

1 and credited to the Bond and Interest Account, remit promptly to the registered
2 owner or to the bank fiscal agency sufficient moneys to pay the interest on the due
3 dates thereof together with the amount of bank fiscal agency charges.

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

7 The Sewage Works Reserve Account ("Reserve Account") is hereby
8 continued and shall serve as the debt service reserve for all Prior Bonds except (i)
9 those initially purchased by or for the account of the SRF Program, or (ii) those Prior
10 Bonds secured by the 2016 Reserve Account (at this time, the 2016 Refunding
11 Bonds and the 2017 Refunding Bonds). The balance to be maintained in the Reserve
12 Account shall equal but not exceed the least of (i) maximum annual debt service on
13 the Prior Bonds secured by the Reserve Account (not initially purchased by or for the
14 account of the SRF Program); (ii) 125% of average annual debt service on the Prior
15 Bonds secured by the Reserve Account (not initially purchased by or for the account
16 of the SRF Program) or (iii) 10% of the proceeds of the Prior Bonds secured by the
17 Reserve Account (not initially purchased by or for the account of the SRF Program)
18 ("Reserve Requirement"). The Reserve Account is fully funded in an amount equal
19 to the Reserve Requirement. The Reserve Account shall not secure and may not be
20 used to pay any Prior Bonds, Bonds or Parity Bonds which are (i) initially purchased
21 by or for the account of the SRF Program, or (ii) secured by the 2016 Reserve
22 Account.
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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,
27 Bond proceeds, a Surety Bond, or a combination thereof may be deposited into the
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1 SRF Reserve Account (collectively, with the 2016 Reserve Account and the Reserve
2 Account, referred to as "Reserve Accounts") hereby continued. The balance to be
3 maintained in the SRF Reserve Account shall equal the maximum annual debt
4 service on the Prior Bonds (initially purchased by or for the account of the SRF
5 Program), the Bonds initially purchased by or for the account of the SRF Program
6 and any Parity Bonds initially purchased by or for the account of the SRF Program
7 ("SRF Reserve Requirement"); provided, however, the SRF Reserve Requirement is
8 defined as the initial reserve requirement, and the amount held therein will be
9 decreased on the second day of each January to the maximum annual debt service on
10 the then outstanding Prior Bonds, Bonds and Parity Bonds initially purchased by or
11 for the account of the SRF Program in the then present or any succeeding year, and
12 provided, further than the City shall give 15 days prior written notice to the
13 Authority before transferring funds out of the SRF Reserve Account. If the initial
14 deposit into the SRF Reserve Account does not cause the balance therein to equal the
15 SRF Reserve Requirement or if no deposit is made, a sum of Net Revenues shall be
16 credited to the SRF Reserve Account on the last day of each calendar month until the
17 balance therein equals the SRF Reserve Requirement. Notwithstanding the
18 provisions set forth in any of the Prior Ordinances regarding the SRF Reserve
19 Account, the monthly deposits of Net Revenues shall be equal in amount and
20 sufficient to accumulate the SRF Reserve Requirement within five years of the date
21 of delivery of the Bonds. The SRF Reserve Account shall not secure and may not be
22 used to pay or any Prior Bonds, Bonds or Parity Bonds which are not initially
23 purchased by or for the account of the SRF Program.
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1 Any Surety Bond for the Reserve Account or the SRF Reserve Account must
2 be issued by an insurance company rated (at the time the Surety Bond is purchased)
3 in the highest rating category by Standard & Poor's Corporation or Moody's
4 Investors Service. However, as long as any of the Prior Bonds or Bonds are held by
5 or for the account of the SRF Program, the City shall receive consent of the
6 Authority before funding any portion of the SRF Reserve Account with such Surety
7 Bond. If such a Surety Bond is purchased, the Mayor and the Controller are hereby
8 authorized to execute and deliver all agreements with the provider of the Surety
9 Bond to the extent necessary to comply with the terms of such Surety Bond and the
10 commitment to issue such policy. Such agreements shall be deemed a part of this
11 ordinance for all purposes and are hereby incorporated herein by reference.
12

