ordinance, the City has
5 heretofore issued revenue bonds payable from the net revenues of the Sewage
6 Works, designated as "Sewage Works Revenue Bonds of 2014, Series A"
7 ("2014A Bonds"), outstanding after August 1, 2015, in the amount of \$16,280,000,
8 bearing interest at the rate of 2.35% and maturing in various amounts annually on
9 August 1 in the years 2016 to and including 2033; and
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11 WHEREAS, pursuant to the 2014 Bond Ordinance, the City has
12 heretofore issued revenue bonds payable from the net revenues of the Sewage
13 Works, designated as "Sewage Works Revenue Bonds of 2014, Series B"
14 ("2014B Bonds"), outstanding after August 1, 2015, in the amount of \$60,872,000,
15 bearing interest at the rate of 3.074% and maturing in various amounts annually
16 on August 1 in the years 2016 to and including 2033 and semiannually on February 1
17 and August 1 in 2034; and
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19 WHEREAS, pursuant to the 2014 Bond Ordinance, (together with the 2009
20 Bond Ordinance and the 2012 Bond Ordinance, collectively, the "Prior Ordinances"),
21 the City has heretofore issued revenue bonds payable from the net revenues of
22 the Sewage Works, designated as "Taxable Sewage Works Revenue Bonds of
23 2014, Series C" ("2014C Bonds" and with the 2009A Bonds, the 2009B Bonds, the
24 2010 Bonds, the 2011A Bonds, the 2011B Bonds, the 2012A Bonds, the 2012B
25 Bonds, the 2012 Refunding Bonds, the 2013A Bonds, the 2013B Bonds, the 2013
26 Refunding Bonds, the 2014A Bonds and the 2014B Bonds, collectively, the "Prior
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1 Bonds"), outstanding after August 1, 2015, in the amount of \$5,015,000, bearing
2 interest at the rate of 3.074% and maturing in various amounts annually on August
3 1 in the years 2016 to and including 2033 and semiannually on February 1 and
4 August 1 in 2034; and
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6 WHEREAS, the Prior Bonds each rank on a parity with each other and each
7 constitute a first charge against the net revenues of the Sewage Works; and

8 WHEREAS, Section 17 of the 2009 Ordinance, Section 18 of the 2012
9 Bond Ordinance and Section 17 of the 2014 Bond Ordinance, each authorize the
10 issuance of additional revenue bonds ranking on a parity basis with the Prior Bonds
11 for such purposes, so long as certain conditions are met; and
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13 WHEREAS, the Common Council has been advised by the City's financial
14 advisor and now finds that all conditions precedent to the adoption of an ordinance
15 authorizing the issuance of revenue bonds on a parity basis with the Prior Bonds to
16 provide the necessary funds to be applied to the costs of the Project and the
17 refunding of the Refunded Bonds and all authorized costs relating thereto have
18 been complied with in accordance with the provisions of the Prior Ordinances; and
19

20 WHEREAS, the City has previously purchased the sewage works facilities of
21 the Town of Zanesville and, in connection with such purchase, assumed the
22 obligation of payment for certain outstanding sewage works revenue bonds of the
23 Town of Zanesville ("Zanesville Bonds"); the City's obligation to pay the principal
24 of and interest on the Zanesville Bonds is a charge upon the net revenues of the
25 City's Sewage Works, but payment of the Zanesville Bonds is junior and subordinate
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1 to the payment of the Prior Bonds and any bonds issued in the future on a parity with
2 the Prior Bonds, including the bonds issued under this ordinance; and

3 WHEREAS, the Common Council finds that to provide funds necessary to
4 pay for the costs of the Project and the refunding of the Refunded Bonds, after
5 applying funds on hand allocable to the refunding, it will be necessary for the City to
6 issue sewage works revenue bonds, in one or more series, in an aggregate amount
7 not to exceed One Hundred Five Million Dollars (\$105,000,000) and, if necessary,
8 bond anticipation notes ("BANs"); and

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10 WHEREAS, the City will enter into one or more Financial Assistance
11 Agreements with the Indiana Finance Authority ("Authority") as part of its wastewater
12 loan program established and existing pursuant to IC 4-4-11 and IC 13-18-13 ("SRF
13 Program"), pertaining to all or a portion of the Project and the financing thereof
14 ("Financial Assistance Agreement"); and

15
16 WHEREAS, the Common Council desires to authorize the issuance of BANs
17 hereunder, if necessary, in one or more series, payable solely from the proceeds of the
18 bonds issued hereunder and to authorize the refunding of the BANs, if issued; and

19
20 WHEREAS, the Common Council therefore seeks to authorize the issuance of
21 revenue bonds and BANs to finance the Project and the refunding of the Refunded
22 Bonds pursuant to the provisions of IC 5-1-5 and IC 36-9-23, each as in effect on
23 the date of delivery of the bonds authorized herein (collectively, "Act"), subject to
24 and dependent upon the terms and conditions hereinafter set forth in this ordinance;
25 and

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1 WHEREAS, the City reasonably expects to reimburse certain preliminary
2 costs of the Project with proceeds of debt to be incurred by the City in an amount not
3 to exceed \$55,000,000; and

4 WHEREAS, the Common Council has been advised that it may be cost
5 efficient to purchase municipal bond insurance and one or more debt service reserve
6 sureties for the bonds authorized herein;

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8 NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL
9 OF THE CITY OF FORT WAYNE, INDIANA, AS FOLLOWS:

10 Section 1. Authorization of the Project and the Refunding; Amend 2014
11 Bond Ordinance to Include Additional Projects. The City shall provide funds for
12 refunding the Refunded Bonds thereby reducing its interest payments and effecting a
13 savings, as reported by the City's financial advisor, H.J. Umbaugh & Associates,
14 Certified Public Accountants, LLP. The City, acting by and through the Board and
15 as the owner and operator of the Sewage Works for the collection and treatment of
16 sewage and other wastes, hereby orders, authorizes and directs the Board to proceed
17 with the Project, pursuant to the Act and in accordance with the plans,
18 specifications and cost estimates prepared and filed with the Board by the
19 Consulting Engineers, which plans, specifications and cost estimates are hereby
20 adopted and approved and, by reference, incorporated fully into this Ordinance,
21 and two copies of which are now on file or upon completion, shall be placed on file, in
22 the office of the Board and open for public inspection. The actions of the Board in
23 connection with the Project and the refunding of the Refunded Bonds are hereby
24 authorized, approved, ratified and confirmed.
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1 The term "Project" as set forth in the 2014 Bond Ordinance shall be amended
2 to include the additional projects set forth on Exhibit A attached to this ordinance.
3 The term "Project" under this ordinance shall include the additional projects and the
4 2014 Projects each as set forth on Exhibit A attached to this ordinance.
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6 Where used in this ordinance, the term "City" shall be construed also to
7 include any department, board, commission or officer or officers of the City or of any
8 City department, board or commission. The terms "Sewage Works," "sewage works,"
9 "works" and similar terms used in this ordinance shall be construed to mean and
10 include the Treatment Works, as defined in the Financial Assistance Agreement, the
11 existing structures and property of the Sewage Works and all enlargements,
12 improvements, extensions and additions thereto, and replacements thereof, now or
13 subsequently constructed or acquired, from the proceeds of the bonds authorized
14 herein or otherwise. Such Project shall be constructed, the refunding
15 accomplished and the bonds and BANs herein authorized shall be issued pursuant
16 to the provisions of this ordinance and the Act.
17

18 Section 2. Issuance of BANs and Bonds; Reimbursement. (a) The City
19 hereby authorizes the Controller of the City ("Controller") to prepare and issue, if
20 necessary, the BANs for the purpose of procuring interim financing to apply on the
21 cost of the Project. The BANs may be issued, in one or more series, in an aggregate
22 amount not to exceed Fifty-five Million Dollars (\$55,000,000) to be designated
23 "[Taxable] Sewage Works Bond Anticipation Notes of ____" (to be completed with
24 the year in which issued and appropriate series designation, if any). Each series of
25 BANs shall be sold at not less than par value if sold to the Authority as part of its
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1 SRF Program or not less than 99% of the par value thereof if sold to any other
2 purchaser, shall be numbered consecutively from 1 upward, shall be in any multiple
3 of One Dollar (\$1), as designated in the BAN Purchase Agreement (as hereinafter
4 defined), shall be dated as of the date of delivery thereof, and shall bear interest at a
5 rate not to exceed 6% per annum (the exact rate or rates to be determined through
6 negotiations with the purchaser of the BANs) payable upon maturity. Each series of
7 BANs will mature no later than five (5) years after their date of delivery. The BANs
8 are subject to renewal or extension at an interest rate or rates not to exceed 6% per
9 annum (the exact rate or rates to be negotiated with the purchaser of the BANs). The
10 term of the BANs and all renewal BANs may not exceed five years from the date of
11 delivery of the initial BANs. The BANs shall be registered in the name of the
12 purchasers thereof. Notwithstanding any thing in this ordinance to the contrary, any
13 series of BANs issued hereunder, may bear interest that is taxable and included in the
14 gross income of the owners thereof. If any such BANs are issued on a taxable basis,
15 the designated name shall include the term "Taxable" as the first word in the
16 designated name.
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20 The BANs shall be issued pursuant to IC 5-1.5-8-6.1 if sold to the Indiana
21 Bond Bank, pursuant to IC 4-4-11 and IC 13-18-13 if sold to the Authority, or
22 pursuant to IC 5-1-14-5 if sold to a financial institution or any other purchaser. The
23 City shall pledge to the payment of the principal of and interest on the BANs the
24 proceeds from the issuance of the bonds pursuant to and in the manner prescribed by
25 the Act. The bonds will be payable out of and constitute a first charge against the
26 Net Revenues (herein defined as gross revenues after deduction only for the
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1 payment of the reasonable expenses of operation, repair and maintenance, excluding
2 transfers for payments in lieu of property taxes ("PILOTs")) of the Sewage Works of
3 the City, on a parity with the Prior Bonds and senior to the Zanesville Bonds.
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5 (b) In accordance with the Act and for the purpose of providing funds
6 with which to pay the costs of the Project, the costs of the refunding of the Refunded
7 Bonds, providing funds for the hereinafter defined Reserve Accounts, all authorized
8 costs relating to the Project, the refunding and the financing, including the costs of
9 issuance of the bonds, as hereinafter defined, on account thereof, and any premiums
10 for bond insurance and debt service reserve sureties, the City shall issue and sell its
11 sewage works revenue bonds, in one or more series, in the aggregate principal
12 amount not to exceed One Hundred Five Million Dollars (\$105,000,000).
13

14 The bonds shall be issued in one or more series designated as the "[Taxable]
15 Sewage Works [Refunding] Revenue Bonds of 20___, [Series ___]" to be completed
16 with the year in which issued and the appropriate series designation, if any
17 ("Bonds"). Each series of Bonds shall be issued as fully registered bonds in the
18 denomination of One Dollar (\$1) or integral multiples thereof if sold to the Authority
19 as part of its SRF Program, or in denominations of \$5,000 or integral multiples
20 thereof if sold to any other purchaser. If the Bonds are sold to a sophisticated
21 investor, the Bonds may be issued in minimum denominations of \$100,000 and
22 integral multiples of \$5,000 thereafter. Each series of Bonds shall be sold at a price
23 not less than par value if sold to the Authority as part of its SRF Program or not less
24 than 98.5% of the par value thereof if sold to any other purchaser. The Bonds shall be
25 numbered consecutively from 1 up and shall bear interest at a rate or rates not
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1 exceeding six percent (6%) per annum, the exact rate or rates to be determined by
2 bidding or through negotiation. Interest on the Bonds shall be calculated on the basis
3 of twelve (12) thirty (30)-day months for a three hundred and sixty (360)-day year
4 and shall be payable semiannually on February 1 and August 1 in each year,
5 commencing on the first February 1 or the first August 1, following the original date
6 of the Bonds as determined by the Controller, with the advice of the City's financial
7 advisor. The principal of the Bonds shall mature annually on August 1 of each
8 year, provided that beginning on February 1, 2034, principal shall be payable
9 semiannually on February 1 and August 1. Bonds issued for the refunding of the
10 Refunded Bonds shall mature no later than August 1, 2027. Bonds issued to finance
11 the Project shall mature over a period not to exceed thirty (30) years. The Bonds
12 shall mature in amounts that either (i) produce as level annual debt service as
13 practicable with \$5,000 denominations, taking into account the annual debt service
14 on the Prior Bonds and all other series of Bonds issued under this ordinance, (ii)
15 produce forecasted coverage to allow the successful marketing of the Bonds, or (iii)
16 allow the City to meet the coverage and/or amortization requirements of the SRF
17 Program. Such debt service schedule for any Bonds sold to the Authority as part of
18 its SRF Program shall be finalized and set forth in the Financial Assistance
19 Agreement and shall provide a final maturity ending no later than the number of
20 years after substantial completion of the Project as determined and set forth in the
21 Financial Assistance Agreement.

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25 All or a portion of the Bonds may be issued as one or more term bonds, upon
26 election of the purchaser. Such term bonds shall have a stated maturity or maturities
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1 on February 1 or August 1 in the years as determined by the successful bidder, but in
2 no event later than the final serial maturity date of the Bonds as determined in the
3 above paragraph. The term bonds shall be subject to mandatory sinking fund
4 redemption and final payment(s) at maturity at 100% of the principal amount thereof,
5 plus accrued interest to the redemption date, on principal payment dates which are
6 hereinafter determined in accordance with the above paragraph.
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8 Each series of Bonds shall rank on a parity with the other for all purposes,
9 including the pledge of Net Revenues under this ordinance.
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11 The Bonds shall bear an original issue date which shall be the date of
12 issuance of the Bonds or the first day of the month in which the Bonds are delivered,
13 as determined by the Controller, with the advice of the City's financial advisor, and
14 each Bond shall also bear the date of its authentication.

15 Notwithstanding anything in this ordinance to the contrary, any series of
16 Bonds issued hereunder, may bear interest that is taxable and included in the gross
17 income of the owners thereof. If any such Bonds are issued on a taxable basis, the
18 designated name shall include the term "Taxable" as the first word in the designated
19 name.
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21 Notwithstanding anything contained herein, the City may accept any other
22 forms of financial assistance, as and if available, from the SRF Program (including
23 without limitation any forgivable loans, grants or other assistance whether available
24 as an alternative to any Bond or BAN related provision otherwise provided for herein
25 or as a supplement or addition thereto). If required by the SRF Program to be
26 eligible for such financial assistance, one or more of the series of the Bonds issued
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1 hereunder may be issued on a basis such that the payment of the principal of or
2 interest on such series of Bonds is junior and subordinate to the payment of the
3 principal of and interest on other series of Bonds issued hereunder (and/or any other
4 revenue bonds secured by a pledge of Net Revenues, whether now outstanding or
5 hereafter issued), all as provided by the terms of such series of Bonds as modified
6 pursuant to this authorization. Such financial assistance, if any, shall be as provided
7 in the Financial Assistance Agreement and the Bonds of each series of Bonds issued
8 hereunder (including any modification made pursuant to the authorization in this
9 paragraph to the form of Bond otherwise contained herein).
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11 (c) The Mayor and Controller are authorized, on behalf of the City, to
12 select and appoint a qualified financial institution to serve as Registrar and Paying
13 Agent for the Bonds, which Registrar is hereby charged with the responsibility of
14 authenticating the Bonds ("Registrar" or "Paying Agent"). The Controller is hereby
15 authorized, on behalf of the Board, to enter into such agreements or understandings
16 with such institution as will enable the institution to perform the services required of
17 a Registrar and Paying Agent. The Controller is further authorized to pay such fees
18 as the institution may charge for the services it provides as Registrar and Paying
19 Agent, and such fees may be paid from the Sewage Works Sinking Fund established
20 to pay the principal of and interest on the Bonds and fiscal agency charges.
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22 As to the BANS and as to the Bonds, if any purchaser does not object to such
23 designation, the Controller may serve as Registrar and Paying Agent and is hereby
24 charged with the duties of a Registrar and Paying Agent.
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1 If any Bonds or BANs are sold to the Authority as part of its SRF Program,
2 the principal of and interest thereon shall be paid by wire transfer to such financial
3 institution if and as directed by the Authority on the due date of such payment or, if
4 such due date is a day when financial institutions are not open for business, on the
5 business day immediately after such due date. So long as the Authority is the owner
6 of the Bonds or BANs, such Bonds and BANs shall be presented for payment as
7 directed by the Authority.
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9 If wire transfer payment is not required and for any Bonds not sold to the
10 Authority, the principal of the Bonds shall be payable at the principal office of the
11 Paying Agent and all payments of interest on the Bonds shall be paid by check
12 mailed one business day prior to the interest payment date to the registered owners
13 thereof, as the names appear as of the fifteenth day of the month preceding the
14 interest payment date ("Record Date"), at the addresses as they appear on the
15 registration books kept by the Registrar or at such other address as is provided to the
16 Paying Agent in writing by such registered owner on or before such Record Date. If
17 payment of principal or interest is made to a depository, payment shall be made by
18 wire transfer on the payment date in same-day funds. If the payment date occurs on
19 a date when financial institutions are not open for business, the wire transfer shall be
20 made on the next succeeding business day. The Paying Agent shall be instructed to
21 wire transfer payments by 1:00 p.m. (New York City time) so such payments are
22 received at the depository by 2:30 p.m. (New York City time).
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1 All payments on the BANs and Bonds shall be made in any coin or currency
2 of the United States of America, which on the date of such payment, shall be legal
3 tender for the payment of public and private debts.
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5 Each Bond shall be transferable or exchangeable only upon the books of the
6 City kept for that purpose at the principal office of the Registrar, by the registered
7 owner thereof in person, or by its attorney duly authorized in writing, upon surrender
8 of such Bond together with a written instrument of transfer or exchange satisfactory
9 to the Registrar duly executed by the registered owner or its attorney duly authorized
10 in writing, and thereupon a new fully registered Bond or Bonds in the same
11 aggregate principal amount and of the same maturity shall be executed and delivered
12 in the name of the transferee or transferees or the registered owner, as the case may
13 be, in exchange therefor. The costs of such transfer or exchange shall be borne by
14 the City. The City and the Registrar and Paying Agent for the Bonds may treat and
15 consider the person in whose name such Bonds are registered as the absolute owner
16 thereof for all purposes including for the purpose of receiving payment of, or on
17 account of, the principal thereof and interest due thereon.
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20 The Registrar and Paying Agent may at any time resign as Registrar and
21 Paying Agent upon giving 30 days' notice in writing to the City and by first class
22 mail to each registered owner of the Bonds then outstanding, and such resignation
23 will take effect at the end of such 30 day period or upon the earlier appointment of a
24 successor registrar and paying agent by the City. Any such notice to the City may be
25 served personally or sent by registered mail. The Registrar and Paying Agent may
26 be removed at any time as Registrar and Paying Agent by the City, in which event
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1 the City may appoint a successor registrar and paying agent. The City shall notify
2 each registered owner of the Bonds then outstanding by first class mail of the
3 removal of the Registrar and Paying Agent. Notices to the registered owners of the
4 Bonds shall be deemed to be given when mailed by first class mail to the addresses
5 of such registered owners as they appear on the registration books kept by the
6 Registrar.
7

8 Upon the appointment of any successor registrar and paying agent by the
9 City, the Controller is authorized and directed to enter into such agreements and
10 understandings with such successor registrar and paying agent as will enable the
11 institution to perform the services required of a registrar and paying agent for the
12 Bonds. The Controller is further authorized to pay such fees as the successor
13 registrar and paying agent may charge for the services it provides as registrar and
14 paying agent and such fees may be paid from the Sewage Works Sinking Fund as set
15 forth in Section 12 hereof. Any predecessor registrar and paying agent shall deliver
16 all of the Bonds and any cash or investments in its possession with respect thereto,
17 together with the registration books, to the successor registrar and paying agent.
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19

20 Interest on any Bonds sold to the Authority as part of its SRF Program shall
21 be payable from the date or dates of payments made by the Authority as part of its
22 purchase of the Bonds as set forth in the Financial Assistance Agreement. Interest
23 on all other Bonds shall be payable from the interest payment date to which interest
24 has been paid next preceding the authentication date of the Bonds unless the Bonds
25 are authenticated after the Record Date and on or before such interest payment date
26 in which case they shall bear interest from such interest payment date, or unless the
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1 Bonds are authenticated on or before the Record Date preceding the first interest
2 payment date, in which case they shall bear interest from the original date until the
3 principal shall be fully paid.
4

5 (d) The City has determined that it may be beneficial to have the Bonds
6 held by a central depository system pursuant to an agreement between the City and
7 The Depository Trust Company, New York, New York ("Depository Trust
8 Company") and have transfers of the Bonds effected by book-entry on the books of
9 the central depository system ("Book Entry System"). The Bonds may be initially
10 issued in the form of a separate single authenticated fully registered bond for the
11 aggregate principal amount of each separate maturity of the Bonds. In such case,
12 upon initial issuance, the ownership of such Bonds shall be registered in the register
13 kept by the Registrar in the name of CEDE & CO., as nominee of the Depository
14 Trust Company.
15

16 With respect to the Bonds registered in the register kept by the Registrar in
17 the name of CEDE & CO., as nominee of the Depository Trust Company, the City
18 and the Paying Agent shall have no responsibility or obligation to any other holders
19 or owners (including any beneficial owner ("Beneficial Owner")) of the Bonds with
20 respect to (i) the accuracy of the records of the Depository Trust Company, CEDE &
21 CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery
22 to any bondholder (including any Beneficial Owner) or any other person, other than
23 the Depository Trust Company, of any notice with respect to the Bonds including
24 any notice of redemption, or (iii) the payment to any bondholder (including any
25 Beneficial Owner) or any other person, other than the Depository Trust Company, of
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1 any amount with respect to the principal of, or premium, if any, or interest on the
2 Bonds except as otherwise provided herein.

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4 No person other than the Depository Trust Company shall receive an
5 authenticated Bond evidencing an obligation of the City to make payments of the
6 principal of and premium, if any, and interest on the Bonds pursuant to this
7 ordinance. The City and the Registrar and Paying Agent may treat as and deem the
8 Depository Trust Company or CEDE & CO. to be the absolute bondholder of each of
9 the Bonds for the purpose of (i) payment of the principal of and premium, if any, and
10 interest on such Bonds; (ii) giving notices of redemption and other notices permitted
11 to be given to bondholders with respect to such Bonds; (iii) registering transfers with
12 respect to such Bonds; (iv) obtaining any consent or other action required or
13 permitted to be taken of or by bondholders; (v) voting; and (vi) for all other purposes
14 whatsoever. The Paying Agent shall pay all principal of and premium, if any, and
15 interest on the Bonds only to or upon the order of the Depository Trust Company,
16 and all such payments shall be valid and effective fully to satisfy and discharge the
17 City's and the Paying Agent's obligations with respect to principal of and premium,
18 if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon
19 delivery by the Depository Trust Company to the City of written notice to the effect
20 that the Depository Trust Company has determined to substitute a new nominee in
21 place of CEDE & CO., and subject to the provisions herein with respect to consents,
22 the words "CEDE & CO." in this resolution shall refer to such new nominee of the
23 Depository Trust Company. Notwithstanding any other provision hereof to the
24 contrary, so long as any Bond is registered in the name of CEDE & CO., as nominee
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1 of the Depository Trust Company, all payments with respect to the principal of and
2 premium, if any, and interest on such Bonds and all notices with respect to such
3 Bonds shall be made and given, respectively, to the Depository Trust Company as
4 provided in a representation letter from the City to the Depository Trust Company.
5

6 Upon receipt by the City of written notice from the Depository Trust
7 Company to the effect that the Depository Trust Company is unable or unwilling to
8 discharge its responsibilities and no substitute depository willing to undertake the
9 functions of the Depository Trust Company hereunder can be found which is willing
10 and able to undertake such functions upon reasonable and customary terms, then the
11 Bonds shall no longer be restricted to being registered in the register of the City kept
12 by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust
13 Company, but may be registered in whatever name or names the bondholders
14 transferring or exchanging the Bonds shall designate, in accordance with the
15 provisions of this resolution.
16

17 If the City determines that it is in the best interest of the bondholders that
18 they be able to obtain certificates for the fully registered Bonds, the City may notify
19 the Depository Trust Company and the Registrar, whereupon the Depository Trust
20 Company will notify the Beneficial Owners of the availability through the
21 Depository Trust Company of certificates for the Bonds. In such event, the Registrar
22 shall prepare, authenticate, transfer and exchange certificates for the Bonds as
23 requested by the Depository Trust Company and any Beneficial Owners in
24 appropriate amounts, and whenever the Depository Trust Company requests the City
25 and the Registrar to do so, the Registrar and the City will cooperate with the
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1 Depository Trust Company by taking appropriate action after reasonable notice (i) to
2 make available one or more separate certificates evidencing the fully registered
3 Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to
4 arrange for another securities depository to maintain custody of certificates for and
5 evidencing the Bonds.
6

7 If the Bonds shall no longer be restricted to being registered in the name of
8 the Depository Trust Company, the Registrar shall cause the Bonds to be printed in
9 blank in such number as the Registrar shall determine to be necessary or customary;
10 provided, however, that the Registrar shall not be required to have such Bonds
11 printed until it shall have received from the City indemnification for all costs and
12 expenses associated with such printing.
13

14 In connection with any notice or other communication to be provided to
15 bondholders by the City or the Registrar with respect to any consent or other action
16 to be taken by bondholders, the City or the Registrar, as the case may be, shall
17 establish a record date for such consent or other action and give the Depository Trust
18 Company notice of such record date not less than fifteen (15) calendar days in
19 advance of such record date to the extent possible.
20

21 So long as the Bonds are registered in the name of the Depository Trust
22 Company or CEDE & CO. or any substitute nominee, the City and the Registrar and
23 Paying Agent shall be entitled to request and to rely upon a certificate or other
24 written representation from the Beneficial Owners of the Bonds or from the
25 Depository Trust Company on behalf of such Beneficial Owners stating the amount
26 of their respective beneficial ownership interests in the Bonds and setting forth the
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1 consent, advice, direction, demand or vote of the Beneficial Owners as of a record
2 date selected by the Registrar and the Depository Trust Company, to the same extent
3 as if such consent, advice, direction, demand or vote were made by the bondholders
4 for purposes of this ordinance and the City and the Registrar and Paying Agent shall
5 for such purposes treat the Beneficial Owners as the bondholders. Along with any
6 such certificate or representation, the Registrar may request the Depository Trust
7 Company to deliver, or cause to be delivered, to the Registrar a list of all Beneficial
8 Owners of the bonds, together with the dollar amount of each Beneficial Owner's
9 interest in the Bonds and the current addresses of such Beneficial Owners.
10

11 (e) In the event any Bond is mutilated, lost, stolen or destroyed, the
12 City may cause to be executed and the Registrar may authenticate a new Bond of
13 like date, maturity, series and denomination as the mutilated, lost, stolen or destroyed
14 Bond, which new Bond shall be marked in a manner to distinguish it from the Bond
15 for which it was issued; provided, that in the case of any mutilated Bond, such
16 mutilated Bond shall first be surrendered to the Registrar, and in the case of any
17 lost, stolen or destroyed Bond there shall be first furnished to the Registrar
18 evidence of such loss, theft or destruction satisfactory to the City and the Registrar,
19 together with indemnity satisfactory to them. In the event that any such mutilated,
20 lost, stolen or destroyed Bond shall have matured or been called for redemption,
21 instead of causing to be issued a duplicate Bond, the Registrar and Paying Agent
22 may pay the same upon surrender of the mutilated Bond or upon satisfactory
23 indemnity and proof of loss, theft or destruction in the case of a lost, stolen or
24 destroyed Bond. The City and the Registrar and Paying Agent may charge the owner
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1 of any such Bond with their reasonable fees and expenses in connection with the
2 above. Every substitute Bond issued by reason of any Bond being lost, stolen or
3 destroyed shall, with respect to such Bond, constitute a substitute contractual
4 obligation of the City pursuant to this ordinance, whether or not the lost, stolen or
5 destroyed Bond shall be found at any time, and shall be entitled to all the benefits
6 of this ordinance, equally and proportionately with any and all other Bonds duly
7 issued hereunder.
8

9 In the event that any Bond is not presented for payment or redemption on the
10 date established therefor, the City may deposit in trust with the Paying Agent an
11 amount sufficient to pay such Bond or the redemption price thereof, as appropriate,
12 and thereafter the owner of such Bond shall look only to the funds so deposited in
13 trust with the Paying Agent for payment and the City shall have no further
14 obligation or liability with respect thereto.
15

16 (f) The City hereby declares its official intent to complete the Project; to
17 reimburse certain costs of completing the Project with proceeds of debt to be
18 incurred by the City, and to issue debt not exceeding \$55,000,000 in aggregate
19 principal amount for purposes of paying and reimbursing costs of the Project.
20

21 Section 3. Redemption of BANs and Bonds. (a) For any Bonds not sold
22 to the Authority as part of its SRF Program, the Bonds are redeemable at the option
23 of the City, but no sooner than eight (8) years from their date of issuance, on thirty
24 (30) days' notice, in whole or in part, in the order of maturity as determined by the
25 City and by lot within a maturity, at face value, together with either no premium or a
26 premium not to exceed 2%, plus in each case accrued interest to the date fixed for
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1 redemption. The exact redemption features shall be determined by the Controller
2 with the advice of the City's financial advisor prior to the sale of the Bonds.

3 For any Bonds sold to the Authority as part of its SRF Program, such Bonds
4 are redeemable at the option of the City, but no sooner than ten (10) years after their
5 date of delivery, and thereafter on any date, on sixty (60) days' notice, in whole or in
6 part, in inverse order of maturity, and by lot within a maturity, at face value together
7 with a premium no greater than 2%, plus accrued interest to the date fixed for
8 redemption; provided, however, if the Bonds are sold to the SRF Program and
9 registered in the name of the Authority, the Bonds shall not be redeemable at the
10 option of the City unless and until consented to by the Authority. The exact
11 redemption features shall be established by the Controller, with the advice of the
12 City's financial advisor, prior to the sale of the Bonds.
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15 If any Bond is issued as a term bond, the Paying Agent shall credit against
16 the mandatory sinking fund requirement for the Bonds maturing as term bonds, and
17 corresponding mandatory redemption obligation, in the order determined by the City,
18 any Bonds maturing as term bonds which have previously been redeemed (otherwise
19 than as a result of a previous mandatory redemption requirement) or delivered to the
20 Registrar for cancellation or purchased for cancellation by the Paying Agent and not
21 theretofore applied as a credit against any redemption obligation. Each Bond
22 maturing as a term bond so delivered or canceled shall be credited by the Paying
23 Agent at 100% of the principal amount thereof against the mandatory sinking fund
24 obligation on such mandatory sinking fund date, and any excess of such amount shall
25 be credited on future redemption obligations, and the principal amount of the Bonds
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1 to be redeemed by operation of the mandatory sinking fund requirement shall be
2 accordingly reduced; provided, however, the Paying Agent shall credit only such
3 Bonds maturing as term bonds to the extent received on or before forty-five (45)
4 days preceding the applicable mandatory redemption date.
5

6 Each authorized denomination amount or each principal amount of \$5,000 (if
7 \$1.00 denominations are not used) shall be considered a separate bond for purposes
8 of optional and mandatory redemption. If less than an entire maturity is called for
9 redemption, the Bonds to be called for redemption shall be selected by lot by the
10 Registrar. If some Bonds are to be redeemed by optional redemption and mandatory
11 sinking fund redemption on the same date, the Registrar shall select by lot the Bonds
12 for optional redemption before selecting the Bonds by lot for the mandatory sinking
13 fund redemption.
14

15 (b) In either case, notice of such redemption shall be given not less than
16 sixty (60) days, for any Bonds sold to the Authority as part of its SRF Program, and
17 at least thirty (30) days for any Bonds sold to another purchaser, prior to the date
18 fixed for redemption by mail unless the notice is waived by the registered owner of a
19 Bond. Such notice shall be mailed to the address of the registered owners as shown
20 on the registration records of the City as of the date which is sixty-five (65) days for
21 any Bonds sold to the Authority as part of its SRF Program, and forty-five (45) days
22 for any Bonds sold to another purchaser, prior to such redemption date. The notice
23 shall specify the date and place of redemption and sufficient identification of the
24 Bonds called for redemption. The place of redemption shall be determined by the
25 City. Interest on the Bonds so called for redemption shall cease on the redemption
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1 date fixed in such notice if sufficient funds are available at the principal office of the
2 Paying Agent to pay the redemption price on the date so named. Coincidentally with
3 the payment of the redemption price, the Bonds so called for redemption shall be
4 surrendered for cancellation.
5

6 Section 4. Execution and Authentication of the Bonds and BANs. The
7 Bonds and BANs shall be executed in the name of the City by the manual or
8 facsimile signature of the Mayor of the City ("Mayor"), countersigned by the manual
9 or facsimile signature of the Controller and attested by the manual or facsimile
10 signature of the Clerk of the City ("Clerk"), who shall cause the seal of the City or a
11 facsimile thereof to be affixed to each of the Bonds and BANs. These officials, by
12 the signing of a Signature and No Litigation Certificate, shall adopt as and for their
13 own proper signatures their facsimile signatures appearing on the Bonds and BANs.
14 The Bonds shall be authenticated by the manual signature of the Registrar, and no
15 Bond shall be valid or become obligatory for any purpose until the certificate of
16 authentication thereon has been so executed. In case any official whose signature
17 appears on any Bond or BAN shall cease to be such official before the delivery of
18 such Bond or BAN, the signature of such official shall nevertheless be valid and
19 sufficient for all purposes, the same as if such official had been in office at the time
20 of such delivery. Subject to the provisions of this ordinance regarding the
21 registration of the Bonds, the Bonds shall be fully negotiable instruments under
22 the laws of the State of Indiana.
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25 Section 5. Security and Sources of Payment for the Bonds. The Bonds, as
26 and to the extent paid for and delivered to the purchaser thereof as to both principal
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1 and interest, shall be valid and binding special revenue obligations of the City,
2 payable solely from and secured by an irrevocable pledge of and constituting a first
3 charge upon all of the Net Revenues to be set aside into the Sewage Works Sinking
4 Fund as herein provided and shall rank on a parity with the Prior Bonds and senior to
5 the Zanesville Bonds. The City shall not be obligated to pay the Bonds or the
6 interest thereon except from the Net Revenues of the Sewage Works, and the Bonds
7 shall not constitute an indebtedness of the City within the meaning of the provisions
8 and limitations of the constitution of the State of Indiana.
9

10 Section 6. Form of the Bonds. The form and tenor of the Bonds shall
11 be substantially as set forth in Exhibit B attached hereto and incorporated herein as if
12 set forth at this place (with all blanks to be filled in properly and all necessary
13 additions and deletions to be made prior to the delivery thereof).
14

15 Section 7. Issuance, Sale and Delivery of the BANs and the Bonds;
16 Official Statement; Escrow Agreement and Purchase Contract for Refunding. (a)
17 The Controller is hereby authorized and directed to have the BANs and Bonds
18 prepared, and the Mayor, the Controller and the Clerk are each hereby authorized
19 and directed to execute, and attest as appropriate, the BANs and the Bonds in the
20 form and manner herein provided. The Controller is hereby authorized and directed
21 to deliver the BANs and the Bonds to the respective purchasers thereof after sale
22 made in accordance with the provisions of this ordinance, provided that at the time of
23 said delivery the Controller shall collect the full amount which the respective
24 purchasers have agreed to pay therefor, which amount shall not be less than par value
25 of the BANs if sold to the Authority as part of its SRF Program or not less than 99%
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1 of the par value of the BANs if sold to any other purchaser, or not less than par value
2 of the Bonds if sold to the Authority as part of its SRF Program, and not less than
3 98.5% of the par value of the Bonds if sold to any other purchaser, as the case may
4 be. Payment for the BANs and any Bonds sold to the Authority as a part of its SRF
5 Program may be made in installments. Each series of Bonds herein authorized and
6 delivered to the purchaser shall be the binding special revenue obligations of the
7 City. The proceeds derived from the sale of the Bonds and BANs shall be and are
8 hereby set aside for application on the cost of the Project hereinbefore referred to,
9 the refunding of the BANs, if issued, the refunding of the Refunded Bonds and the
10 expenses necessarily incurred in connection with the BANs and Bonds. The proper
11 officers of the City are hereby directed to draw all proper and necessary warrants,
12 and to do whatever acts and things which may be necessary to carry out the
13 provisions of this ordinance.

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16 (b) If any Bonds are sold by public sale, prior to the sale of the Bonds,
17 the Controller shall cause to be published either (i) a notice of bond sale in the
18 *Fort Wayne News-Sentinel* and *The Journal Gazette*, the only newspapers published
19 in the City, two times, at least one week apart, the first publication made at least
20 fifteen (15) days before the date of the sale and the second publication being made at
21 least three (3) days before the date of the sale, or (ii) a notice of intent to sell in the
22 newspapers described in (i) above and the *Court & Commercial Record*, all in
23 accordance with IC 5-1-11 and IC 5-3-1. The notice of such sale or a summary
24 thereof may also be published in *The Bond Buyer*, a financial journal published in
25 the City and State of New York and/or in other publications, in the discretion of
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1 the Controller. The notice shall state the character and amount of the Bonds, the
2 maximum rate of interest thereon, the terms and conditions upon which bids will be
3 received and the sale made, and such other information as the Controller and the
4 attorneys employed by the City shall deem advisable and any summary notice may
5 contain any information deemed so advisable. The notice may provide, among other
6 things, that electronic bidding will be permitted and that the successful bidder shall
7 be required to submit a certified or cashier's check or a wire transfer in an amount
8 equal to 1% of the principal amount of the Bonds described in the notice to guarantee
9 performance on the part of the bidder, not later than 3:30 p.m. (Fort Wayne time) on
10 the next business day following the award. In the event the successful bidder shall
11 fail or refuse to accept delivery of the Bonds and pay for the same as soon as the
12 Bonds are ready for delivery, or at the time fixed in the notice of sale, then said
13 check and the proceeds thereof shall be the property of the City and shall be
14 considered as its liquidated damages on account of such default. Bidders for the
15 Bonds will be required to name the rate or rates of interest which the Bonds are to
16 bear, not exceeding the maximum rate hereinbefore fixed, and such interest rate or
17 rates shall be in multiples of one eighth (1/8), one-twentieth (1/20) or one hundredth
18 (1/100) of one percent (1%). The rate bid on a maturity shall be equal to or greater
19 than the rate bid on the immediately preceding maturity. No conditional bid or bid
20 for less than 98.5% of the face amount of the Bonds will be considered. The opinion
21 of Ice Miller LLP, bond counsel of Indianapolis, Indiana, approving the legality of
22 the Bonds, will be furnished to the purchaser at the expense of the City.
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1 The Bonds shall be awarded by the Controller to the best bidder who has
2 submitted his bid in accordance with the terms of this ordinance, IC 5-1-11 and the
3 notice of sale. The best bidder will be the one who offers the lowest net interest cost
4 to the City, to be determined by computing the total interest on all of the Bonds to
5 their maturities and adding thereto the discount bid, if any, and deducting the
6 premium bid, if any. The right to reject any and all bids shall be reserved. If an
7 acceptable bid is not received on the date of sale, the sale may be continued from day
8 to day thereafter without further advertisement for a period of thirty (30) days,
9 during which time no bid which provides a higher net interest cost to the City than
10 the best bid received at the time of the advertised sale will be considered.
11

12 Distribution of an Official Statement (preliminary and final) prepared by H.J.
13 Umbaugh & Associates, Certified Public Accountants, LLP, on behalf of the City, is
14 hereby approved and the Mayor or the Controller are authorized and directed to
15 execute the Official Statement on behalf of the City in a form consistent with this
16 ordinance. The Mayor or the Controller are hereby authorized to designate the
17 preliminary Official Statement as "nearly final" for purposes of Rule 15c2-12
18 promulgated by the Securities and Exchange Commission ("Rule"). In lieu of
19 delivering an Official Statement, the City may obtain an investment letter from the
20 purchaser which satisfies federal and state securities laws applicable to such Bonds.
21

22 (c) As an alternative to public sale, the Controller may negotiate the sale
23 of any series of Bonds to the Authority as a part of its SRF Program. The Mayor and
24 the Controller are hereby authorized to: (i) submit an application to the Authority as
25 a part of its SRF Program; (ii) execute one or more Financial Assistance Agreements
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1 with the Authority with terms conforming to this ordinance; and (iii) sell such Bonds
2 upon such terms as are acceptable to the Mayor and the Controller consistent with
3 the terms of this ordinance. The SRF Program has provided a substantially final
4 form of Financial Assistance Agreement, attached hereto and incorporated herein by
5 reference, which is hereby approved by the Common Council, and the Mayor and
6 Controller are hereby authorized to execute and deliver the same, and to approve any
7 changes in form or substance to the Financial Assistance Agreement, which are
8 consistent with the terms of this ordinance, such changes to be conclusively
9 evidenced by its execution.
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11 (d) The Mayor and the Controller are hereby authorized to negotiate the
12 sale of the any series of Bonds issued to refund the Refunded Bonds in accordance
13 with a Bond Purchase Agreement or Bond Placement Agreement ("Bond Purchase
14 Agreement") between the City and the purchaser of the Bonds or the placement
15 agent ("Refunding Purchaser"). The Mayor and the Controller are authorized to
16 execute the Bond Purchase Agreement and deliver the Bonds to the Refunding
17 Purchaser so long as their terms are consistent with this ordinance. Such Bond
18 Purchase Agreement shall establish a final principal amount, interest rate, maturity
19 schedule, optional redemption features and term bond mandatory redemptions, if
20 any.
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23 In the alternative, the City may, with the advice of the City's financial
24 advisor, sell the Bonds for the refunding of the Refunded Bonds at a competitive
25 sale.
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1 (e) To the extent required, the Controller is hereby authorized to appoint
2 a financial institution to serve as escrow trustee ("Escrow Trustee") for the Refunded
3 Bonds in accordance with the terms of the Escrow Agreement, between the City and
4 the Escrow Trustee ("Escrow Agreement"). The Mayor and the Controller are
5 hereby authorized and directed to complete, execute and attest the same on behalf of
6 the City so long as its provisions are consistent with this ordinance.
7

8 (f) The execution, by either the Mayor, the Controller, the Refunding
9 Purchaser or the City's financial advisor, of a subscription for United States Treasury
10 Obligations -- State and Local Government Series for investments of proceeds of the
11 Bonds, if issued to refund the Refunded Bonds, to be held under the Escrow
12 Agreement in a manner consistent with this ordinance is hereby approved.
13

14 Section 8. Credit Enhancement; Opinion of Bond Counsel. (a) In the
15 event the financial advisor to the City certifies to the City that it would be
16 economically advantageous for the City to obtain a municipal bond insurance policy,
17 the City hereby authorizes the purchase of such an insurance policy. The acquisition
18 of a municipal bond insurance policy is hereby deemed economically advantageous
19 in the event the difference between the present value cost of (a) the debt service on
20 the Bonds if issued without municipal bond insurance and (b) the total debt service
21 on the Bonds if issued with municipal bond insurance, is greater than the cost of the
22 premium on the municipal bond insurance policy. If such an insurance policy is
23 purchased, the Mayor and the Controller are hereby authorized to execute and
24 delivery all agreements with the provider of the insurance policy to the extent
25 necessary to comply with the terms of such insurance policy and the commitment to
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1 issue such policy. Such agreement shall be deemed a part of this ordinance for all
2 purposes and is hereby incorporated hereby by reference.