13
14 The respective Reserve Accounts shall constitute the margin for safety and a
15 protection against default in the payment of principal and interest on the respective
16 Prior Bonds, the Bonds and any Parity Bonds which they respectively secure, and
17 moneys in the respective Reserve Accounts shall be used to pay current principal and
18 interest on the respective Prior Bonds, the Bonds and any Parity Bonds which they
19 respectively secure to the extent that moneys in the Bond and Interest Account, after
20 applied on a pro rata basis to any outstanding Prior Bonds, Bonds and Parity Bonds,
21 are insufficient for that purpose. Any deficiency in the balances maintained in the
22 respective Reserve Accounts as a result of a transfer to the Bond and Interest
23 Account shall be promptly made up from the next available Net Revenues remaining
24 after credits into the Bond and Interest Account on a pro rata basis within a twelve
25 (12) month period. Any moneys in the respective Reserve Accounts in excess of the
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1 2016 Reserve Requirement, the Reserve Requirement or the SRF Reserve
2 Requirement shall be transferred to the Sewage Works Improvement Fund.

3 (d) If any Bonds are initially purchased by or for the account of the SRF
4 Program, the Sinking Fund, containing the Bond and Interest Account and the
5 Reserve Accounts, and the Construction Account may be held by a financial
6 institution acceptable to the Authority, pursuant to terms acceptable to the Authority.
7 If all or a portion of the Sinking Fund and the accounts therein are held in trust, the
8 City shall transfer the monthly required amounts of Net Revenues to the Bond and
9 Interest Account and the Reserve Accounts in accordance with this Section 13, and
10 the financial institution holding such funds in trust shall be instructed to pay the
11 required payments in accordance with the payment schedules for the City's
12 outstanding bonds. The financial institution selected to serve in this role may also
13 serve as the Registrar and the Paying Agent for such Bonds. If the Construction
14 Account is held in trust, the City shall deposit the proceeds of such Bonds therein
15 until such proceeds are applied consistent with this ordinance and the Financial
16 Assistance Agreement. The Common Council hereby authorizes the Mayor and
17 Controller to execute and deliver an agreement with a financial institution to reflect
18 this trust agreement for all or a part of the Sinking Fund and the Construction
19 Account in the form of trust agreement as approved by the Mayor and the Controller,
20 consistent with the terms and provisions of this ordinance.

21 Section 14. Sewage Works Improvement Fund. After meeting the
22 requirements of the Operation and Maintenance Fund and the Sinking Fund, any
23 excess revenues may be transferred or credited from the Revenue Fund to the
24 "Sewage Works Improvement Fund," hereby continued, and said Sewage Works

1 Improvement Fund shall be used for replacements, additions, improvements and
2 extensions of the Sewage Works or for any other lawful purpose, so long as such use
3 pertains to and involves the business of the Sewage Works. PILOTs shall be made
4 not more frequently than semiannually and may be made only if the amounts
5 required to be held as of such dates in the Operation and Maintenance Fund and the
6 Sinking Fund pursuant to Section 12 and Section 13 are so held after considering any
7 such contemplated payment. Moneys in the Sewage Works Improvement Fund shall
8 be transferred to the Sinking Fund if necessary to prevent a default in the payment of
9 principal of or interest on the then outstanding bonds or, if necessary, to eliminate
10 any deficiencies in credits to or minimum balance in the Reserve Accounts of the
11 Sinking Fund or may be transferred to the Operation and Maintenance Fund to meet
12 unforeseen contingencies in the operation, repair and maintenance of the Sewage
13 Works.
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16 Section 15. Books of Record and Accounts. (a) The City shall keep
17 proper books of record and accounts, separate from all of its other records and
18 accounts, in which completed and correct entries shall be made showing all
19 revenues collected from said works and deposited in said funds, and all
20 disbursements made therefrom on account of the operation of the works, and to meet
21 the requirements of the Sewage Works Sinking Fund, and all other financial
22 transactions relating to said works, including the amounts set aside or credited to
23 the Sinking Fund, the Operation and Maintenance Fund and the Sewage Works
24 Improvement Fund, and the cash balances in each of said funds and accounts
25 described herein as of the close of the preceding fiscal year. Copies of all such
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1 statements and reports, including audits prepared by the State Board of Accounts,
2 shall be kept on file in the office of the Controller.