3 (b) Prior to the delivery of any series of Bonds or BANs, the City shall
4 obtain a legal opinion as to the validity of the Bonds and BANs from Ice Miller
5 LLP, Indianapolis, Indiana, bond counsel for the City, with such opinion to be
6 furnished to the purchasers of the Bonds and BANs at the expense of the City. The
7 costs of obtaining any such insurance, other credit enhancement and/or credit
8 ratings, together with bond counsel's fee in preparing and delivering such
9 opinions and in the performance of related services in connection with the
10 issuance, sale and delivery of the Bonds and BANs, shall be considered as a part of
11 the cost of the Project and the refunding of the Refunded Bonds and shall be paid out
12 of the proceeds of the Bonds or BANs, as the case may be.

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15 Section 9. Disposition of Proceeds of the Bonds and BANs; City of Fort
16 Wayne Sewage Works Construction Account. The proceeds from the sale of the
17 Bonds and BANs shall be deposited and applied as follows:

18 (a) The accrued interest, if any, and any premium received at the time of
19 delivery of the Bonds shall be deposited in the Sewage Works Sinking Fund
20 continued by this ordinance. Any proceeds of the Bonds to be used for deposits into
21 the Reserve Accounts shall be deposited into either the hereinafter defined 2016
22 Reserve Account, the Reserve Account or the SRF Reserve Account, as the case
23 may be.

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25 (b) The remaining proceeds from the sale of the Bonds and BANs
26 issued to finance the Project shall be deposited in a bank or banks which are
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1 legally qualified depositories for the funds of the City, in the special account to be
2 designated as "City of Fort Wayne Sewage Works Construction Account"
3 ("Construction Account"). Amounts in the Construction Account shall be
4 expended only for the purpose of paying the costs of the Project, as described in
5 this ordinance and in the Act, refunding the BANs if issued, together with all
6 authorized costs relating thereto, including the costs of issuance of the Bonds and
7 BANs, and as otherwise permitted or required by the Act and this ordinance.
8 Any balance or balances remaining unexpended in the Construction
9 Account after completion of the Project, which are not required to meet unpaid
10 obligations incurred in connection with the construction of the Project, shall be
11 used solely for one or more of the purposes permitted under the provisions of
12 Indiana Code 5-1-13, as amended. Pursuant to the Act, the owners of the Bonds
13 shall be entitled to a lien on the proceeds of the Bonds until such proceeds are
14 applied as required by this ordinance and by Indiana law.
15

16 (c) With respect to any Bonds sold to the Authority as part of its SRF
17 Program, to the extent that (a) the total principal amount of the Bonds is not paid
18 by the purchaser or drawn down by the City or (b) proceeds remain in the
19 Construction Account and are not applied to the Project (or any modifications or
20 additions thereto approved by the Department and the Authority), the City shall
21 reduce the principal amount of the Bond maturities to effect such reduction in a
22 manner that will still achieve the annual debt service as described in Section 2
23 subject to and upon the terms set forth in the Financial Assistance Agreement.
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1 (d) From the proceeds of the Bonds issued to refund the Refunded Bonds,
2 the Controller shall, with the assistance of the City's financial advisor and legal
3 counsel, determine the date the Refunded Bonds will be paid, which date will be as
4 soon as legally possible after delivery of the Bonds issued for the refunding. The
5 City shall use Bond proceeds and funds on hand allocable to the Refunded Bonds to
6 pay the principal of and interest and redemption premium, if any, on the Refunded
7 Bonds due on the date on which the Refunded Bonds may be called for redemption.
8 Concurrently with the delivery of the Refunding Bonds, the Controller may acquire,
9 with the proceeds of the Bonds and cash on hand, direct obligations of or obligations
10 the principal and interest on which are unconditionally guaranteed by, the United
11 States of America ("Government Obligations") to be used, together with certain cash
12 from the proceeds of the Bonds and cash on hand as set forth in the Escrow
13 Agreement, to refund and legally defease the Refunded Bonds all as set forth in the
14 Escrow Agreement. In order to refund the Refunded Bonds, the Controller shall
15 deposit Government Obligations and certain cash with the Escrow Trustee under the
16 Escrow Agreement in an amount sufficient to provide money for payment of the
17 principal of and interest and redemption premium, if any, on the Refunded Bonds
18 until the earliest date upon which the Refunded Bonds may be called for redemption.
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22 Costs of issuance of the Bonds not otherwise paid shall be paid from the
23 remaining proceeds of the Bonds by the Controller. When all the costs of issuance
24 of the Bonds have been paid, the Controller shall then transfer any amount then
25 remaining from the proceeds of the Bonds to the Sewage Works Sinking Fund.
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1 The Controller shall obtain a verification of an accountant as to the
2 sufficiency of the funds deposited in the Trust Account under the Escrow Agreement
3 to accomplish said refunding and legal defeasance of the Refunded Bonds.
4

5 Section 10. Segregation and Application of Sewage Works Revenues.

6 All revenues derived from the operation of the Sewage Works and from the
7 collection of sewage rates and charges shall be deposited in a special fund of the City
8 ("Revenue Fund") and segregated and kept separate and apart from all other funds
9 and bank accounts of the City. Out of said revenues the proper and reasonable
10 expenses of operation, repair and maintenance of the Sewage Works shall be paid,
11 the principal and interest of all bonds and fiscal agency charges of bank paying
12 agents shall be paid, the Reserve Accounts shall be funded, and the costs of
13 replacements, extensions, additions and improvements shall be paid as hereinafter
14 provided. PILOTs shall be made not more frequently than semiannually on June
15 30 and December 31 and may be made only if all monthly deposits required by
16 this ordinance are current and held as of such dates in the Operation and
17 Maintenance Fund and the Sinking Fund (each as defined herein). No moneys
18 derived from the revenues of the Sewage Works shall be transferred to the General
19 Fund of the City or be used for any purpose not connected with the Sewage Works,
20 except as provided in Section 13 with respect to PILOTs. All moneys deposited in
21 the Revenue Fund may be invested in accordance with IC 5-13, as amended and as
22 applicable, pursuant to IC 4-4-11 and IC 13-18-13.
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25 Section 11. Operation and Maintenance Fund. The Operation and
26 Maintenance Fund is hereby continued. On the last day of each calendar month,
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1 revenues of the Sewage Works shall be transferred from the Revenue Fund to the
2 Operation and Maintenance Fund. The balance maintained in this Fund shall be
3 sufficient to pay the expenses of operation, repair and maintenance for the then next
4 succeeding two calendar months. The moneys credited to this Fund shall be used for
5 the payment of the reasonable and proper operation, repair and maintenance
6 expenses of the sewage works on a day-to-day basis, but none of the moneys in such
7 Fund shall be used for depreciation, replacements, improvements, extensions,
8 additions or PILOTs. Any monies in said Fund in the excess of the expected
9 expenses of operation, repair and maintenance for the next succeeding month may be
10 transferred to the Sinking Fund if necessary to prevent a default in the payment of
11 principal of or interest on the outstanding bonds of the Sewage Works.
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14 Section 12. Sewage Works Sinking Fund. (a) The special fund
15 designated the "Sewage Works Sinking Fund," continued under the Prior
16 Ordinances is hereby continued and designated as the special fund for the
17 payment of the interest on and principal of the Bonds and the payment of any fiscal
18 agency charges in connection with the payment of the Bonds and interest thereon.
19 There shall be set aside and deposited in the Sewage Works Sinking Fund ("Sinking
20 Fund"), as available, and as hereinafter provided, a sufficient amount of the Net
21 Revenues of the Sewage Works to meet the requirements of the Bond and Interest
22 Account hereby continued and the Reserve Accounts (as hereinafter defined) hereby
23 created and continued in the Sinking Fund. The special account within the Sinking
24 Fund designated as the "Sewage Works Reserve Account," is hereby continued as
25 a debt service reserve for all Prior Bonds except those initially purchased by or for
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1 the account of the SRF Program. The SRF Reserve Account is hereby continued as a
2 debt service reserve for the Prior Bonds which were initially purchased by or for the
3 account of the SRF Program and shall serve as the debt service reserve for all Bonds
4 issued hereunder which are initially purchased by or for the account of the SRF
5 Program. The 2016 Reserve Account is hereby created and is constituted as a debt
6 service reserve for any Bonds issued hereunder or yet to be issued under the 2014
7 Bond Ordinance which are not initially purchased by or for the account of the SRF
8 Program. Such payments shall continue until the balances in the Bond and Interest
9 Account and the Reserve Accounts, equal the principal of and interest on all of the
10 then outstanding bonds of the Sewage Works to their final maturity.
11

12
13 (b) Bond and Interest Account. There is hereby continued, within the
14 Sinking Fund, the Bond and Interest Account. There shall be credited on the last day
15 of each calendar month from the Revenue Fund to the Bond and Interest Account an
16 amount of the Net Revenues equal to at least one-twelfth (1/12) of the principal and
17 at least one-sixth (1/6) of the interest on all then outstanding bonds payable on the
18 then next succeeding principal and interest payment dates until the amount of interest
19 and principal payable on the then next succeeding respective interest and principal
20 payment dates shall have been so credited. Beginning on August 1, 2033, there shall
21 be credited on the last day of each calendar month from the Revenue Fund to the
22 Bond and Interest Account an amount of the Net Revenues equal to at least one-sixth
23 (1/6) of the principal and at least one-sixth (1/6) of the interest on all then
24 outstanding bonds payable on the then next succeeding principal and interest
25 payment date until the amount of interest and principal payable on the then next
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1 succeeding interest and principal payment date shall have been so credited. There
2 shall similarly be credited to the account any amount necessary to pay the bank fiscal
3 agency charges for paying principal and interest on the then outstanding bonds as the
4 same becomes payable. The City shall, from the sums deposited in the Sinking Fund
5 and credited to the Bond and Interest Account, remit promptly to the registered
6 owner or to the bank fiscal agency sufficient moneys to pay the interest on the due
7 dates thereof together with the amount of bank fiscal agency charges.
8

9 (c) Reserve Accounts. On the date of delivery of any series of Bonds
10 which are not initially purchased by or for the account of the SRF Program, funds on
11 hand of the Sewage Works, Bond proceeds, a debt service reserve surety bond
12 ("Surety Bond"), or a combination thereof may be deposited into the 2016 Reserve
13 Account ("2016 Reserve Account") hereby created. The balance to be maintained in
14 the 2016 Reserve Account shall equal but not exceed the least of (i) maximum
15 annual debt service on the Bonds (not initially purchased by or for the account of the
16 SRF Program) and any parity bonds issued in the future by the City which are
17 payable from Net Revenues of the Sewage Works ("Parity Bonds") and not initially
18 purchased by or for the account of the SRF Program; (ii) 125% of average annual
19 debt service on the Bonds (not initially purchased by or for the account of the SRF
20 Program) and any Parity Bonds (not initially purchased by or for the account of the
21 SRF Program) or (iii) 10% of the proceeds of the Bonds (not initially purchased by
22 or for the account of the SRF Program) and any Parity Bonds (not initially purchased
23 by or for the account of the SRF Program) ("2016 Reserve Requirement"). If the
24 initial deposit into the 2016 Reserve Account does not cause the balance therein to
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1 equal the 2016 Reserve Requirement or if no deposit is made, a sum of Net
2 Revenues shall be credited to the Reserve Account on the last day of each calendar
3 month until the balance therein equals the 2016 Reserve Requirement. The monthly
4 deposits of Net Revenues shall be equal in amount and sufficient to accumulate the
5 2016 Reserve Requirement within five years of the date of delivery of the Bonds.
6 The 2016 Reserve Account shall not secure and may not be used to pay the
7 Zanesville Bonds, any Prior Bonds, or any Bonds or Parity Bonds which are initially
8 purchased by or for the account of the SRF Program.
9

10 The Sewage Works Reserve Account ("Reserve Account") is hereby
11 continued and shall serve as the debt service reserve for all Prior Bonds except those
12 initially purchased by or for the account of the SRF Program.. The balance to be
13 maintained in the Reserve Account shall equal but not exceed the least of (i)
14 maximum annual debt service on the Prior Bonds (not initially purchased by or for
15 the account of the SRF Program); (ii) 125% of average annual debt service on the
16 Prior Bonds (not initially purchased by or for the account of the SRF Program) or
17 (iii) 10% of the proceeds of the Prior Bonds (not initially purchased by or for the
18 account of the SRF Program) ("Reserve Requirement"). The Reserve Account is
19 fully funded in an amount equal to the Reserve Requirement. The Reserve Account
20 shall not secure and may not be used to pay the Zanesville Bonds, or any Prior
21 Bonds, Bonds or Parity Bonds which are initially purchased by or for the account of
22 the SRF Program.
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25 On the date of delivery of any series of Bonds which are initially purchased
26 by or for the account of the SRF Program, funds on hand of the Sewage Works,
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1 Bond proceeds, a Surety Bond, or a combination thereof may be deposited into the
2 SRF Reserve Account (collectively, with the 2016 Reserve Account and the Reserve
3 Account, referred to as "Reserve Accounts") hereby continued. The balance to be
4 maintained in the SRF Reserve Account shall equal the maximum annual debt
5 service on the Prior Bonds (initially purchased by or for the account of the SRF
6 Program), the Bonds initially purchased by or for the account of the SRF Program
7 and any Parity Bonds initially purchased by or for the account of the SRF Program
8 ("SRF Reserve Requirement"); provided, however, the SRF Reserve Requirement is
9 defined as the initial reserve requirement, and the amount held therein will be
10 decreased on the second day of each January to the maximum annual debt service on
11 the then outstanding Prior Bonds, Bonds and Parity Bonds initially purchased by or
12 for the account of the SRF Program in the then present or any succeeding year, and
13 provided, further than the City shall give 15 days prior written notice to the
14 Authority before transferring funds out of the SRF Reserve Account. If the initial
15 deposit into the SRF Reserve Account does not cause the balance therein to equal the
16 SRF Reserve Requirement or if no deposit is made, a sum of Net Revenues shall be
17 credited to the SRF Reserve Account on the last day of each calendar month until the
18 balance therein equals the SRF Reserve Requirement. Notwithstanding the
19 provisions set forth in the Prior Ordinances regarding the SRF Reserve Account, the
20 monthly deposits of Net Revenues shall be equal in amount and sufficient to
21 accumulate the SRF Reserve Requirement within five years of the date of delivery of
22 the Bonds. The SRF Reserve Account shall not secure and may not be used to pay
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1 the Zanesville Bonds, or any Prior Bonds, Bonds or Parity Bonds which are not
2 initially purchased by or for the account of the SRF Program.

3 Any Surety Bond for the Reserve Account or the SRF Reserve Account must
4 be issued by an insurance company rated (at the time the Surety Bond is purchased)
5 in the highest rating category by Standard & Poor's Corporation or Moody's
6 Investors Service. However, as long as any of the Prior Bonds or Bonds initially
7 purchased by or for the account of the SRF Program, the City shall receive consent
8 of the Authority before funding any portion of the SRF Reserve Account with such
9 Surety Bond. If such a Surety Bond is purchased, the Mayor and the Controller are
10 hereby authorized to execute and deliver all agreements with the provider of the
11 Surety Bond to the extent necessary to comply with the terms of such Surety Bond
12 and the commitment to issue such policy. Such agreements shall be deemed a part of
13 this ordinance for all purposes and are hereby incorporated herein by reference.
14

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16 The respective Reserve Accounts shall constitute the margin for safety and a
17 protection against default in the payment of principal and interest on the respective
18 Prior Bonds, the Bonds and any Parity Bonds which they respectively secure, and
19 moneys in the respective Reserve Accounts shall be used to pay current principal and
20 interest on the respective Prior Bonds, the Bonds and any Parity Bonds which they
21 respectively secure to the extent that moneys in the Bond and Interest Account, after
22 applied on a pro rata basis to any outstanding Prior Bonds, Bonds and Parity Bonds,
23 are insufficient for that purpose. Any deficiency in the balances maintained in the
24 respective Reserve Accounts as a result of a transfer to the Bond and Interest
25 Account shall be promptly made up from the next available Net Revenues remaining
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1 after credits into the Bond and Interest Account on a pro rata basis within a twelve
2 (12) month period. Any moneys in the respective Reserve Accounts in excess of the
3 2016 Reserve Requirement, the Reserve Requirement or the SRF Reserve
4 Requirement shall be transferred to the Sewage Works Improvement Fund.
5

6 (d) If any Bonds are initially purchased by or for the account of the SRF
7 Program, the Sinking Fund, containing the Bond and Interest Account and the
8 Reserve Accounts, and the Construction Account may be held by a financial
9 institution acceptable to the Authority, pursuant to terms acceptable to the Authority.
10 If all or a portion of the Sinking Fund and the accounts therein are held in trust, the
11 City shall transfer the monthly required amounts of Net Revenues to the Bond and
12 Interest Account and the Reserve Accounts in accordance with this Section 12, and
13 the financial institution holding such funds in trust shall be instructed to pay the
14 required payments in accordance with the payment schedules for the City's
15 outstanding bonds. The financial institution selected to serve in this role may also
16 serve as the Registrar and the Paying Agent for such Bonds. If the Construction
17 Account is held in trust, the City shall deposit the proceeds of such Bonds therein
18 until such proceeds are applied consistent with this ordinance and the Financial
19 Assistance Agreement. The Common Council hereby authorizes the Mayor and
20 Controller to execute and deliver an agreement with a financial institution to reflect
21 this trust agreement for all or a part of the Sinking Fund and the Construction
22 Account in the form of trust agreement as approved by the Mayor and the Controller,
23 consistent with the terms and provisions of this ordinance.
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1 Section 13. Sewage Works Improvement Fund. After meeting the
2 requirements of the Operation and Maintenance Fund and the Sinking Fund, any
3 excess revenues may be transferred or credited from the Revenue Fund to the
4 "Sewage Works Improvement Fund," hereby continued, and said Fund shall be used
5 for replacements, additions, improvements and extensions of the Sewage Works or
6 for any other lawful purpose, so long as such use pertains to and involves the
7 business of the Sewage Works. PILOTs shall be made not more frequently than
8 semiannually on June 30 and December 31 and may be made only if the amounts
9 required to be held as of such dates in the Operation and Maintenance Fund and the
10 Sinking Fund pursuant to Section 11 and Section 12 are so held after considering any
11 such contemplated payment. Moneys in the Sewage Works Improvement Fund shall
12 be transferred to the Sinking Fund if necessary to prevent a default in the payment of
13 principal of or interest on the then outstanding bonds or, if necessary, to eliminate
14 any deficiencies in credits to or minimum balance in the Reserve Accounts of the
15 Sinking Fund or may be transferred to the Operation and Maintenance Fund to meet
16 unforeseen contingencies in the operation, repair and maintenance of the Sewage
17 Works.
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21 Section 14. Books of Record and Accounts; Continuing Disclosure. (a)
22 The City shall keep proper books of record and accounts, separate from all of its
23 other records and accounts, in which completed and correct entries shall be made
24 showing all revenues collected from said works and deposited in said funds, and
25 all disbursements made therefrom on account of the operation of the works, and to
26 meet the requirements of the Sewage Works Sinking Fund, and all other financial
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1 transactions relating to said works, including the amounts set aside or credited to
2 the Sinking Fund, the Operation and Maintenance Fund and the Sewage Works
3 Improvement Fund, and the cash balances in each of said funds and accounts
4 described herein as of the close of the preceding fiscal year. Copies of all such
5 statements and reports shall be kept on file in the office of the Controller.
6

7 (b) If necessary to comply with the Rule, the City shall execute and
8 deliver a form of Continuing Disclosure Undertaking ("Disclosure Undertaking").
9 The Mayor or the Controller are hereby authorized and directed to complete and
10 execute the Disclosure Undertaking on behalf of the City, if necessary to comply
11 with the Rule. Notwithstanding any other provisions of this ordinance, failure of the
12 City to comply with the Disclosure Undertaking shall not be considered an event of
13 default under the Bonds or this ordinance. If required by the Authority, in
14 connection with the SRF Program, the City is authorized to execute and deliver a
15 form of Disclosure Undertaking in a form provided by the SRF Program. The Mayor
16 and the Controller, together or individually, are authorized to complete and execute
17 the Disclosure Undertaking on behalf of the City in connection with any series of
18 Bonds sold to the Authority as part of the SRF Program.
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21 (c) So long as any of the Prior Bonds or Bonds are held by the Authority,
22 the City shall establish and maintain the books and other financial records of the
23 Project (including the establishment of a separate account or subaccount for the
24 Project) and the Sewage Works in accordance with (i) generally accepted
25 governmental accounting standards for utilities, on an accrual basis, as promulgated
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1 by the Government Accounting Standards Board and (ii) the rules, regulations and
2 guidance of the State Board of Accounts.

3 Section 15. Rates and Charges. The City covenants and agrees that it will
4 establish and maintain just and equitable rates or charges for the use of and the
5 services rendered by said works, to be paid by the owner of each and every lot,
6 parcel of real estate or building that is connected with and uses said Sewage Works
7 by or through any part of the Sewage Works system of the City, or that in any way
8 uses or is served by such Sewage Works. Such rates or charges shall, to the extent
9 permitted by law and only so long as the Bonds issued under the 2009 Bond
10 Ordinance are outstanding, be sufficient in each year to produce Net Revenues equal
11 to 1.1 times the greater of the average annual debt service on the Prior Bonds, the
12 Bonds and any Parity Bonds or the debt service payable during the next succeeding
13 twelve calendar months on the Prior Bonds, the Bonds and any Parity Bonds. For
14 these purposes, the interest rate on variable rate debt shall be assumed to be the
15 average interest rate thereon in the preceding calendar year. Such rates and charges
16 shall be sufficient in each year for the payment of the proper and reasonable
17 expenses of Operation and Maintenance (as defined in the Financial Assistance
18 Agreement) of the Sewage Works, to comply with and satisfy all covenants
19 contained in this ordinance including the sums required to be paid into the Sinking
20 Fund by the Act, this ordinance, and the Financial Assistance Agreement, and to
21 pay all obligations of the Sewage Works and of the City with respect to the Sewage
22 Works.
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1 Such rates or charges shall, if necessary, be changed and readjusted from
2 time to time so that the revenues therefrom shall always be sufficient to meet the
3 expenses of Operation and Maintenance of the Sewage Works and the requirements
4 of the Sinking Fund. The rates or charges so established shall apply to any and all
5 use of such Sewage Works by and service rendered to the City and all departments
6 thereof and shall be paid semiannually by the City or the various departments
7 thereof as the charges accrue.
8

9 Section 16. Defeasance. If, when the Bonds issued hereunder (or portions
10 thereof) shall have become due and payable in accordance with their terms or shall
11 have been duly called for redemption or irrevocable instructions to call the Bonds
12 (or portions thereof) for redemption shall have been given, and the whole
13 amount of the principal and the interest and the premium, if any, so due and
14 payable upon all of the Bonds (or portions thereof) then outstanding shall be paid; or
15 (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and
16 interest on which are unconditionally guaranteed by, the United States of
17 America, the principal of and the interest on which when due will provide sufficient
18 moneys, or (iii) time certificates of deposit fully secured as to both principal and
19 interest by obligations of the kind described in (ii) above of a bank or banks the
20 principal of and interest on which when due will provide sufficient moneys, shall be
21 held in trust for such purpose, and provision shall also be made for paying all fees
22 and expenses for the redemption, then and in that case the Bonds (or portions
23 thereof) issued hereunder shall no longer be deemed outstanding or entitled to the
24 pledge of the Net Revenues of the City's Sewage Works.
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1 Section 17. Additional Bonds. The City reserves the right to authorize
2 and issue additional BANs at any time ranking on a parity with the BANs. The
3 City also reserves the right to authorize and issue additional Parity Bonds, payable
4 out of the Net Revenues of its Sewage Works, ranking on a parity with the Bonds
5 authorized by this ordinance, for the purpose of financing the cost of future
6 additions, extensions and improvements to the Sewage Works, or to refund
7 obligations, subject to the following conditions:
8

9 (a) The interest on and principal of all bonds payable from
10 the revenues of the Sewage Works shall have been paid to date in accordance
11 with the terms thereof, provided, this condition shall be deemed satisfied if any
12 required amount is to be provided from the proceeds of the Parity Bonds or other
13 funds of the City, and all required payments into the Sinking Fund shall have been
14 made in accordance with the provisions of this ordinance.
15

16 (b) As of the date of issuance of such additional Parity
17 Bonds, the balance in the 2016 Reserve Account shall equal not less than the
18 2016 Reserve Requirement, the balance in the Reserve Account shall equal not
19 less than the Reserve Requirement, and the balance in the SRF Reserve Account
20 shall equal not less than the SRF Reserve Requirement, calculated to include
21 principal and interest requirements on the Bonds, any then outstanding parity
22 bonds and the additional Parity Bonds proposed to be issued, provided this
23 condition shall be deemed satisfied if any required amount is to be provided from
24 the proceeds of the newly issued Parity Bonds or other funds of the City over a
25 period of no longer than five (5) years following the delivery of the Parity Bonds.
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1 (c) The Net Revenues of the Sewage Works in the fiscal year
2 immediately preceding the issuance of any such Parity Bonds shall be not less than
3 one hundred twenty-five percent (125%) of the maximum annual interest and
4 principal requirements of the then outstanding Bonds, any then outstanding parity
5 bonds and the additional Parity Bonds proposed to be issued; or, prior to the issuance
6 of said Parity Bonds, the sewage rates and charges shall be increased or the
7 service area or customer base shall be expanded sufficiently so that said
8 increased rates and charges and/or volume applied to the previous fiscal year's
9 operations would have produced Net Revenues for said year equal to not less than
10 one hundred twenty-five percent (125%) of the maximum annual interest and
11 principal requirements of the then outstanding Bonds, any then outstanding parity
12 bonds and the additional Parity Bonds proposed to be issued. For purposes of this
13 subsection, the records of the Sewage Works shall be analyzed and all showings
14 shall be prepared by a certified public accountant or nationally recognized firm
15 of professionals experienced in analyzing financial records of municipal utilities
16 retained by the City for that purpose.
17

18 (d) The principal of and mandatory sinking fund payment
19 dates for said additional Parity Bonds shall be payable on August 1
20 until the date August 1, 2033 and thereafter, shall be payable semiannually on
21 February 1 and August 1, and the interest on said additional Parity Bonds shall be
22 payable semiannually on February 1 and August 1 during the periods in which such
23 principal and interest are payable. If the additional Parity Bonds are issued as
24 capital appreciation bonds, the amount payable at maturity thereof shall be payable
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1 on February 1 and/or August 1 during the periods in such maturity amounts are
2 payable.

3 (e) Additional Parity Bonds issued as variable rate debt must be assumed
4 to bear the maximum interest rate thereon for the purpose of certifying satisfaction
5 of the 125% condition set forth above, and a maximum rate must be set for any such
6 variable rate additional Parity Bonds. Furthermore, any put feature associated with
7 such variable rate debt must be covered by remarketing proceeds or a liquidity
8 facility issued by a provider which is rated in one of the two highest short-term
9 rating categories of Moody's Investors Service or Standard & Poors Ratings Group.
10

11 (f) For so long as any of the Bonds are outstanding and owned by the
12 Authority as part of its SRF Program, (i) the City obtains the consent of the
13 Authority, (ii) the City has faithfully performed and is in compliance with each of its
14 obligations, agreements and covenants contained in the Financial Assistance
15 Agreement and this resolution, and (iii) the City is in compliance with its National
16 Pollutant Discharge Elimination System permits, except for non-compliance for
17 which purpose the additional Parity Bonds are issued, including refunding bonds
18 issued prior to, but part of the overall plan to eliminate such non-compliance.
19

20
21 Section 18. Additional Covenants of the City. For the purpose of further
22 safeguarding the interests of the owners of the BANs and the Bonds herein
23 authorized, it is specifically provided as follows:

24 (a) All contracts let by the City in connection with the construction of the
25 Project shall be let after due advertisement as required by the laws of the State of
26 Indiana, and all contractors shall be required to furnish surety bonds in an amount
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1 equal to one hundred percent (100%) of the amount of such contracts, to insure the
2 completion of said contracts in accordance with their terms, and such contractors
3 shall also be required to carry such employers liability and public liability insurance
4 as are required under the laws of the State of Indiana in the case of public contracts,
5 and shall be governed in all respects by the laws of the State of Indiana relating to
6 public contracts.
7

8 (b) Said Project shall be constructed under the supervision and subject to
9 the approval of the Consulting Engineers or such other competent engineer as shall
10 be designated by the Board. All estimates for work done or material furnished shall
11 first be checked by the Consulting Engineers and approved by the Board.
12

13 (c) So long as the Bonds or BANs are outstanding, the City shall at all
14 times maintain its Sewage Works in good condition and operate the same in an
15 efficient manner and at a reasonable cost.

16 (d) So long as any of the Bonds or BANs herein authorized are
17 outstanding, the City shall maintain insurance coverage, including fidelity bonds, to
18 protect the Sewage Works and its operations on the insurable parts of said Sewage
19 Works of a kind and in an amount such as would normally be carried by private
20 companies engaged in a similar type of business, and, so long as the BANs
21 and/or Bonds are owned by the Authority as part of its SRF Program such
22 insurance shall be acceptable to the Authority. All insurance shall be placed with
23 responsible insurance companies qualified to do business under the laws of the
24 State of Indiana, provided, however, such insurance requirement may be satisfied,
25 in part or in whole, through the City's self insurance program. Insurance proceeds
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1 and condemnation awards shall be used to replace or repair the property,
2 provided, for so long as the BANs or Bonds are owned by the Authority as part of
3 its SRF Program, the Authority may consent to a different use of such proceeds.
4

5 (e) So long as any of the BANs or Bonds are outstanding, the City shall
6 not mortgage, pledge or otherwise encumber the Sewage Works, or any portion
7 thereof, nor shall it sell, lease or otherwise dispose of any portion thereof except
8 replace equipment which may become worn out or obsolete, provided, however, if
9 any Bonds or BANs are owned by the Authority as part of its SRF Program, the City
10 shall obtain the prior written consent of the Authority.
11

12 (f) So long as the BANs or Bonds are owned by the Authority as part of
13 its SRF Program, the City shall not without the prior written consent of the
14 Authority: (i) enter into any lease, contract or agreement or incur any other
15 liabilities in connection with the Sewage Works other than for normal operating
16 expenditures; or (ii) borrow any money (including without limitation any loan
17 from other utilities operated by the City).
18

19 (g) Except as hereinbefore provided in Section 17 hereof, so long as any
20 of the Bonds herein authorized are outstanding, no additional bonds or other
21 obligations pledging any portion of the revenues of said Sewage Works shall be
22 authorized, executed or issued by the City except such as shall be made subordinate
23 and junior in all respects to the Bonds herein authorized, unless all of the Bonds
24 herein authorized are redeemed, retired or defeased pursuant to Section 16 hereof
25 coincidentally with the delivery of such additional bonds or other obligations.
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1 (h) The City shall take all action or proceedings necessary and proper
2 to require connection of all property where liquid and solid waste, sewage, night soil,
3 or industrial waste is produced with available sanitary sewers. The City shall, insofar
4 as possible, cause all such sanitary sewers to be connected with said Sewage Works.

5
6 (i) The provisions of this ordinance shall constitute a contract by and
7 between the City and the owners of the Bonds or BANS herein authorized, and after
8 the issuance of said Bonds or BANS, this ordinance shall not be repealed or
9 amended in any respect which will adversely affect the rights of the owners of said
10 Bonds or BANS, nor shall the Common Council adopt any law, ordinance or
11 resolution which in any way adversely affects the rights of such owners so long as
12 any of said Bonds or BANS or the interest thereon remains unpaid. Except for the
13 changes set forth in Section 23(a)-(f), this ordinance may be amended, however,
14 without the consent of BAN or Bond owners, if the Common Council determines, in
15 its sole discretion, that such amendment would not adversely affect the owners of the
16 BANS or Bonds provided, however, that if any BANS or Bonds are sold to the
17 Authority as part of its SRF Program, the City shall obtain the prior written consent
18 of the Authority.

19
20
21 (j) The provisions of this ordinance shall be construed to create a trust in
22 the proceeds of the sale of the BANS and the Bonds herein authorized for the uses
23 and purposes herein set forth, and the owners of the BANS and the Bonds shall
24 retain a lien on such respective proceeds until the same are applied in accordance
25 with the provisions of this ordinance and of the Act. The provisions of this ordinance
26 shall also be construed to create a trust in the portion of the Net Revenues herein
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1 directed to be set apart and paid into the Sewage Works Sinking Fund for the uses
2 and purposes of said fund as in this ordinance set forth. The owner of said Bonds
3 shall have all of the rights, remedies and privileges set forth in the provisions of the
4 Act, including the right to have a receiver appointed to administer said Sewage
5 Works in the event of default in the payment or the principal of or interest on any
6 of the Bonds herein authorized or in the event of default in respect to any of the
7 provisions of this ordinance or the Act.
8

9 (k) For purpose this Section 18, the term "lease" shall include any lease,
10 contract, or other instrument conferring a right upon the City to use property in
11 exchange for a periodic payments made from the revenues of the Sewage Works,
12 whether the City desires to cause such to be, or by its terms (or its intended effects)
13 is to be, (i) payable as rent, (ii) booked as an expense or an expenditure, or (iii)
14 classified for accounting or other purposes as a capital lease, financing lease,
15 operating lease, non-appropriation leases, installment purchase agreement or lease,
16 or otherwise (including any combination thereof).
17

18 Section 19. Permitted Actions Relating to Preservation of Exclusion of
19 Interest from Federal Gross Income. The Controller is hereby authorized to invest
20 moneys pursuant to IC 5-1-14-3 and the provisions of this ordinance (subject to
21 applicable requirements of federal law to insure such yield is the then current market
22 rate) to the extent necessary or advisable to preserve the exclusion from gross
23 income of interest on the BANs and Bonds under federal law.
24

25 The Controller shall keep full and accurate records of investment earnings
26 and income from moneys held in the funds and accounts referenced herein. In order
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1 to comply with the provisions of this ordinance, the Controller is hereby authorized
2 and directed to employ consultants or attorneys from time to time to advise the
3 City as to requirements of federal law to preserve the tax exclusion or exemption.
4

5 Section 20. Tax Covenants. In order to preserve the exclusion of interest
6 on the Bonds and BANs from gross income for federal tax purposes under Section
7 103 of the Internal Revenue Code of 1986 as existing on the date of issuance of the
8 Bonds or BANs, as the case may be ("Code"), and as an inducement to purchasers of
9 the Bonds and BANs, the City represents, covenants and agrees that:
10

11 (a) Since the date of issuance of the Refunded Bonds and until the earlier
12 of the last date of the reasonably expected economic life of the Project, the projects
13 constructed with funds from the Refunded Bonds or the latest maturity date of the
14 Bonds ("Combined Measurement Period"), the Sewage Works will be available for
15 use by members of the general public. Use by a member of the general public means
16 use by natural persons not engaged in a trade or business. During the Combined
17 Measurement Period, no person or entity other than the City or another state or local
18 governmental unit will use more than 10% of the proceeds of the Bonds or BANs or
19 property financed by the Bond or BAN proceeds or the Refunded Bonds other than
20 as a member of the general public. During the Combined Measurement Period, no
21 person or entity other than the City or another state or local governmental unit will
22 own property financed by Bond or BAN proceeds or the Refunded Bonds or will
23 have any actual or beneficial use of such property pursuant to a lease, a management
24 or incentive payment contract, arrangements such as take-or-pay or output contracts
25 or any other type of arrangement that conveys other special legal entitlements and
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1 differentiates that person's or entity's use of such property from use by the general
2 public, unless such uses in the aggregate relate to no more than 10% of the proceeds
3 of the Bonds or BANs, as the case may be. If the City enters into a management
4 contract for the Sewage Works, the terms of the contract will comply with IRS
5 Revenue Procedure 97-13, as it may be amended, supplemented or superseded for
6 time to time, so that the contract will not give rise to private business use under the
7 Code and the Regulations, unless such use in aggregate relates to no more than 10%
8 of the proceeds of the Bonds or BANs, as the case may be.
9

10 (b) No more than 10% of the principal of or interest on the Bonds or
11 BANs over the Combined Measurement Period will (under the terms of the Bonds or
12 BANs, this ordinance or any underlying arrangement), directly or indirectly, secured
13 by an interest in property used or to be used for any private business use or payments
14 in respect of any private business use or payments in respect of such property or to
15 be derived from payments (whether or not to the City) in respect of such property or
16 borrowed money used or to be used for a private business use.
17

18 (c) No more than 5% of the Bond or BAN proceeds will be loaned to any
19 person or entity other than another state or local governmental unit. No more than
20 5% of the Bond or BAN proceeds will be transferred, directly or indirectly, or
21 deemed transferred to a nongovernmental person in any manner that would in
22 substance constitute a loan of the Bond or BAN proceeds.
23

24 (d) The City reasonably expects, as of the date hereof, that the Bonds and
25 BANs will not meet either the private business use test described in paragraph (a)
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1 and (b) above or the private loan test described in paragraph (c) above for the
2 Combined Measurement Period.

3 (e) During the Combined Measurement Period, no more than 5% of the
4 proceeds of the Bonds or BANs will be attributable to private business use as
5 described in (a) and private security or payments described in (b) attributable to
6 unrelated or disproportionate private business use. For this purpose, the private
7 business use test is applied by taking into account only use that is not related to any
8 government use of proceeds of the issue (Unrelated Use) and use that is related but
9 disproportionate to any governmental use of those proceeds (Disproportionate Use).
10

11 (f) The City will not take any action nor fail to take any action with
12 respect to the Bonds or BANs that would result in the loss of the exclusion from
13 gross income for federal tax purposes on the Bonds or BANs pursuant to Section 103
14 of the Code, nor will the City act in any other manner which would adversely affect
15 such exclusion. The City covenants and agrees not to enter into any contracts or
16 arrangements which would cause the Bonds or BANs to be treated as private activity
17 bonds under Section 141 of the Code.
18

19 (g) It shall be not an event of default under this ordinance if the interest
20 on any Bond or BAN is not excludable from gross income for federal tax purposes or
21 otherwise pursuant to any provision of the Code which is not currently in effect and
22 in existence on the date of issuance of the Bonds or BANs, as the case may be.
23

24 (h) The City represents that it will rebate any arbitrage profits to the
25 United States in accordance with the Code.
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1 (i) These covenants are based solely on current law in effect and in
2 existence on the date of delivery of such Bonds or BANs, as the case may be.

3 Section 21. Issuance of BANs. (a) The City, having satisfied all the
4 statutory requirements for the issuance of its Bonds, may elect to issue its BAN or
5 BANs pursuant to a Bond Anticipation Note Purchase Agreement ("BAN Purchase
6 Agreement") to be entered into between the City and the purchaser of the BAN or
7 BANs. If the BANs are sold to the Authority as part of its SRF Program, the
8 Financial Assistance Agreement shall serve as the BAN Purchase Agreement. The
9 Common Council hereby authorizes the issuance and execution of the BAN or BANs
10 in lieu of initially issuing the Bonds to provide interim financing for the Project until
11 permanent financing becomes available. It shall not be necessary for the City to
12 repeat the procedures for the issuance of its Bonds, as the procedures followed
13 before the issuance of the BAN or BANs are for all purposes sufficient to authorize
14 the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs.

15 (b) The Mayor and the Controller are hereby authorized and directed to
16 execute a BAN Purchase Agreement or Financial Assistance Agreement (and any
17 amendments made from time to time) in such form or substance as they shall
18 approve acting upon the advice of counsel. The Mayor, the Clerk and the Controller
19 may also take such other actions or deliver such other certificates as are necessary or
20 desirable in connection with the issuance of the BANs or the Bonds and the other
21 documents needed for the financing as they deem necessary or desirable in
22 connection therewith.
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1 Section 22. Compliance with Tax Sections. Notwithstanding any other
2 provisions of this ordinance, the covenants and authorizations contained in this
3 ordinance ("Tax Sections") which are designed to preserve the exclusion of interest
4 on the Bonds and BANs from gross income under federal law ("Tax Exemption")
5 need not be complied with if the City receives an opinion of nationally recognized
6 bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.
7

8 Section 23. Supplemental Ordinances. Subject to the terms and provisions
9 contained in this Section, and not otherwise, the owners of not less than sixty-six and
10 two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds issued
11 pursuant to this ordinance and then outstanding shall have the right, from time to
12 time, anything contained in this ordinance to the contrary notwithstanding, to
13 consent to and approve the adoption by the City of such ordinance or ordinances
14 supplemental hereto as shall be deemed necessary or desirable by the City for the
15 purpose of modifying, altering, amending, adding to or rescinding in any particular
16 any of the terms or provisions contained in this ordinance, or in any supplemental
17 ordinance; provided, however, that so long as the Bonds or BANs are owned by the
18 Authority as part of its SRF Program, the City shall obtain the prior written consent
19 of the Authority; and provided, further, that nothing herein contained shall permit or
20 be construed as permitting:
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22

23 (a) An extension of the maturity of the principal of, mandatory sinking
24 fund redemption dates, if any, or interest on any Bond issued pursuant to this
25 ordinance; or
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1 (b) A reduction in the principal amount of any Bond or the redemption
2 premium or the rate of interest thereon; or

3 (c) The creation of a lien upon or a pledge of the revenues of the Sewage
4 Works ranking prior to the pledge thereof created by this ordinance; or

5 (d) A preference or priority of any Bond or Bonds issued pursuant to this
6 ordinance over any other Bond or Bonds issued pursuant to the provisions of this
7 ordinance; or

8 (e) A reduction in the aggregate principal amount of the Bonds required
9 for consent to such supplemental ordinance; or

10 (f) A reduction in the 2016 Reserve Requirement, the Reserve
11 Requirement or the SRF Reserve Requirement.