3 (b) So long as any of the Prior Bonds, BANS or Bonds are held by the
4 Authority as part of its SRF Program, the City shall establish and maintain the books
5 and other financial records of the Project (including the establishment of a separate
6 account or subaccount for the Project) and the Sewage Works in accordance with (i)
7 generally accepted governmental accounting standards for utilities, on an accrual
8 basis, as promulgated by the Government Accounting Standards Board and (ii) the
9 rules, regulations and guidance of the State Board of Accounts.
10

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

10 Such rates or charges shall, if necessary, be changed and readjusted from
11 time to time so that the revenues therefrom shall always be sufficient to meet the
12 expenses of Operation and Maintenance of the Sewage Works and the requirements
13 of the Sinking Fund. The rates or charges so established shall apply to any and all
14 use of such Sewage Works by and service rendered to the City and all departments
15 thereof and shall be paid semiannually by the City or the various departments
16 thereof as the charges accrue.
17

18 Section 17. Defeasance. If, when the Bonds issued hereunder (or portions
19 thereof) shall have become due and payable in accordance with their terms or shall
20 have been duly called for redemption or irrevocable instructions to call the Bonds
21 (or portions thereof) for redemption shall have been given, and the whole
22 amount of the principal and the interest and the premium, if any, so due and
23 payable upon all of the Bonds (or portions thereof) then outstanding shall be paid; or
24 (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and
25 interest on which are unconditionally guaranteed by, the United States of
26 America, the principal of and the interest on which when due will provide sufficient
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1 moneys, or (iii) time certificates of deposit fully secured as to both principal and
2 interest by obligations of the kind described in (ii) above of a bank or banks the
3 principal of and interest on which when due will provide sufficient moneys, shall be
4 held in trust for such purpose, and provision shall also be made for paying all fees
5 and expenses for the redemption, then and in that case the Bonds (or portions
6 thereof) issued hereunder shall no longer be deemed outstanding or entitled to the
7 pledge of the Net Revenues of the City's Sewage Works.
8

9 Section 18. Additional Bonds. The City reserves the right to authorize
10 and issue additional BANs at any time ranking on a parity with the BANs. The
11 City also reserves the right to authorize and issue additional Parity Bonds, payable
12 out of the Net Revenues of its Sewage Works, ranking on a parity with the Bonds
13 authorized by this ordinance, for the purpose of financing the cost of future
14 additions, extensions and improvements to the Sewage Works, or to refund
15 obligations, subject to the following conditions:
16

17 (a) The interest on and principal of all bonds payable from
18 the revenues of the Sewage Works shall have been paid to date in accordance
19 with the terms thereof, provided, this condition shall be deemed satisfied if any
20 required amount is to be provided from the proceeds of the Parity Bonds or other
21 funds of the City, and all required payments into the Sinking Fund shall have been
22 made in accordance with the provisions of this ordinance.
23

24 (b) As of the date of issuance of such additional Parity Bonds, the balance
25 in the 2016 Reserve Account shall equal not less than the 2016 Reserve
26 Requirement, the balance in the Reserve Account shall equal not less than the
27 Reserve Requirement, and the balance in the SRF Reserve Account shall equal not
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1 less than the SRF Reserve Requirement, calculated to include principal and interest
2 requirements on the Bonds, any then outstanding parity bonds and the additional
3 Parity Bonds proposed to be issued, provided this condition shall be deemed satisfied
4 if any required amount is to be provided from the proceeds of the newly issued Parity
5 Bonds or other funds of the City over a period of no longer than five (5) years
6 following the delivery of the Parity Bonds.
7

8 (c) The Net Revenues of the Sewage Works in the fiscal year
9 immediately preceding the issuance of any such Parity Bonds shall be 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; or, prior to the issuance
13 of the Parity Bonds, the sewage rates and charges shall be increased or the service
14 area or customer base shall be expanded sufficiently so that said increased rates and
15 charges and/or volume applied to the previous fiscal year's operations would have
16 produced Net Revenues for said year equal to not less than one hundred twenty-five
17 percent (125%) of the maximum annual interest and principal requirements of the
18 then outstanding Bonds, any then outstanding parity bonds and the additional Parity
19 Bonds proposed to be issued. For purposes of this subsection, the records of the
20 Sewage Works shall be analyzed and all showings shall be prepared by a certified
21 public accountant or nationally recognized firm of professionals experienced in
22 analyzing financial records of municipal utilities retained by the City for that
23 purpose. In addition, for purposes of this subsection with respect to any Parity
24 Bonds hereafter issued, while the Bonds remain outstanding and owned by the
25 Authority as part of its SRF Program, Net Revenues may not include any revenues
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1 from the System Development Charges unless the Authority provides its consent to
2 include all or some portion of the System Development Charges as part of the Net
3 Revenues or otherwise consents to the issuance of such Parity Bonds without
4 satisfying this subsection (c).