12 If the owners of not less than sixty-six and two-thirds percent (66-2/3%)
13 in aggregate principal amount of the Bonds outstanding at the time of adoption of
14 such supplemental ordinance shall have consented to and approved the adoption
15 thereof by written instrument to be maintained on file in the office of the Clerk of
16 the City, no owner of any Bond issued pursuant to this ordinance shall have any
17 right to object to the adoption of such supplemental ordinance or to object to any
18 of the terms and provisions contained therein or the operation thereof, or in any
19 manner to question the propriety of the adoption thereof, or to enjoin or restrain the
20 City or its officers from adopting the same, or from taking any action pursuant to the
21 provisions thereof. Upon the adoption of any supplemental ordinance pursuant to
22 the provisions of this Section, this ordinance shall be, and shall be deemed,
23 modified and amended in accordance therewith, and the respective rights, duties and
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1 obligations under this ordinance of the City and all owners of Bonds issued pursuant
2 to the provisions of this ordinance then outstanding, shall thereafter be determined,
3 exercised and enforced in accordance with this ordinance, subject in all respects to
4 such modifications and amendments. Notwithstanding anything contained in the
5 foregoing provisions of this ordinance, the rights and obligations of the City and
6 of the owners of the Bonds authorized by this ordinance, and the terms and
7 provisions of the Bonds and this ordinance, or any supplemental ordinance, may
8 be modified or altered in any respect with the consent of the City and the consent
9 of the owners of all the Bonds issued pursuant to this ordinance then outstanding.
10

11 Section 24. Repeal of Conflicting Ordinances; Amendments to add
12 Projects and to the SRF Reserve Account. All ordinances and parts of ordinances in
13 conflict herewith are hereby repealed. The 2014 Bond Ordinance shall include the
14 all of the projects included in Exhibit A to this ordinance. The provisions of this
15 Section 12(c) regarding the SRF Reserve Account shall supersede and amend the
16 provisions of the Prior Ordinances regarding the SRF Reserve Account. All other
17 provisions of this ordinance shall not be construed as repealing or modifying in any
18 respect any of the provisions of the Prior Ordinances nor be construed as adversely
19 affecting the rights of any of the holders of the Prior Bonds. The Common Council
20 has been advised the Authority, as part of the SRF Program, has provided or will
21 provide its consent to the amendments regarding the SRF Reserve Account. The
22 Common Council finds that the amendments to the 2014 Bond Ordinance and the
23 SRF Reserve Account made in this ordinance do not adversely affect the owners of
24 any outstanding Prior Bonds.
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Section 25. Rates and Charges. The estimates of the rates and charges of the Sewage Works are set forth in Ordinance No. G-19-14 adopted on July 22, 2014, which ordinance is incorporated herein by reference.

Section 26. Captions. The captions in this ordinance are inserted only as a matter of convenience and reference, and such captions are not intended and shall not be construed to define, limit, establish, interpret or describe the scope, intent or effect of any provision of this ordinance.

Section 27. Effectiveness. This ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

1 PASSED AND ADOPTED by the Common Council of Fort Wayne, Indiana,
2 on this _____ day of _____, 2016.

3 COMMON COUNCIL OF THE CITY OF FORT
4 WAYNE, INDIANA

5
6 By: _____
7 Member of the Common Council

8 APPROVED AS TO FORM AND LEGALITY

9
10 _____
11 Carol Helton, City Attorney
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EXHIBIT A

Project Descriptions

2014 Projects:

Wet Weather Pond Storage and Dewatering Improvements

The Wet Weather ponds (Ponds #1 and #2) on the north side of the river across from the Water Pollution Control Plant (WPCP) are a vital part of the City's wet weather facilities, and play a key role in the City's Long Term Control Plant (LTCP) and long term wet weather strategy. The Wet Weather Pump Station (WWPS) that is used to dewater the interceptor system and fill the ponds during wet weather events will require additional pumps and screens to increase its capacity. This increase is to handle the additional flows from the parallel interceptor and/or tunnel projects that are planned to begin construction in approximately 2017.

Combined Sewer System Capacity Improvement Program (CSSCIP)

The projects in this category of work are included in the LTCP and generally include partial sewer separation by the construction of new storm drains and/or sanitary sewers, but may include various other technologies/methods and source control efforts to reduce Combined Sewer Overflows (CSO's) and neighborhood capacity issues. In all of these projects, the City will investigate the potential for incorporating green/sustainable solutions. The project areas are studied as part of the program and confirmed to be cost-effective components of the CSSCIP.

Satellite Storage & Disinfection Facility Improvements

These LTCP projects allow for excess wet weather flows from the combined sewers in designated areas to be diverted into underground storage tanks for temporary storage until the wet weather event is over, or disinfected and then released as part of efforts to reduce untreated CSO's to local waterways. The facilities would typically consist of underground storage basins, a pump station, process structures, floatables control and site improvements and all associated operations facilities. The LTCP also provides for these facilities to have alternatives evaluated and allows for relief sewers and conveyance of the wet weather flows to the Wet Weather Ponds for storage if determined to be a more effective solution.

1 Morton Street Pump Station CSO Improvements

2 The projects associated with this LTCP control measure would allow for
3 excess wet weather flows from the Morton Street Pump Station to be
4 diverted to the Wet Weather Ponds for temporary storage until the wet
5 weather event is over as part of efforts to reduce untreated CSO's to local
6 waterways. The facilities would typically consist of pump station
7 modifications, force main, floatables control and site improvements.

8 Three Rivers Protection and Overflow Reduction Tunnel (3RPORT) Program
9 – Wayne Street and St Mary's Parallel Interceptors

10 This program is a combination of projects that are key component of the
11 LTCP. The main component is the construction of a large diameter sewer
12 tunnel from the southern side of the combined sewer system along the St
13 Marys River north and then east along the Maumee River to the WPCP. This
14 new sewer would allow a significant increase in wet weather flows from
15 existing interceptors and CSO outfalls to be transported to the WPCP for
16 treatment - or to the WWPS for storage in the Wet Weather Ponds, instead of
17 overflowing into the local waterways. The program/project includes a deep
18 rock tunnel, drop shafts and associated screening and odor control facilities,
19 collector and relief/conveyance sewers, floatables control at outfalls, and the
20 tunnel dewatering pump station. This project is currently projected to start
21 construction in 2017 and is currently estimated to take at least 5 years to
22 complete.

23 East Wayne Street Parallel Interceptor – South Maumee Relief Sewer

24 This LTCP capacity project generally consists of a new sewer running east
25 from the WPCP to approximately Coliseum Blvd. The relief sewer would
26 capture wet weather flows from the combined system basins and CSO
27 outfalls east of the WPCP and transport them to the WPCP for treatment, as
28 well as provide relief to surcharging in the South Maumee Interceptor during
29 wet weather events.

30 Floatable Control Facilities

 These projects are proposed to construct structures or facilities for the
 screening and removal of floatables from the CSO outfalls in the collection
 system as required by the LTCP. The sizing of these facilities is dependent
 on many variables for each site, but the City intends, as much as reasonable,
 to utilize similar methods of removal for each type of site.

1
2 Rothman & North/South Maumee Capacity Improvements

3 This category of work will consist of a combination of projects and efforts
4 directed towards the reduction and mitigation of sanitary sewer overflows and
5 surcharging in the existing sanitary sewer collection system. Areas of work
6 identified for potential improvements include sewer infrastructure serving and
7 areas tributary to these subbasins. Work may include sewer rehabilitation,
8 relief sewer construction, wet weather storage/equalization improvements,
9 manhole rehabilitation and other collection system improvements as
10 determined necessary by ongoing engineering and operational studies of the
11 areas.

12
13 Northern Area, Southeast Area, Southwest Area, Spy Run, Neuhaus,
14 Beckett's Run, ND Washington – Interceptor Relief & Capacity Improvements

15 This category of work will consist of a combination of projects and efforts
16 directed towards the reduction and mitigation of sanitary sewer surcharging
17 in the existing sanitary sewer collection system. Areas of work identified for
18 potential improvements include sewer infrastructure serving and areas
19 tributary to the subbasins associated with these interceptors. Work may
20 include sewer rehabilitation, relief sewer construction, wet weather
21 storage/equalization improvements, wet weather pump stations, manhole
22 rehabilitation, infiltration and inflow reduction projects and other collection
23 system improvements as determined necessary by ongoing engineering and
24 operational studies of the areas.

25 Collection System Improvements – Sewer Rehab Program

26 The goal of the Sewer Repair and Replacement Program is to develop,
27 implement and monitor sewer repair/replacement strategies to proactively,
28 following standard industry asset management principles, identify
29 deteriorating areas of the sewer collection system. It is also to coordinate
30 review and analysis of sewer maintenance data to select and prioritize
collection system renewal, repair and replacement projects. Cured in Place
Piping (CIPP) and other trenchless construction technologies are often
utilized, but sometimes the construction of improvements requires open cut
installation and excavation for underground sewer infrastructure.

WPCP and Wastewater Facility Expansion and Access Improvements

The WPCP is increasing its treatment capacity from 60 million gallons per
day (MGD) to 85 MGD as part of the LTCP and a new tunnel is being
constructed from the WPCP to bring additional flow to the WPCP and Wet

1 Weather facilities. In conjunction with the LTCP and future growth planning,
2 a multi-year improvement plan is being constructed and additional buildings,
3 facilities and structures are being added to the WPCP and Wet Weather
4 Pond areas. Additional land and access routes are required to allow for
5 more cost effective construction, operation and expansion of facilities in
6 these areas.

6 Digester & Methane System Improvements

7 The WPCP is increasing its treatment capacity from 60 million gallons per
8 day (MGD) to 85 MGD at part of the LTCP. In conjunction with this increase,
9 a multi-phase digester improvement program is currently being implemented
10 in the capital program. Currently, six (6) digesters are in service which
11 allows the City to produce class "A" sludge. Four (4) digesters and other
12 important digester support systems have been rehabilitated in the last
13 several years. In an effort to reliably support the increased treatment
14 capacity required by the LTCP, the City must make safety and operational
15 improvements to remaining two (2) digesters, the boilers and heat
16 exchangers that serve the digester and WPCP facilities, as well as the
17 digested sludge force main system. These improvements are being
18 implemented in a sustainable manner so that methane produced by the
19 digestion process can be utilized to produce heat and power for use at the
20 WPCP and is intended to reduce operational costs.

16 Dissolved Oxygen and Aeration System Improvements

17 The WPCP is increasing its treatment capacity from 60 million gallons per
18 day (MGD) to 85 MGD at part of the LTCP. In conjunction with this increase,
19 aeration systems for both treatment and final effluent quality are being
20 rehabilitated and upgraded as necessary in an effort to reliably support the
21 increased treatment capacity required by the LTCP and meet its discharge
22 permit requirements. These improvements are being implemented in a
23 sustainable manner so that the electrical power necessary to run the
24 associated blowers and systems is minimized, as much as reasonable and is
25 intended to reduce operational costs.

24 **Additional Projects:**

25 Brown Street Lift Station Motor Control Center Improvements

26 This work will consist of replacement of existing motor control center that is
27 over 50 years old and has met its useful life, as well as improvements to
28 bring building space that contains the gear up to current electrical code.
29
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1
2 GS Interceptor and Junk Ditch– Interceptor Relief & Capacity Improvements

3
4 This category of work will consist of a combination of projects and efforts
5 directed towards the reduction and mitigation of sanitary sewer surcharging
6 in the existing sanitary sewer collection system. Areas of work identified for
7 potential improvements include sewer infrastructure serving and areas
8 tributary to the subbasins associated with these interceptors. Work will
include sewer relief sewer construction, wet weather pump stations, and
other collection system improvements as determined necessary by ongoing
engineering and operational studies of the areas.

9 Activated Sludge Aeration System Improvements

10 The goal of this project is to improve the effectiveness of the biological
11 phosphorus removal in the aeration basins at the WPCP by adding
12 mechanical mixing in anoxic selector zone areas and making modifications to
13 tank diffusers and blower controls. These improvements will be implemented
14 in a sustainable manner so that the net electrical power necessary to run the
associated blowers and systems will be reduced, and is intended to help
reduce overall WPCP energy and operational costs.

15 Wet Weather Pond Storage Odor Control and Dewatering Improvements

16
17 The Wet Weather ponds on the north side of the river across from the WPCP
18 are a vital part of the City's wet weather facilities and treatment, and play a
19 key role in the City's Long Term Control Plant (LTCP) and long term wet
20 weather strategy. The ponds will be improved with additional separation
21 structures, additional odor control systems and additional dewatering
facilities to assist with the storage and dewatering of the pond storage
volumes back to the WPCP efficiently as well as to help maintain consistent
and high quality effluent from the WPCP.

EXHIBIT B

FORM OF REGISTERED BOND

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City of Fort Wayne, Indiana, or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

NO. _____

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF ALLEN

[TAXABLE] CITY OF FORT WAYNE
SEWAGE WORKS [REFUNDING] REVENUE BOND OF _____, SERIES _____

Interest
Rate

[Maturity
Date]

Original
Date

Authentication
Date

[CUSIP]

REGISTERED OWNER:

PRINCIPAL SUM:

The City of Fort Wayne, in Allen County, State of Indiana ("City"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above[, or so much thereof as may be advanced from time to time and be outstanding as evidenced by the records of the registered owner making payment for this bond, or its assigns,] on [the Maturity Date set forth above] **OR** [on the dates and in the amounts as set forth on Exhibit A attached hereto] (unless this bond be subject to and shall have been duly called for redemption and payment as provided for herein), and to pay interest hereon until the Principal Sum shall be fully paid at the rate[s] per annum [specified above] **OR** [as set forth on Exhibit A attached hereto] from [the dates of payment made on this bond] **OR** [the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month preceding an interest payment date and on or before such interest payment in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before _____ 15, _____, in which case it shall bear interest from the Original Date,]

1 until the principal is paid, which interest is payable semiannually on the first days of
2 February and August in each year, beginning on _____ 1, 20___. Interest shall
3 be calculated according to a 360-day calendar year containing twelve 30-day months.

4 [The principal of this bond is payable at the principal office of
5 _____ ("Registrar" or "Paying Agent"), in the
6 _____ of _____, Indiana.] All payments of [principal of and]
7 interest on this bond shall be paid by [check mailed one business day prior to the
8 interest payment date] OR [wire transfer for deposit to a financial institution as
9 directed by the Indiana Finance Authority ("Authority") on the due date or, if such
10 due date is a day when financial institutions are not open for business, on the
11 business day immediately after such due date] to the registered owner hereof, as of
12 the fifteenth day of the month preceding such payment, at the address as it appears
13 on the registration books kept by [_____ ("Registrar" or "Paying
14 Agent") in the _____ of _____, Indiana] OR [the
15 Registrar] or at such other address as is provided to the Paying Agent in writing by
16 the registered owner. [If payment of principal or interest is made to a depository,
17 payment shall be made by wire transfer on the payment date in same-day funds. If
18 the payment date occurs on a date when financial institutions are not open for
19 business, the wire transfer shall be made on the next succeeding business day. The
20 Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so
21 such payments are received at the depository by 2:30 p.m. (New York City time).]
22 All payments on the Bond shall be made in any coin or currency of the United States
23 of America, which on the dates of such payment, shall be legal tender for the
24 payment of public and private debts.

25 THE CITY SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE
26 INTEREST HEREON EXCEPT FROM THE HEREINAFTER DESCRIBED
27 SPECIAL FUND, AND NEITHER THIS BOND NOR THE ISSUE OF WHICH IT
28 IS A PART SHALL IN ANY RESPECT CONSTITUTE A CORPORATE
29 INDEBTEDNESS OF THE CITY WITHIN THE PROVISIONS AND
30 LIMITATIONS OF THE CONSTITUTION OF THE STATE OF INDIANA.

This bond is [the only] one of an authorized issue of bonds of the City[,
issued in series] [of like date, tenor and effect, [except as to rates of interest[series
designation,]] and dates of maturity] aggregating _____
Dollars (\$_____) [for this series]; numbered consecutively from 1 up;
issued for the purpose of [refunding certain Refunded Bonds (as defined in the
hereinafter defined Ordinance);] [providing funds to be applied on the cost of
additions, extensions and improvements to the sewage works system of the City
("Project")], to refund interim notes issued in anticipation of the bonds] and to pay
issuance expenses [including premium[s] for municipal bond insurance [and a debt
service reserve surety]]. This bond is issued pursuant to an Ordinance adopted by
the Common Council of the City on the _____ day of _____, 2016,
entitled "AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF
FORT WAYNE, INDIANA, AUTHORIZING THE ACQUISITION AND
INSTALLATION OF CERTAIN IMPROVEMENTS TO THE CITY'S SEWAGE

1 WORKS, AUTHORIZING THE REFUNDING BY THE CITY OF FORT WAYNE
2 OF CERTAIN OUTSTANDING SEWAGE WORKS REVENUE BONDS, THE
3 ISSUANCE AND SALE OF ADDITIONAL REVENUE BONDS TO PROVIDE
4 FUNDS FOR THE PAYMENT OF THE COSTS THEREOF, AND THE
5 COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF
6 SUCH SEWAGE WORKS AND OTHER RELATED MATTERS, AND
7 REPEALING ORDINANCES INCONSISTENT HERewith" ("Ordinance"), and
8 in accordance with the provisions of Indiana law, including without limitation
9 Indiana Code [5-1-5 and] Indiana Code 36-9-23 as in effect on the date of delivery of
10 the bonds of this issue ([collectively,] "Act"), the proceeds of which bonds are to be
11 applied to the costs of the [refunding and legal defeasance of the Refunded Bonds]
12 OR [Project], [the payment of notes issued in anticipation of the bonds,] and
13 expenses incurred in connection therewith[, including premiums for municipal bond
14 insurance and a debt service reserve surety].

15 [Reference is hereby made to the Financial Assistance Agreement ("Financial
16 Assistance Agreement") between the City and the Authority concerning certain terms
17 and covenants pertaining to the Project and the purchase of this bond as part of the
18 wastewater loan program established and existing pursuant to IC 4-4-11 and IC 13-
19 18-13.]

20 Pursuant to the provisions of the Act and the Ordinance, the principal of and
21 interest on this bond and all other bonds of said issue, [including the Sewage Works
22 [Refunding] Revenue Bonds of 20__, Series __ ("Series __ Bonds")] and any
23 bonds hereafter issued on a parity therewith are payable solely from the Sewage
24 Works Sinking Fund continued by the Ordinance ("Sinking Fund") to be provided
25 from the Net Revenues (defined as gross revenues after deduction only for the
26 payment of the reasonable expenses of operation, repair and maintenance, excluding
27 transfers for payments in lieu of property taxes) of the sewage works of the City.
28 This bond and the issue of which it is a part constitute a first charge upon the Net
29 Revenues and shall rank on a parity with the Prior Bonds, as defined in the
30 Ordinance [and the Series __ Bonds].

[Pursuant to the Ordinance and the Escrow Agreement defined therein, the
City has set aside securities (purchased from proceeds of the bonds of this issue and
funds on hand of the City) and certain cash in a Trust Account to provide payment of
principal of and interest [and redemption premium] on the Refunded Bonds by the
purchase of obligations of the United States of America.]

The City irrevocably pledges the entire Net Revenues of the sewage works to
the prompt payment of the principal of and interest on the bonds authorized by the
Ordinance, of which this is one, and any bonds ranking on a parity therewith,
including the Prior Bonds [and the Series __ Bonds] to the extent necessary for that
purpose, and covenants that it will cause to be fixed, maintained and collected such
rates and charges for services rendered by the utility as are sufficient in each year for
the payment of the proper and reasonable expenses of Operation and Maintenance
(as defined in the Financial Assistance Agreement) of the sewage works and for the

1 payment of the sums required to be paid into the Sinking Fund under the provisions
2 of the Act and the Ordinance. If the City or the proper officers thereof shall fail or
3 refuse to so fix, maintain and collect such rates or charges, or if there be a default in
4 the payment of the interest on or principal of this bond, the owner of this bond shall
5 have all of the rights and remedies provided for in the Act, including the right to
6 have a receiver appointed to administer the works and to charge and collect rates
7 sufficient to provide for the payment of this bond and the interest hereon.

8 The City further covenants that it will set aside and pay into its Sinking Fund
9 monthly, as available, or more often if necessary, a sufficient amount of the Net
10 Revenues of the sewage works for payment of (a) the interest on all bonds which by
11 their terms are payable from the revenues of the sewage works, as such interest shall
12 fall due, (b) the necessary fiscal agency charges for paying bonds and interest, (c) the
13 principal of all bonds which by their terms are payable from the revenues of the
14 sewage works, as such principal shall fall due, and (d) an additional amount as a
15 margin of safety to [create and] maintain the debt service reserve required by the
16 Ordinance. Such required payments shall constitute a first charge upon all the Net
17 Revenues of the sewage works on a parity with the Prior Bonds [and the Series __
18 Bonds].

19 The bonds of this issue maturing on and after _____ 1, 20____, are
20 redeemable at the option of the City on _____ 7____ 1, 20____, or any date
21 thereafter, on [sixty (60)] OR [thirty (30)] days' notice, in whole or in part, [in
22 inverse order of maturity] OR [in the order of maturity as determined by the City]
23 and by lot within a maturity, at face value, together with the following premiums:

24 _____% if redeemed on _____ 1, 20____ or thereafter
25 on or before _____, 20____;
26 _____% if redeemed on _____ 1, 20____ or thereafter
27 on or before _____, 20____;
28 0% if redeemed on _____ 1, 20____ or thereafter
29 prior to maturity;

30 plus accrued interest to the date fixed for redemption[]; provided, however, if the
bonds are sold to the SRF Program and registered in the name of the Authority, the
bond shall not be redeemable at the option of the City unless and until consented to
by the Authority].

[The bonds maturing on _____ 1, 20____, are subject to
mandatory sinking fund redemption prior to maturity, at a redemption price equal to
the principal amount thereof plus accrued interest, on the dates and in the amounts
set forth below:

	<u>Term Bond</u>
<u>Date</u>	<u>Amount</u>
*	

* Final Maturity]

1 Each [Five Thousand Dollars (\$5,000)] [One Dollar (\$1)] principal amount
2 shall be considered a separate bond for purposes of optional [and mandatory]
3 redemption. If less than an entire maturity is called for redemption, the bonds to be
4 redeemed shall be selected by lot by the Registrar. [If some bonds are to be
5 redeemed by optional redemption and mandatory sinking fund redemption on the
6 same date, the Registrar shall select by lot the bonds for optional redemption before
7 selecting the bonds by lot for the mandatory sinking fund redemption.]

8 Notice of such redemption shall be mailed to the address of the registered
9 owner as shown on the registration records of the City, as of the date which is [sixty-
10 five (65)] [forty-five (45)] days prior to such redemption date, not less than [sixty
11 (60)] [thirty (30)] days prior to the date fixed for redemption unless the notice is
12 waived by the registered owner of this bond. The notice shall specify the date and
13 place of redemption and sufficient identification of the bonds called for redemption.
14 The place of redemption may be determined by the City. Interest on the bonds so
15 called for redemption shall cease on the redemption date fixed in such notice if
16 sufficient funds are available at the place of redemption to pay the redemption price
17 on the date so named.

18 If this bond shall not be presented for payment or redemption on the date
19 fixed therefor, the City may deposit in trust with its depository bank an amount
20 sufficient to pay such bond or the redemption price, as the case may be, and
21 thereafter the registered owner shall look only to the funds so deposited in trust with
22 said bank for payment and the City shall have no further obligation or liability in
23 respect thereto.

24 This bond is transferable or exchangeable only upon the books of the City
25 kept for that purpose at the [principal corporate trust] office of the Registrar by the
26 registered owner hereof in person, or by his attorney duly authorized in writing, upon
27 surrender of this bond together with a written instrument of transfer or exchange
28 satisfactory to the Registrar duly executed by the registered owner, or his attorney
29 duly authorized in writing, and thereupon a new fully registered bond or bonds in an
30 authorized aggregate principal amount and of the same maturity, shall be executed
and delivered in the name of the transferee or transferees or to the registered owner,
as the case may be, in exchange therefor. This bond may be transferred without cost
to the registered owner except for any tax or governmental charge required to be paid
with respect to the transfer. The City, the Registrar, the Paying Agent and any other
registrar or paying agent for this bond may treat and consider the person in whose
name this bond is registered as the absolute owner hereof for all purposes including
for the purpose of receiving payment of, or on account of, the principal hereof and
interest due hereon.

[The bonds shall be initially issued in a Book Entry System (as defined in the
Ordinance). The provisions of this bond and of the Ordinance are subject in all
respects to the provisions of the Letter of Representations between the City and The
Depository Trust Company, or any substitute agreement, effecting such Book Entry
System.]

1 This bond is subject to defeasance prior to redemption or payment as
2 provided in the Ordinance referred to herein. THE OWNER OF THIS BOND, BY
3 THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND
4 PROVISIONS CONTAINED IN THE ORDINANCE. The Ordinance may be
5 amended without the consent of the owners of the bonds as provided in the
6 Ordinance if the Common Council determines, in its sole discretion, that the
7 amendment shall not adversely affect the rights of any of the owners of the bonds.

8 The bonds maturing in any one year are issuable only in fully registered form
9 in the denomination of [\$5,000 or any integral multiple thereof] [\$1 or any integral
10 multiple thereof] [\$100,000 and any integral multiple of \$5,000 thereafter]. [The
11 sale or transfer of this bond in principal amounts of less than \$100,000 is prohibited
12 other than through a primary offering.]

13 It is hereby certified and recited that all acts, conditions and things required
14 to be done precedent to and in the execution, issuance and delivery of this bond have
15 been done and performed in regular and due form as provided by law.

16 This bond shall not be valid or become obligatory for any purpose until the
17 certificate of authentication hereon shall have been executed by an authorized
18 representative of the Registrar.
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1 IN WITNESS WHEREOF, the City of Fort Wayne, in Allen County, Indiana,
2 has caused this bond to be executed in its corporate name by the manual or facsimile
3 signature of its Mayor, countersigned by the manual or facsimile signature of the
4 Controller, and its corporate seal to be hereunto affixed, imprinted or impressed by
5 any means and attested manually or by facsimile by its Clerk.

6 CITY OF FORT WAYNE, INDIANA

7 By _____
8 Mayor

9 COUNTERSIGNED:

10 By _____
11 Controller

12 [SEAL]

13 Attest:

14 _____
Clerk

15 REGISTRAR'S CERTIFICATE OF AUTHENTICATION

16 This bond is one of the bonds described in the within-mentioned Ordinance.

17 _____
18 as Registrar

19 By _____
20 Authorized Representative

21 [INSURANCE LEGEND]

22 ASSIGNMENT

23 FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers
24 unto _____ this bond and all rights thereunder, and
25 hereby irrevocably constitutes and appoints _____, attorney, to
26 transfer the within bond in the books kept for the registration thereof with full power
27 of substitution in the premises.

28 Dated: _____

1
2 NOTICE: Signature(s) must be guaranteed by an
3 eligible guarantor institution participating in a Securities
4 Transfer Association recognized signature guarantee
program.

NOTICE: The signature to this assignme
must correspond with the name as it appears
the face of the within bond in every particula
without alteration or enlargement or an
change whatsoever.

5
6 [EXHIBIT A

7 [To be completed on a separate page]]
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**STATE OF INDIANA
WASTEWATER REVOLVING LOAN PROGRAM**

FINANCIAL ASSISTANCE AGREEMENT made as of this ____ day of _____ 2016 by and between the Indiana Finance Authority (the "Finance Authority"), a body politic and corporate, not a state agency but an independent instrumentality of the State of Indiana (the "State") and the City of Fort Wayne, Indiana (the "Participant"), a political subdivision as defined in I.C. 13-11-2-164 and existing under I.C. 36-4, witnesseth:

WHEREAS, the State's Wastewater Revolving Loan Program (the "Wastewater SRF Program") has been established in accordance with the federal Clean Water Act and the regulations promulgated thereunder, and pursuant to I.C. 13-18-13 (the "Wastewater SRF Act"), which Wastewater SRF Act also establishes the wastewater revolving loan fund (the "Wastewater SRF Fund"); and

WHEREAS, pursuant to the Wastewater SRF Act, the State was authorized to fund the Wastewater SRF Program with federal capitalization grants, together with required state matching funds therefor, and to operate the Wastewater SRF Program, and prior to May 15, 2005 so funded and operated the Wastewater SRF Program; and

WHEREAS, pursuant to Public Law 235 - 2005, by operation of law and effective May 15, 2005, the Finance Authority has become the successor to the State in all matters related to the Wastewater SRF Program (including use and acceptance of federal capitalization grants and required state matching funds and operation of the Wastewater SRF Program); and

WHEREAS, the Participant is a duly existing political subdivision of the State, lawfully empowered to undertake all transactions and execute all documents mentioned or contemplated herein; and

WHEREAS, the Participant has previously entered into eleven Financial Assistance Agreements with the Finance Authority (or the State in its capacity as predecessor to the Finance Authority in matters related to the Wastewater SRF Program and the Drinking Water SRF Program), dated as of October 14, 2005, December 13, 2006, January 1, 2009, September 15, 2009, December 23, 2009, October 26, 2011, October 26, 2011, November 15, 2011, September 10, 2012, July 17, 2014, November 20, (collectively the "Prior Agreements"), to borrow money from the Wastewater SRF Program or the Drinking Water SRF Program to construct and acquire separate projects (as described and defined in the Prior Agreements); and

WHEREAS, the Participant has determined to undertake a wastewater treatment system project (as more fully described herein, the "Project") and to borrow money from the Wastewater SRF Program to construct and acquire the Project; and

WHEREAS, the Finance Authority and the Participant desire to set forth the terms of such financial assistance as hereinafter provided.

NOW THEREFORE, in consideration of the mutual covenants herein set forth, the Finance Authority and the Participant agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms shall, for all purposes of this Agreement, have the following meaning:

“Agency” shall mean the United States Environmental Protection Agency or its successor.

“Authorizing Instrument(s)” shall mean the separate trust indenture(s) of the Participant entered into with a corporate trustee or the detailed resolution(s) or ordinance(s) of the governing body of the Participant pursuant to which the Bonds are issued in accordance with State law.

“Authorized Representative” shall mean the City Controller of the Participant or such other officer, official, or representative of the Participant duly authorized to act for and on behalf of the Participant as provided for herein.

“Bond” or **“Bonds”** shall mean the instrument(s) which evidence(s) the Loan, as authorized by the Authorizing Instrument and containing the terms set forth in Section 2.02 of this Agreement.

“Bond Fund” shall mean the separate and segregated fund or account established and created by the Participant pursuant to the Authorizing Instrument from which payment of the principal of and interest on the Bonds is required to be made by the Participant.

“Business Day” shall mean any day other than a Saturday, Sunday or State legal holiday or any other day on which financial institutions in the State are authorized by law to close and to remain closed.

“Clean Water Act” shall mean the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251-1387, and other laws, regulations and guidance supplemental thereto (including the 2014 Appropriations Act and the Water Resources Reform and Development Act of 2014), as amended and supplemented from time to time.

“Code” shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, together with the regulations related thereto.

“Construction Fund” shall mean the separate and segregated fund or account established and created by the Participant pursuant to the Authorizing Instrument to receive proceeds of the Bonds and from which Eligible Costs of the Project may be paid by the Participant.

“Credit Instrument” means a letter of credit, surety bond, liquidity facility, insurance policy or comparable instrument furnished by a Credit Provider that is used by the Participant to meet all or a portion of any debt service reserve requirement securing the Bonds or any other bonds payable from the revenues of the Treatment Works, which bonds are on a parity with the Bonds.

“Credit Provider” means a bank, insurance company, financial institution or other entity providing a Credit Instrument.

“Department” shall mean the Indiana Department of Environmental Management created under I.C. 13-13-1-1 or its successor.

“Deposit Agreement” shall mean an agreement between the Participant and the Deposit Agreement Counterparty in such form as from time to time determined by the Finance Authority pursuant to which (a) the Participant’s Bond Fund (including any reserve account established and created by the Participant pursuant to the Authorizing Instrument related thereto) shall be held by such Deposit Agreement Counterparty and available for payment of the Bonds and any other similar obligations of the Participant that are payable from the Bond Fund regardless whether they are on a parity basis, (b) such Deposit Agreement Counterparty serves as the paying agent for the Bonds and any other such similar obligations of the Participant that are payable from the Bond Fund, and (c) the Participant’s Construction Fund may be held by such Deposit Agreement Counterparty upon any Loan disbursement by the Finance Authority to it from time to time.

“Deposit Agreement Counterparty” shall mean the financial institution that enters into a Deposit Agreement with the Participant, which financial institution shall be approved by the Finance Authority and may be replaced by the Finance Authority from time to time.

“Director of Environmental Programs” shall mean the person designated by the Finance Authority as authorized to act as the Director of Environmental Programs (which designation includes such Director’s assumption of the duties previously assigned to the Wastewater SRF Program Representative and the Wastewater SRF Program Director) and where not limited, such person’s designee.

“Disbursement Agent” shall mean the party disbursing the Loan to or for the benefit of the Participant, which shall be the Trustee unless amounts are held in the Construction Fund, in which case the Disbursement Agent shall thereafter be the Deposit Agreement Counterparty as the party disbursing amounts that are held in the Construction Fund unless otherwise agreed by the Finance Authority.

“Disbursement Request” shall mean a request for a disbursement of the Loan made by

an Authorized Representative in such form as the Finance Authority may from time to time prescribe.

“Eligible Cost” shall mean and include, whether incurred before or after the date of this Agreement, all costs which have been incurred and qualify for Financial Assistance, including engineering, financing and legal costs related thereto.

“Finance Authority” shall mean the Indiana Finance Authority, a body politic and corporate, not a state agency but an independent instrumentality of the State.

“Finance Authority Bonds” shall mean (A) any Indiana Bond Bank State Revolving Fund Program Bonds issued as a part of the Wastewater SRF Program within the meaning of the Wastewater SRF Indenture and (B) any Finance Authority State Revolving Fund Program Bonds or other similar obligations of the Finance Authority issued as a part of the Wastewater SRF Program within the meaning of the Wastewater SRF Indenture.

“Financial Assistance” shall mean the financial assistance authorized by the Clean Water Act, including the Loan.

“Loan” shall mean the purchase of the Bonds by the Finance Authority to finance the planning, designing, constructing, renovating, improving and expanding of the Participant’s Treatment Works or refinance an existing debt obligation where such debt was incurred and building of such systems began after March 7, 1985, but does not mean the provision of other Financial Assistance.

“Loan Reduction Payment” shall mean in any circumstances where there is a balance (inclusive of Loan proceeds and any earnings) in the Construction Fund, any action causing such balance to be applied to a reduction in the maximum aggregate amount of the Loan outstanding other than pursuant to regularly scheduled principal payments or optional redemptions applicable to the Bonds. A Loan Reduction Payment shall not be applicable unless Loan amounts are held in the Construction Fund.

“Non-Use Close-out Date” shall mean that date which is the earlier of (a) the first date as of which the full amount of the Loan has been disbursed on a cumulative basis (which shall also be deemed to have occurred when and if such amounts have been deposited in the Participant’s Construction Fund) or (b) the date as of which the Participant binds itself that no further Loan disbursements will be made under this Agreement.

“Non-Use Fee” shall mean a fee in an amount determined by the Finance Authority charged to compensate it for costs and expenses within the Wastewater SRF Program. Such amount shall be the greater of (A) the product of the undrawn balance of the Loan on each applicable Non-Use Assessment Date multiplied by one percent (1%) or (B) One Thousand Dollars (\$1,000). Such fee shall apply and be payable under Section 5.09 herein with respect to each Non-Use Assessment Date until the Non-Use Close-out Date shall occur. A Non-Use Fee shall not be applicable if the full amount of the Loan has been disbursed and deposited in the

Participant's Construction Fund by the Non-Use Assessment Date.

"Non-Use Assessment Date" shall mean _____ 1, 2018 and the first day of each sixth (6th) calendar month thereafter unless and until the Non-Use Close-out Date occurs in advance of any such Non-Use Assessment Date.

"Operation and Maintenance" shall mean the activities required to assure the continuing dependable and economic function of the Treatment Works, including maintaining compliance with National Pollutant Discharge Elimination System permits, as follows:

(1) Operation shall mean the control and management of the united processes and equipment which make up the Treatment Works, including financial and personnel management, records, reporting, laboratory control, process control, safety and emergency operation planning and operating activities.

(2) Maintenance shall mean the preservation of the functional integrity and efficiency of equipment and structures by implementing and maintaining systems of preventive and corrective maintenance, including replacements.

"Plans and Specifications" shall mean the detailed written descriptions of the work to be done in undertaking and completing the Project, including the written descriptions of the work to be performed and the drawings, cross-sections, profiles and the like which show the location, dimensions and details of the work to be performed.

"Preliminary Engineering Report" shall mean the information submitted by the Participant that is necessary for the Finance Authority to determine the technical, economic and environmental adequacy of the proposed Project.

"Project" shall mean the activities or tasks identified and described in Exhibit A to this Agreement, and incorporated herein, as amended or supplemented by the Participant and consented to by the Finance Authority, for which the Participant may expend the Loan.

"Purchase Account" shall mean the account by that name created by the Wastewater SRF Indenture and held as part of the Wastewater SRF Fund.

"Settlement Costs" shall mean any and all fees, costs, losses or expenses incurred (or estimated to be incurred) by the Finance Authority resulting or arising from a Loan Reduction Payment (including without limitation interest and earnings differentials when the Finance Authority seeks to lend such Loan Reduction Payment to another Wastewater SRF Program borrower). In connection with the Loan made pursuant to this Agreement, there are agreed to be no Settlement Costs.

"Settlement Fee" shall mean a fee payable by the Participant to the Finance Authority to compensate the Finance Authority for its Settlement Costs in circumstances where there has been a Loan Reduction Payment.

“SRF Policy Guidelines” shall mean guidance of general applicability (as from time to time published, amended and supplemented by the Finance Authority) pertaining to participants utilizing financial assistance in connection with their projects funded in whole or in part through the Wastewater SRF Program.

“State” shall mean the State of Indiana.

“Substantial Completion of Construction” shall mean the day on which the Finance Authority (or if designated by the Finance Authority, the Department) determines that all but minor components of the Project have been built, all equipment is operational and the Project is capable of functioning as designed.

“Treatment Works” shall mean any devices and systems used in the storage, treatment, recycling, and reclamation of municipal sewage or industrial wastes of a liquid nature to implement section 201 of the Clean Water Act, or necessary to recycle or reuse water at the most economical cost over the estimated life of the works, including intercepting sewers, outfall sewers, sewage collection systems, pumping, power, and other equipment, and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and acquisition of the land that will be an integral part of the treatment process (including land use for the storage of treated wastewater in land treatment systems prior to land application) or will be used for ultimate disposal of residues resulting from such treatment and acquisition of other land, and interests in land, that are necessary for construction.

“Trustee” shall mean The Bank of New York Mellon Trust Company, N.A., Indianapolis, Indiana, in its capacity as trustee or its successor under the Wastewater SRF Indenture.

“2014 Appropriations Act” shall mean the Consolidated Appropriations Act, 2014 (also known as H.R. 3457), and other laws, regulations and guidance supplemental thereto (including the Clean Water Act), as amended and supplemented from time to time.

“Wastewater SRF Fund” shall mean the wastewater revolving loan fund as established by I.C. 13-18-13-2.

“Wastewater SRF Indenture” shall mean the Sixth Amended and Restated Wastewater SRF Trust Indenture, dated as of April 1, 2007 between the Finance Authority (as successor by operation of law to the State in all matters related to the Wastewater SRF Program) and the Trustee, as amended and supplemented from time to time.

(End of Article I)

ARTICLE II

PURPOSE OF BORROWING AND LOAN TERMS

Section 2.01. Amount; Purpose. The Finance Authority agrees to Loan an amount not to exceed _____ Dollars (\$ _____) in aggregate principal amount to the Participant as Financial Assistance to pay for the Eligible Costs, as hereinafter described, of the Project on, and subject to, the terms and conditions contained herein. The Loan shall be used only to pay the following Eligible Costs: (a) eligible planning services for the production of a Preliminary Engineering Report ("Planning"), (b) eligible design services for the production of Plans and Specifications ("Design") and (c) eligible construction costs, including financing and legal costs ("Construction"). The Loan shall be funded solely from available proceeds of the Finance Authority Bonds contained in the Purchase Account or from other sources that the Finance Authority may, in its sole discretion, designate. The Loan is evidenced by the Bonds executed and delivered by the Participant contemporaneously herewith. The Bonds shall be in fully registered form, with the Finance Authority registered as the registered owner. So long as the Finance Authority is the registered owner, the principal of and redemption premium, if any, and interest on the Bonds shall be paid to the Trustee by a wire transfer referenced as follows: The Bank of New York, ABA 021 000 018, For Credit to GLA: 111-565, For Final Credit: TAS #610026, Account Name: Fort Wayne Sewage Works, Attn: Derick Rush. The Participant agrees to undertake and complete the Project and to receive and expend the Loan proceeds in accordance with this Agreement.

Section 2.02. The Bonds.

(a) Until paid, the Bonds will bear interest at the per annum rate of _____ percent (___%). Such interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months, and be as provided in L.C. 13-18-13-10 and -15. Interest, if any, on the Bonds will be payable on February 1 and August 1 of each year, commencing August 1, 2016. The Bonds will be in the aggregate principal amount of _____ Dollars (\$ _____). Subject to Section 2.05 and 2.06 herein, the Bonds will mature annually on February 1 through and including February 1, 2034 and will mature semi-annually on each August 1 and February 1 thereafter, each set forth in, and at the principal amount set opposite each such month and year set forth in the schedule contained in the attached Exhibit B to this Agreement (which is hereby incorporated by reference); provided, however, notwithstanding the foregoing or the terms of the Bonds to the contrary, no maturity of Bonds shall extend beyond the date which is twenty (20) years after Substantial Completion of Construction. If the maturity date for any Bonds is beyond such date, unless otherwise agreed to, such Bonds, together with accrued and unpaid interest thereon, will be due and payable on such date.

(b) The Bonds will be subject to redemption by the Participant as provided in the Authorizing Instrument; provided however that in no event shall the Participant exercise any provision contained in the Authorizing Instrument or the Bonds permitting a redemption of the

Bonds at the option of the Participant unless and until such has been consented by the Authority. The Loan, and the Bonds evidencing it, will be subject to payment by the Participant as provided in this Agreement.

(c) The form and other terms of the Bonds will be in conformity with the Authorizing Instrument.

(d) The additional terms contained in the attached Exhibit D are applicable to this Loan (as and to the extent set forth in Exhibit D) to the same effect as if such were set forth in this section.