5 (d) The principal of and mandatory sinking fund payment dates for said
6 additional Parity Bonds shall be payable on August 1 until the date August 1, 2033
7 and thereafter, shall be payable semiannually on February 1 and August 1, and the
8 interest on said additional Parity Bonds shall be payable semiannually on February 1
9 and August 1 during the periods in which such principal and interest are payable. If
10 the additional Parity Bonds are issued as capital appreciation bonds, the amount
11 payable at maturity thereof shall be payable on February 1 and/or August 1 during
12 the periods in such maturity amounts are payable.

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

20 (f) For so long as any of the Bonds are outstanding and owned by the
21 Authority as part of its SRF Program, (i) the City obtains the consent of the
22 Authority, (ii) the City has faithfully performed and is in compliance with each of its
23 obligations, agreements and covenants contained in the Financial Assistance
24 Agreement and this resolution, and (iii) the City is in compliance with its National
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1 Pollutant Discharge Elimination System permits, except for non-compliance for
2 which purpose the additional Parity Bonds are issued, including refunding bonds
3 issued prior to, but part of the overall plan to eliminate such non-compliance.
4

5 Section 19. Additional Covenants of the City. For the purpose of further
6 safeguarding the interests of the owners of the BANs and the Bonds herein
7 authorized, it is specifically provided as follows:

8 (a) All contracts let by the City in connection with the construction of the
9 Project shall be let after due advertisement as required by the laws of the State of
10 Indiana, and all contractors shall be required to furnish surety bonds in an amount
11 equal to one hundred percent (100%) of the amount of such contracts, to insure the
12 completion of said contracts in accordance with their terms, and such contractors
13 shall also be required to carry such employers liability and public liability insurance
14 as are required under the laws of the State of Indiana in the case of public contracts,
15 and shall be governed in all respects by the laws of the State of Indiana relating to
16 public contracts.
17

18 (b) The Project shall be constructed under the supervision and subject to
19 the approval of the Consulting Engineers or such other competent engineer as shall
20 be designated by the Board. All estimates for work done or material furnished shall
21 first be checked by the Consulting Engineers and approved by the Board.
22

23 (c) So long as the Bonds or BANs are outstanding, the City shall at all
24 times maintain its Sewage Works in good condition and operate the same in an
25 efficient manner and at a reasonable cost.
26

27 (d) So long as any of the Bonds or BANs herein authorized are
28 outstanding, the City shall maintain insurance coverage, including fidelity bonds, to
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1 protect the Sewage Works and its operations on the insurable parts of said Sewage
2 Works of a kind and in an amount such as would normally be carried by private
3 companies engaged in a similar type of business, and, so long as the BANs
4 and/or Bonds are owned by the Authority as part of its SRF Program such
5 insurance shall be acceptable to the Authority. All insurance shall be placed with
6 responsible insurance companies qualified to do business under the laws of the
7 State of Indiana, provided, however, such insurance requirement may be satisfied,
8 in part or in whole, through the City's self insurance program. Insurance proceeds
9 and condemnation awards shall be used to replace or repair the property,
10 provided, for so long as the BANs or Bonds are owned by the Authority as part of
11 its SRF Program, the Authority may consent to a different use of such proceeds.
12

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14 (e) So long as any of the BANs or Bonds are outstanding, the City shall
15 not mortgage, pledge or otherwise encumber the Sewage Works, or any portion
16 thereof, nor shall it sell, lease or otherwise dispose of any portion thereof except
17 replace equipment which may become worn out or obsolete, provided, however, if
18 any Bonds or BANs are owned by the Authority as part of its SRF Program, the City
19 shall obtain the prior written consent of the Authority.
20

21 (f) If the Authority purchases the Bonds or BANs as part of its SRF
22 Program and so long as the Bonds or BANs are outstanding and owned by the
23 Authority, and, except as otherwise specifically provided in Section 18 hereof, the
24 City shall not without the prior written consent of the Authority: (i) enter into any
25 lease, contract or agreement or incur any other liabilities in connection with the
26 Sewage Works other than for normal operating expenditures; or (ii) borrow any
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1 money (including without limitation any loan from other utilities operated by the
2 City).