Section 2.03. Disbursement Conditions. Each of the following shall be a condition precedent to the disbursement of the Loan or any portion thereof (including from the Construction Fund):

(a) (1) With respect to procurement of professional services related to the Project to be paid from Loan proceeds, the Participant shall have complied with applicable State law and SRF Policy Guidelines. Additionally costs related Planning and Design shall only be Eligible Costs upon compliance with paragraph A of the attached Exhibit D. (2) With respect to procurement of all other goods and services related to the Project to be paid from Loan proceeds, the Participant shall have complied with I.C. 36-1-12 and SRF Policy Guidelines.

(b) No representation, warranty or covenant of the Participant contained in this Agreement or in any paper executed and delivered in connection with the transactions contemplated by this Agreement shall be false or inaccurate in any material respect.

(c) The Participant shall undertake and faithfully perform each of its obligations, agreements and covenants contained in this Agreement, the Authorizing Instrument and the Bonds.

(d) There shall be available to the Finance Authority uncommitted funds in an amount sufficient to satisfy the Finance Authority's obligations hereunder from the proceeds of Finance Authority Bonds in the Purchase Account or from other sources that the Finance Authority may, in its sole discretion, designate; provided however, once Loan proceeds have been deposited in the Construction Fund, such condition shall be deemed satisfied.

(e) The Participant shall have undertaken all actions necessary to comply with and satisfy the conditions and requirements for a Loan secured with money made available from the Wastewater SRF Fund as set forth in federal and State statutes, rules and regulations, including I.C. 13-18-13, SRF Policy Guidelines, the Clean Water Act and 40 C.F.R. Part 35.

(f) Prior to making any Loan disbursement to pay any Construction costs, the

Project shall have been approved by the State's Historical Preservation Officer in a manner consistent with the policies and practices of the Wastewater SRF Program (the "Historical Preservation Approval"). Notwithstanding any provision of this Agreement to the contrary, in the event a Historical Preservation Approval has not been given within four (4) months after the date of this Agreement, the Finance Authority may, in its sole discretion, (i) reduce the aggregate amount of the Loan to the amount then disbursed and outstanding under this Agreement and (ii) if any amounts are held in the Construction Fund, require a Loan Reduction Payment pursuant to Section 2.06 herein as if it were a date that was three (3) years after the dated date of the Bonds. Upon giving notice to the Participant of such action, no further Loan disbursement (including from the Construction Fund) may be made under this Agreement unless consented to by the Finance Authority.

(g) In the event the Bonds are payable from rates and charges of the Treatment Works and if requested by the Finance Authority, the Participant shall provide evidence satisfactory to the Finance Authority demonstrating that such rates and charges are at a level adequate to produce and maintain sufficient net revenue after providing for the proper Operation and Maintenance of the Treatment Works, on a proforma basis consistent with SRF Policy Guidelines, to provide 1.25x coverage on all obligations of the Treatment Works (including the Bonds).

Section 2.04. Disbursement Procedures. Loan proceeds (including any held from time to time in the Construction Fund) shall be disbursed to the Participant by the Disbursement Agent for actual Eligible Costs incurred with respect to the Project. The Finance Authority may, in its discretion, cause Loan disbursements to be made (a) directly to the person or entity identified in the Disbursement Request to whom payment is due, or (b) if advised in writing by the Participant that I.C. 36-1-12-14 or a similar law applies to the Project, to the Participant for purposes of collecting retainage, or some combination thereof. Any Loan proceeds in excess of the amount subject to retainage controlled by the Participant will be immediately remitted to the person or entity to whom payment is due, no later than three (3) Business Days after receipt or the date such Loan proceeds are no longer subject to retainage. The Finance Authority may, in its discretion, cause Loan disbursements to be made from time to time, in whole or in part, to the Participant's Construction Fund for disbursement consistent with this Agreement. Loan disbursements shall not be made more frequently than monthly and shall only be made following the submission of a Disbursement Request to the Finance Authority. Disbursement Requests shall be approved by the Director of Environmental Programs prior to submission to the Disbursement Agent for a Loan disbursement. Disbursement Requests shall be numbered sequentially, beginning with the number 1.

Section 2.05. Effect of Disbursements. Loan disbursements made to or for the benefit of the Participant shall be deemed to be a purchase of the Bonds in such amounts and with such maturities as achieves as level debt service as practicable, and with no maturity longer than the original maturity schedule; provided that any principal payments originally scheduled under Section 2.02 herein as being due prior to one year after Substantial Completion of Construction shall first be deemed to be a purchase of the Bonds in order of maturity. The deposit of Loan proceeds in the Construction Fund shall be deemed to be a purchase of the Bonds. Interest on the

Loan commences on disbursement of the Loan to or for the benefit of the Participant (including any amounts disbursed to the Construction Fund) by the Finance Authority and the Bonds shall be deemed to be purchased in the full amount thereof. Each disbursement (including any amounts disbursed from the Construction Fund) shall be made pursuant to a Disbursement Request. In the event any Loan disbursement (including any amounts disbursed from the Construction Fund) shall be made in excess of Eligible Costs, such excess disbursements shall be immediately paid by the Participant to the Disbursement Agent (and if made from any amounts held in the Construction Fund, shall be immediately deposited by the Participant into such Construction Fund) and thereafter may, subject to the terms and conditions set forth in this Agreement, be applied thereafter to pay Eligible Costs of the Project by the Participant.

Section 2.06. Acknowledgment of Amount of Loan; Final Disbursement. (a) Within 30 days after any request by the Finance Authority from time to time, the Participant shall execute and deliver to the Finance Authority an acknowledgment in the form prescribed by the Finance Authority which acknowledges the outstanding principal of and interest on the Bonds. Unless the Finance Authority consents in writing, no Loan disbursement shall be made more than one year after Substantial Completion of Construction. After Substantial Completion of Construction, upon the request of the Finance Authority, the Participant shall replace, at its expense, the Bonds with substitutes issued pursuant to the Authorizing Instrument to evidence the outstanding principal under the Loan.

(b) In the event there remains a balance (inclusive of Loan proceeds and any earnings) in the Construction Fund on the date that is the earlier of (i) one year after Substantial Completion of Construction or (ii) three (3) years after the dated date of the Bonds (or in either such circumstance, such later date as the Finance Authority may approve in its discretion), the Participant agrees to make a Loan Reduction Payment, and to pay a Settlement Fee, to the Finance Authority within 10 days after any Finance Authority written demand. Any Loan Reduction Payment shall be applied to pay principal in such amounts and with such maturities as achieves as level debt service as practicable consistent with methodology prescribed in the Authorizing Instrument and as originally applied to the Bonds, and with no maturity longer than the original maturity schedule; provided that any principal payments originally scheduled under Section 2.02 herein as being due prior to the Loan Reduction Payment shall be unaffected by such payment. If the Authorizing Instrument permits the Participant to apply Bond proceeds to pay interest accruing on or before Substantial Completion of Construction, the Participant may seek to reimburse itself for such interest costs it has paid pursuant to a Disbursement Request provided, unless otherwise approved by the Finance Authority, any such reimbursement shall be limited to the amount thereof that the Participant causes to be used to pay the Settlement Fee. If the Participant fails to make such Loan Reduction Payment or to pay a Settlement Fee by such date, the Finance Authority and Deposit Agreement Counterparty are authorized to cause any balance held in the Construction Fund to be so applied without further direction and authorization from the Participant. Notwithstanding the foregoing, if requested by the Finance Authority, in lieu of the Participant making a Loan Reduction Payment together with any Settlement Fee payment, the Finance Authority may in its discretion require the Participant to hold any remaining balance (inclusive of Loan proceeds and any earnings) in the Construction Fund until such amounts may be applied on the first optional redemption date applicable to the

Bonds, and upon any such request, the Participant agrees to cause such amounts to be so held and applied on such date.

(End of Article II)

ARTICLE III

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTICIPANT

Section 3.01. Planning, Design and Construction Covenants. The Participant hereby covenants and agrees with the Finance Authority that the Participant will:

(a) Provide information as requested by the Finance Authority to determine the need for, or to complete any necessary, environmental review or analysis.

(b) Comply with the procurement procedures and affirmative action requirements contained in SRF Policy Guidelines in the Planning, Design and Construction of the Project to the extent that such are to be paid from Loan proceeds.

(c) With respect to prime and first tier contract awards, report minority and women business enterprise utilization in the Planning, Design and Construction of the Project, to the extent that such are to be paid from Loan proceeds, by executing and delivering Agency Form SF 5700-52 to the Finance Authority whenever any agreements or subagreements are awarded. (These reports must be submitted on regular reporting cycles consistent with SRF Policy Guidelines commencing after such agreement or subagreement is awarded.)

(d) Comply with all applicable federal, State and local statutes, rules and regulations relating to the acquisition and construction of the Treatment Works.

(e) In the event Construction is to be paid from Loan proceeds, prior to an award of any contract for Construction of the Project, obtain a construction permit from the Department and receive the written approval of the Finance Authority of the Preliminary Engineering Report.

(f) Obtain the property rights necessary to construct the Treatment Works and, in procuring any such rights comply with federal and State law.

(g) In the event Construction is to be paid from Loan proceeds, comply with the federal Davis-Bacon Act, codified at 40 U.S.C. 276a-276a-5 unless separately waived by the Finance Authority.

(h) In the event Construction is to be paid from Loan proceeds, execute and deliver to the Finance Authority Agency Form 4700-4 ("Pre-award Compliance Review Report for Wastewater Treatment Construction Grants") and Agency Form 5700-49 ("Certification Regarding the Debarment, Suspension, and Other Responsibility Matters").

(i) In the event Construction is to be paid from Loan proceeds, follow guidance

issued by the Finance Authority in procuring contracts for Construction, including (1) submission to the Finance Authority of Project change orders, (2) obtaining approval from the Director of Environmental Programs of any Project change order which significantly changes the scope or Design of the Project or, when taking into account other change orders and contracts, are reasonably expected to result in expenditures in an amount greater than the Loan, (3) receiving approval from the Director of Environmental Programs prior to the award of any contract for Construction and (4) receiving authorization from the Director of Environmental Programs prior to initiating procurement of Construction of the Project.

(j) In the event Construction is to be paid from Loan proceeds, before awarding Construction contracts, receive approval of the Director of Environmental Programs for the user charge system (including any use ordinance and interlocal agreement) associated with the Project.

(k) In the event Construction is to be paid from Loan proceeds, cause the Project to be constructed in accordance with the Preliminary Engineering Report and Plans and Specifications, using approved contract papers.

(l) Permit the Finance Authority and its agents to inspect from time to time (1) the Project, (2) the Treatment Works and (3) the books and other financial records of the Treatment Works, including the inspections described in SRF Policy Guidelines. Construction contracts shall provide that the Finance Authority or its agents will have access to the Project and the work related thereto and that the Participant's contractor will provide proper facilities for such access and inspection. All files and records pertaining to the Project shall be retained by the Participant for at least six years after Substantial Completion of Construction.

(m) Upon Substantial Completion of Construction and when requested by the Finance Authority, provide audited reports to the Finance Authority to permit the Finance Authority to determine that the Loan proceeds have been used in compliance with this Agreement.

(n) In the event Construction is to be paid from Loan proceeds, within one year of Substantial Completion of Construction, consistent with SRF Policy Guidelines, certify to the Finance Authority that the Project meets performance standards, or if not met, (1) submit to the Finance Authority (or if directed by the Finance Authority, to the Department) a corrective action plan and (2) promptly and diligently undertake any corrective action necessary to bring the Project into compliance with such standards.

(o) In the event Construction is to be paid from Loan proceeds, within one year of Substantial Completion of Construction, provide as-built plans for the Project to the Finance Authority (or if directed by the Finance Authority, to the Department).

Section 3.02. General Covenants. The Participant hereby covenants and agrees with the Finance Authority that the Participant will:

(a) Comply with all applicable federal, State and local statutes, rules and regulations relating to Operation and Maintenance.

(b) (1) Own, operate and maintain the Project and the Treatment Works for their useful life, or cause them to be operated and maintained for their useful life; (2) at all times maintain the Treatment Works in good condition and operate it in an efficient manner and at a reasonable cost; and (3) not sell, transfer, lease or otherwise encumber the Treatment Works or any portion thereof or any interest therein without the prior written consent of the Finance Authority

(c) Obtain and maintain the property rights necessary to operate and maintain the Treatment Works, and in procuring any such rights, comply with federal and State law.

(d) Acquire and maintain insurance coverage acceptable to the Finance Authority, including fidelity bonds, to protect the Treatment Works and its operations. All insurance shall be placed with responsible insurance companies qualified to do business under State law. Insurance proceeds and condemnation awards shall be used to replace or repair the Treatment Works unless the Finance Authority consents to a different use of such proceeds or awards.

(e) Establish and maintain the books and other financial records of the Project (including the establishment of a separate account or subaccount for the Project) in accordance with (1) generally accepted governmental accounting principles, as promulgated by the Government Accounting Standards Board (including GASB No. 34 standards relating to the reporting of infrastructure) and (2) the rules, regulations and guidance of the State Board of Accounts.

(f) Provide to the Finance Authority such periodic financial and environmental reports as it may request from time to time, including (1) annual operating and capital budgets and (2) such other information requested or required of the Finance Authority or the Participant by the Agency.

(g) Provide notice to the Finance Authority under the circumstances contemplated, and undertake inspections as required, by SRF Policy Guidelines.

(h) (1) Establish and maintain just and equitable rates and charges for the use of and the service rendered by the Treatment Works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses the Treatment

Works, or that in any way uses or is served by the Treatment Works, (2) establish, adjust and maintain rates and charges at a level adequate to produce and maintain sufficient revenue (including user and other charges, fees, income or revenues available to the Participant) to provide for the proper Operation and Maintenance of the Treatment Works, to comply with and satisfy all covenants contained herein and to pay all obligations of the Treatment Works and of the Participant with respect thereto, and (3) if and to the extent Bonds are payable from property taxes, levy each year a special ad valorem tax upon all property located in the boundaries of the Participant, to pay all obligations of the Participant with respect thereto.

(i) If the Bonds are payable from the revenues of the Treatment Works, not borrow any money, enter into any contract or agreement or incur any other liabilities in connection with the Treatment Works without the prior written consent of the Finance Authority if such undertaking would involve, commit or use the revenues of the Treatment Works; provided that the Participant may authorize and issue additional obligations, payable out of the revenues of its Treatment Works, ranking on a parity with the Bonds for the purpose of financing the cost of future additions, extensions and improvements to the Treatment Works, or to refund obligations of the Treatment Works, subject to the conditions, if any, in the Authorizing Instrument.

(j) Comply with the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000d et seq., the Age Discrimination Act, as amended, Public Law 94-135, Section 504 of the Rehabilitation Act of 1973, as amended (including Executive Orders 11914 and 11250), 29 U.S.C. Section 794, Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500, Executive Order 11246 regarding equal employment opportunity, and Executive Orders 11625 and 12138.

(k) Undertake all actions necessary to investigate all potential, material claims which the Participant may have against other persons with respect to the Treatment Works and the Project and take whatever action is necessary or appropriate to (1) recover on any actionable, material claims related to the Project or the Planning, Design or Construction thereof, (2) meet applicable Project performance standards and (3) otherwise operate the Treatment Works in accordance with applicable federal, State and local law.

(l) Not modify, alter, amend, add to or rescind any provision of the Authorizing Instrument without the prior written consent of the Finance Authority.

(m) In the event the Participant adopts an ordinance or resolution to refund the Bonds, within 5 days of the adoption of the ordinance or resolution, provide written notice to the Finance Authority of the refunding. Any refunding of the Bonds shall only be undertaken by the Participant with the prior written consent of the Finance Authority.

(n) In any year in which total expenditures of Federal financial assistance received from all sources exceeds \$750,000 the Participant shall comply with the Federal

Single Audit Act (SAA) of 1984, as amended by the Federal Single Audit Act Amendments of 1996 (see 2 CFR 200 Subpart F) and have an audit of their use of Federal financial assistance. The Participant agrees to provide the Finance Authority with a copy of the SAA audit within 9 months of the audit period.

(o) Inform the Finance Authority of any findings and recommendations pertaining to the SRF program contained in an audit of 2 CFR 200 Subpart F (a/k/a "Super Circular") matters in which SRF Federal financial assistance was less than \$750,000.

(p) Initiate within 6 months of the audit period corrective actions for those audit reports with findings and recommendations that impact the SRF financial assistance.

(q) Notwithstanding anything in the Authorizing Instrument related to the Bonds (or in any authorizing instrument related to any other outstanding bonds payable from the revenues of the Treatment Works which are on a parity with the Bonds) to the contrary, in the event any Credit Provider that has provided a Credit Instrument fails to be rated on a long term basis at least "A-/A3" by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, and Moody's Investors Service, Inc., and their successors (such Credit Instrument, a "Disqualified Instrument"), within 12 months of such failure (or pursuant to such other schedule as may be approved by the Finance Authority), the Participant shall cause cash (or a replacement Credit Instrument from a Credit Provider that is rated on a long term basis at least "AA-/Aa3" by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, and Moody's Investors Service, Inc., and their successors)(or some combination thereof) in an aggregate amount equal to the stated credit available under the Disqualified Instrument(s) to be deposited in the related reserve account(s) in lieu of such Disqualified Instrument(s). No Disqualified Instrument shall be included as part of the reserve balance which satisfies any such reserve requirement under any such authorizing instrument. Nothing in this subsection shall waive or modify additional requirements contained in any such authorizing instrument (including the Authorizing Instrument related to the Bonds); the provisions of this subsection and any such authorizing instrument (including the Authorizing Instrument related to the Bonds) shall both be required to be met. Unless and until notice shall be given by the Finance Authority to the Participant, a surety policy issued by MBIA Insurance Corporation or Financial Guaranty Insurance Company that has been reinsured by National Public Finance Guarantee Corporation (formerly known as MBIA Insurance Corp. of Illinois) shall not be treated as a Disqualified Instrument.

(r) (i) comply with Title 40 CFR Part 34 (New Restrictions on Lobbying) and the Byrd Anti-Lobbying Amendment ("Lobbying Restrictions"); (ii) provide certifications and disclosures related to Lobbying Restrictions in a form and manner as may from time to time be required by SRF Policy Guidelines or the Clean Water Act including without limitation the Lobbying Restrictions; and (iii) pay any applicable civil penalty required by the Lobbying Restrictions as may be applicable to making a prohibited expenditure under Title 40 CFR Part 34, or failure to file any required certification or lobbying disclosures.

The Participant understands and acknowledges that pursuant to such Lobbying Restrictions, the making of any such prohibited expenditure, or any such failure to file or disclose, is subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.

(s) Comply with all federal requirements applicable to the Loan (including those imposed by the 2014 Appropriations Act and related SRF Policy Guidelines) which the Participant understands includes, among other, requirements that all of the iron and steel products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Participant has requested and obtained a waiver from the Agency pertaining to the Project or (ii) the Finance Authority has otherwise advised the Participant in writing that the American Iron and Steel Requirement is not applicable to the Project.

(t) Comply with all record keeping and reporting requirements under the Clean Water Act, including any reports required by a Federal agency or the Finance Authority such as performance indicators of program deliverables, information on costs and project progress. The Participant understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity of the Bonds and/or other remedial actions.

(u) Comply with all requirements of this Agreement applicable to the Loan (including those imposed by the attached Exhibit D).

Section 3.03. Representations and Warranties of the Participant. After due investigation and inquiry, the Participant hereby represents and warrants to the Finance Authority that:

(a) The Participant is duly organized and existing under state law, and constitutes a “political subdivision” within the meaning of I.C. 13-11-2-164 and a “participant” within the meaning of I.C. 13-11-2-151.1. The Project and the Treatment Works are subject to I.C. 36-9-23.

(b) The Participant has full power and authority to adopt the Authorizing Instrument, enter into this Agreement and issue the Bonds and perform its obligations hereunder and thereunder.

(c) By all required action, the Participant has duly adopted the Authorizing Instrument and authorized the execution and delivery of this Agreement, the Bonds and all other papers delivered in connection herewith.

(d) Neither the execution of, nor the consummation of the transaction contemplated by, this Agreement nor the compliance with the terms and conditions of any

other paper referred to herein, shall conflict with, result in a breach of or constitute a default under, any indenture, mortgage, lease, agreement or instrument to which the Participant is a party or by which the Participant or its property, including the Treatment Works, is bound or any law, regulation, order, writ, injunction or decree of any court or governmental agency or instrumentality having jurisdiction.

(e) There is no litigation pending or, to the knowledge of the Participant, upon investigation, threatened that (1) challenges or questions the validity or binding effect of this Agreement, the Authorizing Instrument or the Bonds or the authority or ability of the Participant to execute and deliver this Agreement or the Bonds and perform its obligations hereunder or thereunder or (2) would, if adversely determined, have a significant adverse effect on the ability of the Participant to meet its obligations under this Agreement, the Authorizing Instrument or the Bonds.

(f) The Participant has not at any time failed to pay when due interest or principal on, and it is not now in default under, any warrant or other evidence of obligation or indebtedness of the Participant.

(g) All information furnished by the Participant to the Finance Authority or any of the persons representing the Finance Authority in connection with the Loan or the Project is accurate and complete in all material respects including compliance with the obligations, requirements and undertakings imposed upon the Participant pursuant to this Agreement.

(h) The Participant has taken or will take all proceedings required by law to enable it to issue and sell the Bonds as contemplated by this Agreement.

(i) For any outstanding bonds payable from the revenues of the Treatment Works which are on a parity with the Bonds, each Credit Provider, if any, that has provided a Credit Instrument is at least rated on a long term basis "A-/A3" long term by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies and Moody's Investors Service, Inc., and their successors, except as represented and set forth in Exhibit C attached thereto (and with respect to which true, accurate and complete copies of each such Credit Instrument have been delivered to the Finance Authority).

Each of the foregoing representations and warranties will be deemed to have been made by the Participant as of the date of this Agreement and as of the date of any disbursement of Loan proceeds (including from the Construction Fund). Each of the foregoing representations and warranties shall survive the Loan disbursements regardless of any investigation or investigations the Finance Authority may have undertaken.

Section 3.04. Covenants Regarding Assignment. The Participant acknowledges that the Finance Authority may pledge, sell or assign the Bonds or cause the Bonds to be pledged, sold or assigned, and certain of its rights related thereto, as permitted pursuant to Section 5.02 herein. The Participant covenants and agrees to cooperate with and assist in, at its expense, any

such assignment. Within 30 days following a request by the Finance Authority, the Participant covenants and agrees with the Finance Authority that the Participant will, at its expense, furnish any information, financial or otherwise, with respect to the Participant, this Agreement, the Authorizing Instrument and the Bonds and the Treatment Works as the Finance Authority reasonably requests in writing to facilitate the sale or assignment of the Bonds.

Section 3.05. Nature of Information. All information furnished by the Participant to the Finance Authority or any person representing the Finance Authority in connection with the Loan or the Project may be furnished to any other person the Finance Authority, in its judgment, deems necessary or desirable in its operation and administration of the Wastewater SRF Program.

Section 3.06. Tax Covenants. (a) In the event the interest rate applicable to the Bonds is zero (0) percent, then subsection (c) of this Section shall be applicable and otherwise subsection (b) of this Section shall be applicable.

(b) The Participant hereby covenants that it will not take, or cause or permit to be taken by it or by any party under its control, or fail to take or cause to permit to be taken by it or by any party under its control, any action that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code. The Participant further covenants that it will not do any act or thing that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code or "arbitrage bonds" within the meaning of Section 148 of the Code. In furtherance and not in limitation of the foregoing, the Participant shall take all action necessary and appropriate to comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable to the Participant or the Bonds, including accounting for and making provision for the payment of any and all amounts that may be required to be paid to the United States of America from time to time pursuant to Section 148 of the Code.

(c) The Participant hereby covenants that notwithstanding that there is no interest payable on the Bonds and therefore the Participant's actions could not result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code, the Participant will not do any act or thing that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code or otherwise take any action that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on any Finance Authority Bonds pursuant to Section 103 of the Code.

Section 3.07. Non-Discrimination Covenant. Pursuant to and with the force and effect set forth in I.C. 22-9-1-10, the Participant hereby covenants that the Participant, and its contractor and subcontractor for the Project, shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to the hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry.

(End of Article III)

ARTICLE IV - DEFAULTS

Section 4.01. Remedies. The Finance Authority's obligation to make a disbursement under the Loan to the Participant hereunder may be terminated at the option of the Finance Authority, without giving any prior notice to the Participant, in the event: (a) the Participant fails to undertake or perform in a timely manner any of its agreements, covenants, terms or conditions set forth herein or in any paper entered into or delivered in connection herewith (including the Authorizing Instrument); or (b) any representation or warranty made by the Participant as set forth herein or in any paper entered into or delivered in connection herewith is materially false or misleading. Any such event shall constitute an event of default and in addition to any other remedies at law or in equity, the Finance Authority may (x) require a Loan Reduction Payment pursuant to Section 2.06 herein as if it were a date that was three (3) years after the dated date of the Bonds, (y) in the event a Deposit Agreement has not previously been entered into related to the Participant's Bond Fund (including any related reserve), require the Participant to enter into a Deposit Agreement (or to modify any such previously entered Deposit Agreement) and the Participant shall enter into (or modify) such an agreement within 5 days after any such demand and (z) without giving any prior notice, declare the entire outstanding principal amount of the Loan, together with accrued interest thereon, immediately due and payable.

Section 4.02. Effect of Default. Failure on the part of the Finance Authority in any instance or under any circumstance to observe or perform fully any obligation assumed by or imposed upon the Finance Authority by this Agreement or by law shall not make the Finance Authority liable in damages to the Participant or relieve the Participant from paying any Bond or fully performing any other obligation required of it under this Agreement or the Authorizing Instrument; provided, however, that the Participant may have and pursue any and all other remedies provided by law for compelling performance by the Finance Authority of such obligation assumed by or imposed upon the Finance Authority. The obligations of the Finance Authority hereunder do not create a debt or a liability of the Finance Authority or the State under the constitution of the State or a pledge of the faith or credit of the Finance Authority or the State and do not directly, indirectly or contingently, obligate the Finance Authority or the State to levy any form of taxation for the payment thereof or to make any appropriation for their payment. Neither the Finance Authority or the State, nor any agent, attorney, member or employee of the Finance Authority or the State shall in any event be liable for damages, if any, for the nonperformance of any obligation or agreement of any kind whatsoever set forth in this Agreement.

Section 4.03. Defaults under Prior Agreements. The Participant and the Finance Authority agree that any event of default occurring under the Prior Agreements shall constitute an event of default under this Agreement. Similarly, the Participant and the Finance Authority agree that any event of default under this Agreement, or under any subsequent financial assistance agreement enter into between the Participant and the Finance Authority, shall constitute an event of default under the Prior Agreements and the subsequent financial assistance agreement, if any, as the case may be.

(End of Article IV)

ARTICLE V

MISCELLANEOUS

Section 5.01. Citations. Any reference to a part, provision, section or other reference description of a federal or State statute, rule or regulation contained herein shall include any amendments, replacements or supplements to such statutes, rules or regulation as may be made effective from time to time. Any reference to a Loan disbursement shall include any disbursement from the Construction Fund. Any use of the term “including” herein shall not be a limitation as to any provision herein contained but shall mean and include, without limitation, the specific matters so referenced.

Section 5.02. Assignment. Neither this Agreement, nor the Loan or the proceeds thereof may be assigned by the Participant without the prior written consent of the Finance Authority and any attempt at such an assignment without such consent shall be void. The Finance Authority may at its option sell or assign all or a portion of its rights and obligations under this Agreement, the Authorizing Instrument, and the Bonds to an agency of the State or to a separate body corporate and politic of the State or to a trustee under trust instrument to which the Finance Authority, the State or any assignee is a beneficiary or party. The Finance Authority may at its option pledge or assign all or a portion of its rights under this Agreement, the Authorizing Instrument, and the Bonds to any person. The Participant hereby consents to any such pledge or assignment by the Finance Authority. This Agreement shall be binding upon and inure to the benefit of any permitted secured party, successor and assign.

Section 5.03. No Waiver. Neither the failure of the Finance Authority nor the delay of the Finance Authority to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other further exercise of any other right, power or privilege.

Section 5.04. Modifications. No change or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto. The Participant understands that the Finance Authority, pursuant to Public Law 235-2005, by operation of law and effective May 15, 2005, has become the successor to the State and the Bond Bank, and agrees to such as if the Prior Agreements (and the Authorizing Instrument and the Bonds referenced in such Prior Agreements and all other collateral agreements and understandings thereto), were amended and restated contemporaneously herewith to such force and effect.

Section 5.05. Entire Agreement. This Agreement contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, warranties and representations, either written or oral, expressed or implied between the parties hereto other than as herein set forth or as may be made in the Authorizing Instrument and the other papers delivered in connection herewith. In the event there is a conflict between the terms of this Agreement and the Authorizing Instrument, the terms of this Agreement shall control. It is expressly understood and agreed that except as otherwise provided herein this Agreement represents an integration of any and all prior and contemporaneous promises, agreements,

conditions, undertakings, warranties and representations between the parties hereto. This Agreement shall not be deemed to be a merger or integration of the existing terms under the Prior Agreements except as expressly set forth in Section 4.03 herein.

Section 5.06. Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be executed by the Finance Authority and the Participant, and all of which shall be regarded for all purposes as one original and shall constitute one and the same instrument.

Section 5.07. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Agreement on the part of the Finance Authority or the Participant to be performed shall be deemed by a court of competent jurisdiction to be contrary to law or cause the Bonds to be invalid as determined by a court of competent jurisdiction, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements and waived and shall in no way affect the validity of the other provisions of this Agreement.

Section 5.08. Notices. All notices hereunder shall be sufficiently given for all purposes hereunder if in writing and delivered personally or sent or transmitted to the appropriate destination as set forth below in the manner provided for herein. Notice to the Finance Authority shall be addressed to:

Indiana Finance Authority
SRF Programs
100 North Senate, Room 1275
Indianapolis, Indiana 46204
Attention: Director of Environmental Programs

or at such other address(es) or number(s) and to the attention of such other person(s) as the Finance Authority may designate by notice to the Participant. Notices to the Participant shall be addressed to:

City of Fort Wayne
One Main St., #900
Fort Wayne, IN 46802
Attention: Controller

or at such other address(es) or number(s) and to the attention of such other person(s) as the Participant may designate by notice to the Finance Authority. Any notice hereunder shall be deemed to have been served or given as of (a) the date such notice is personally delivered, (b) three (3) Business Days after it is mailed U.S. mail, First Class postage prepaid, (c) one (1) Business Day after it is sent on such terms by Federal Express or similar next-day courier, or (d) the same day as it is sent by facsimile transmission with telephonic confirmation of receipt by the person to whom it is sent.

Section 5.09. Expenses. The Participant covenants and agrees to pay (a) the fees, costs and expenses in connection with making the Loan, including issuing the Bonds and providing the necessary certificates, documents and opinions required to be delivered therewith; (b) the fees, costs and expenses in connection with making and administering the Loan; (c) the costs and expenses of complying with its covenants made herein; and (d) any and all costs and expenses, including attorneys' fees, incurred by the Finance Authority in connection with the enforcement of this Agreement, the Authorizing Instrument and the Bonds in the event of the breach by the Participant of or a default under this Agreement, the Authorizing Instrument or the Bonds. Notwithstanding clause (b) above, the Participant shall not be obligated to pay any of the fees, costs and expenses in connection with administering the Loan except as follows: (1) the Finance Authority may request and the Participant shall promptly pay (no later than the date first above written), a closing fee in connection with the Loan in an amount determined by the Finance Authority, but not exceeding \$1,000, which may not be paid from a Loan disbursement; (2) the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), an annual administrative fee in connection with the Loan in an amount determined by the Finance Authority, but not exceeding \$1,000, which may not be paid from a Loan disbursement; (3) the Finance Authority may request and the Participant shall promptly pay (no later than ten (10) days after any request), any Settlement Fee; (4) the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a Non-Use Fee in connection with the Loan, which may not be paid from a Loan disbursement; (5) for so long as the Finance Authority is the registered owner of the Bonds, at the direction of the Finance Authority, the interest rate on the Bonds may be adjusted to lower the interest rate on the Bonds, and the difference between the amount payable as the original rate on the Bonds and the lower rate shall be deemed an additional administrative fee in connection with the Wastewater SRF Program; and (6) the Participant shall only be obligated to pay fees, costs and expenses of the Finance Authority's counsel and financial advisers in connection with making the Loan up to \$10,000, which may be paid from a Loan disbursement.

Section 5.10. Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Indiana.

Section 5.11. Term. This Agreement shall terminate at such time as the Participant has fully met and discharged all of its obligations hereunder, which term may extend beyond the final payment of the Bonds or provision for the payment of the Bonds pursuant to the Authorizing Instrument.

Section 5.12. Non-Collusion. The undersigned attests, subject to the penalties of perjury, that he/she is an authorized officer or representative of the Participant, that he/she has not, nor has any other officer or representative of the Participant, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive pay, and that the undersigned has not received or paid any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of the agreement or is a payment to lawyers, accountants and engineers by the Participant related to customary services rendered in connection with the Loan.

Section 5.13. Federal Award Information. The CFDA Number for the Finance Authority's Wastewater SRF Program (also known as the Clean Water SRF Loan Program) is 66.458 and the Federal Agency & Program Name is "US Environmental Protection Agency Capitalization Grant for Clean Water State Revolving Funds."

(End of Article V)

[THE REMAINDER OF THIS PAGE HAS
BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or officials, all as of the date first above written.

CITY OF FORT WAYNE, INDIANA

INDIANA FINANCE AUTHORITY

“Participant”

“Finance Authority”

By: _____

By: _____

Printed: _____

James P. McGoff
Director of Environmental Programs

Title: _____

Attested by Finance Authority Staff:

Attest: _____

By: _____

EXHIBIT A

The Project is the following improvements:

- **[to be inserted from applicable PERs]**

The Project is more fully described in, and shall be in accordance with, the Preliminary Engineering Report and the Plans and Specifications approved by the Finance Authority (or if designated by the Finance Authority, the Department).

[End of Exhibit A]

EXHIBIT B
Principal Payment Schedule

<u>Date</u>	<u>Principal Amount</u>
8/1/2017	
8/1/2018	
8/1/2019	
8/1/2020	
8/1/2021	
8/1/2022	
8/1/2023	
8/1/2024	
8/1/2025	
8/1/2026	
8/1/2027	
8/1/2028	
8/1/2029	
8/1/2030	
8/1/2031	
8/1/2032	
8/1/2033	
2/1/2034	
8/1/2034	
2/1/2035	
8/1/2035	
2/1/2036	
8/1/2036	
Total	

[End of Exhibit B]

EXHIBIT C
Credit Instrument

Credit Providers rated on a long term basis lower than "A-/A3" long term by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies and Moody's Investors Service, Inc. are:

- None.

[End of Exhibit C]

Exhibit D
Additional Terms

- A. *The following additional terms in this Paragraph A (related to costs of Planning or Design being treated as Eligible Costs under this Agreement and the related defined terms) are applicable to the Loan:*

“Equivalency Project” shall mean a project designated by the Finance Authority as an “equivalency project” under the Clean Water Act related to the “US Environmental Protection Agency Capitalization Grant for Clean Water State Revolving Funds” for the federal fiscal year ending September 30, 2015 (or such later federal fiscal year as the Finance Authority may otherwise designate).

“A/E Services” shall mean professional services related to the Planning or Design of the Project including for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services.

The Participant understands and acknowledges that the Project has been designated as an Equivalency Project and is required to meet the related applicable requirements of the Clean Water Act which among other requirements requires that for costs of Planning or Design (including costs for A/E Services) to be treated as Eligible Costs under this Agreement, such services (and the related contract) are required to be negotiated in the same manner as a contract for architectural and engineering services as negotiated under chapter 11 of title 40, United States Code (as amended). In connection with any request for disbursement of the Loan that is submitted by the Participant to the Finance Authority to provide for the payment of any costs of Planning or Design (including costs for A/E Services), the Participant represents and warrants that such costs relate only to services provided under a contract negotiated in the same manner as a contract for architectural and engineering services as negotiated under chapter 11 of title 40, United States Code (as amended).

- B. *The following additional terms in this Paragraph B (related to Fiscal Sustainability Plans and the related defined terms) are applicable to the Loan if the Participant submitted its Wastewater SRF Program application to the Finance Authority (or the Department) related to the Project on or after October 1, 2014:*

“Fiscal Sustainability Plan” means in connection with a project that provides for the repair, replacement, or expansion of an existing treatment works, a plan that is consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act and includes (a) an inventory of critical assets that are a part of the treatment works; (b) an evaluation of the condition and performance of inventoried assets or asset groupings; (b) a certification that the Participant has evaluated and will be implementing water and energy conservation efforts as part of the plan; and (d) a plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities.

The Participant understands and acknowledges that if the Participant submitted its Wastewater SRF Program application to the Finance Authority (or the Department) related to the Project (as and when determined consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act) on or after October 1, 2014, then this Paragraph B is applicable and unless the Participant has self-certified that the Participant has already developed and implemented a Fiscal Sustainability Plan that meets the requirements of this Paragraph, the Participant agrees to develop and implement a Fiscal Sustainability Plan that meets the requirements of this Paragraph B. The Participant acknowledges that its agreement to do a Fiscal Sustainability Plan as provided in this Paragraph was a condition of the Loan. The Participant further agrees to submit a certification (on and in a form as provided by the Finance Authority) related to the Participant's Fiscal Sustainability Plan prior to submitting its request for a final Loan disbursement related to the Project.

C. The following additional terms in this Paragraph C (related to GPR Projects and the related defined terms) are [NOT] applicable to the Loan:

“GPR Projects” shall mean Project components that meet the requirement of the “Green Project Reserve (GPR) Sustainability Incentive Program” consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

“GPR Projects Adjustment Fee” shall mean an amount which would equal the gross additional interest that would have accrued on the Bonds from the date of this Agreement through their scheduled final maturity, had such Bonds been issued at an interest rate determined under the Wastewater SRF Program's interest rate policies and practices using the final, actual GPR Projects Expenditures (rather than the amount referenced in the Participant's business case or categorical exclusion posted at www.srf.in.gov), all as determined by the Finance Authority.

“GPR Projects Expenditures” shall mean those costs and expenses incurred by the Participant that are part of the Project which are GPR Projects in nature (within the meaning of the Wastewater SRF Act) as determined by the Finance Authority, in order for the Bonds to receive special interest rate treatment under the Wastewater SRF Program's interest rate policies and practices.

The Participant understands and acknowledges that a special interest rate has been applied to the Bonds as a result of a portion of the Project having been identified by the Participant as being a GPR Projects project. In the event GPR Projects Expenditures are hereafter determined by the Finance Authority to be less than the amount referenced in the Participant's business case or categorical exclusion, then the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a GPR Projects Adjustment Fee in connection with the Loan. Within ninety (90) days following Substantial Completion of Construction, the Participant shall certify to the Finance Authority those Loan disbursements it represents to be its GPR Projects Expenditures. The Participant understands and acknowledges that it is required to submit a business case or categorical exclusion documenting GPR Projects prior to loan closing

or if a request is made pursuant to Section 3.02(f) of this Agreement.

- D. The following additional terms in this Paragraph D (related to Non-point Source Projects and the related defined terms) are NOT applicable to the Loan:*

“Non-point Source Adjustment Fee” shall mean an amount which would equal the gross additional interest that would have accrued on the Bonds from the date of this Agreement through their scheduled final maturity, had such Bonds been issued at an interest rate determined under the Wastewater SRF Program’s interest rate policies and practices using the final, actual Non-point Source Expenditures (rather than the amount referenced in the Participant’s business case or categorical exclusion posted at www.srf.in.gov), all as determined by the Finance Authority.

“Non-point Source Expenditures” shall mean those costs and expenses incurred by the Participant that are Non-point Source Projects in order for the Bonds to receive special interest rate treatment under the Wastewater SRF Program’s interest rate policies and practices.

“Non-point Source Projects” shall mean Project components that meet the requirement of SRF Policy Guidelines and the Wastewater SRF Act to be non-point source in nature as determined by the Finance Authority.

The Participant understands and acknowledges that a special interest rate has been applied to the Bonds as a result of a portion of the Project having been identified by the Participant as being a non-point source project. In the event Non-point Source Expenditures are hereafter determined by the Finance Authority to be less than the amount referenced in the Participant’s business case or categorical exclusion, then the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a Non-point Source Adjustment Fee in connection with the Loan. Within ninety (90) days following Substantial Completion of Construction, the Participant shall certify to the Finance Authority those Loan disbursements it represents to be its Non-point Source Expenditures.

[End of Exhibit D]



CITY UTILITIES

Thomas C. Henry, Mayor

Engage • Innovate • Perform

City of Fort Wayne
City Utilities
200 East Berry Street, Suite 270
Fort Wayne, IN 46802
260.427.8311

www.cityoffortwayne.org/utilities

Date: May 5, 2016

To: Common Council Members

From: Justin Brugger, Chief Financial Officer

A handwritten signature in black ink, appearing to read "Justin Brugger", is written over the "From:" line.

Re: Sewer Bond Ordinance

In preparation for construction of the Tunnel Works Project, the attached bond ordinance seeks the following:

- 1) Refunding of the outstanding 2005 and 2007 Sewage Works Revenue Bonds.

The 2005 Bonds have an outstanding balance of approximately \$23 million, bearing an interest rate of 3.1%, and maturing through 2025. The 2007 Bonds have an outstanding balance of approximately \$16.8 million, bearing interest rates of 4.5 to 4.7%, and maturing through 2027. By refunding these bonds, we estimate annual savings in the amount of \$240,000, net of issuance costs, with a total savings of \$2.87 million.

- 2) Authorization of \$55 million in additional sewer utility bonding.

Pursuant to Resolution S-94-14, City Council previously approved a sewer bond ordinance in the amount of \$257.47 million for years 2014 – 2018. Since then, the Utility has issued \$65.89 million in bonds. The resolution before you brings the total new bonding ability to \$246.58 million for years 2016 – 2018. Given new, lower interest rates, better market conditions, enhanced cooperation with the State Revolving Fund (SRF), and in the interest of optimizing tunnel design and construction efficiency, we are able to support this bond capacity with existing rates already approved by City Council. This allows us to stretch our dollars further, with no additional impact to ratepayers. SRF continues to be a key partner in providing cost-effective financing for unfunded federal mandates.

- 3) Creation of a new reserve account that allows initial funding to occur over a period of five years for all open market and SRF bonds.

An Equal Opportunity Employer

A stylized, dotted graphic of a city skyline with various building shapes is located at the bottom of the page.