3 (g) Except as hereinbefore provided in Section 18 hereof, so long as any
4 of the Bonds herein authorized are outstanding, no additional bonds or other
5 obligations pledging any portion of the revenues of said Sewage Works shall be
6 authorized, executed or issued by the City except such as shall be made subordinate
7 and junior in all respects to the Bonds herein authorized, unless all of the Bonds
8 herein authorized are redeemed, retired or defeased pursuant to Section 17 hereof
9 coincidentally with the delivery of such additional bonds or other obligations.
10

11 (h) The City shall take all action or proceedings necessary and proper
12 to require connection of all property where liquid and solid waste, sewage, night soil,
13 or industrial waste is produced with available sanitary sewers. The City shall,
14 insofar as possible, cause all such sanitary sewers to be connected with said Sewage
15 Works.
16

17 (i) The provisions of this ordinance shall constitute a contract by and
18 between the City and the owners of the Bonds or BANS herein authorized, and after
19 the issuance of said Bonds or BANS, this ordinance shall not be repealed or
20 amended in any respect which will adversely affect the rights of the owners of said
21 Bonds or BANS, nor shall the Common Council adopt any law, ordinance or
22 resolution which in any way adversely affects the rights of such owners so long as
23 any of said Bonds or BANS or the interest thereon remains unpaid. Except for the
24 changes set forth in Section 24(a)-(f), this ordinance may be amended, however,
25 without the consent of BAN or Bond owners, if the Common Council determines, in
26 its sole discretion, that such amendment would not adversely affect the owners of the
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1 BANS or Bonds provided, however, that if any BANS or Bonds are sold to the
2 Authority as part of its SRF Program, the City shall obtain the prior written consent
3 of the Authority.

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

17 (k) For purpose this Section 19, the term "lease" shall include any lease,
18 contract, or other instrument conferring a right upon the City to use property in
19 exchange for a periodic payments made from the revenues of the Sewage Works,
20 whether the City desires to cause such to be, or by its terms (or its intended effects)
21 is to be, (i) payable as rent, (ii) booked as an expense or an expenditure, or (iii)
22 classified for accounting or other purposes as a capital lease, financing lease,
23 operating lease, non-appropriation leases, installment purchase agreement or lease,
24 or otherwise (including any combination thereof).

1 Section 20. Permitted Actions Relating to Preservation of Exclusion of
2 Interest from Federal Gross Income. The Controller is hereby authorized to invest
3 moneys pursuant to IC 5-1-14-3 and the provisions of this ordinance (subject to
4 applicable requirements of federal law to insure such yield is the then current market
5 rate) to the extent necessary or advisable to preserve the exclusion from gross
6 income of interest on the BANs and Bonds under federal law.
7

8 The Controller shall keep full and accurate records of investment earnings
9 and income from moneys held in the funds and accounts referenced herein. In order
10 to comply with the provisions of this ordinance, the Controller is hereby authorized
11 and directed to employ consultants or attorneys from time to time to advise the
12 City as to requirements of federal law to preserve the tax exclusion or exemption.
13 The Controller may pay any fees as operation expenses of the sewage works.
14

15 Section 21. Tax Covenants. In order to preserve the exclusion of interest
16 on the Bonds and BANs from gross income for federal income tax purposes under
17 Section 103 of the Internal Revenue Code of 1986, as existing on the date of
18 issuance of the Bonds or BANs, as the case may be ("Code") and as an inducement
19 to purchasers of the Bonds and BANs, the City represents, covenants and agrees that:
20

21 (a) The sewage works will be available for use by members of the
22 general public. Use by a member of the general public means use by natural persons
23 not engaged in a trade or business. No person or entity other than the City or another
24 state or local governmental unit will use more than 10% of the proceeds of the Bonds
25 or the BANs or property financed by the Bond or BAN proceeds other than as a
26 member of the general public. No person or entity other than the City or another
27 state or local governmental unit will own property financed by Bond or BAN
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1 proceeds or will have any actual or beneficial use of such property pursuant to a
2 lease, management, service or incentive payment contract, an arrangement including
3 take-or-pay or other type of output contracts or any other type of arrangement that
4 conveys other special legal entitlements and differentiates that person's or entity's use
5 of such property from use by the general public, unless such uses in the aggregate
6 relate to no more than 10% of the proceeds of the Bonds or the BANS, as the case
7 may be. If the City enters into a management contract for all or a portion of the
8 sewage works, the terms of the contract will comply with the Regulations and IRS
9 Revenue Procedure 2017-33, as amended, supplemented or superseded from time to
10 time, so that the contract will not give rise to private business use under the Code and
11 the Regulations unless such use in the aggregate will not relate to more than 10% of
12 the proceeds of the Bonds or the BANs, as the case may be.
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15 (b) No more than 10% of the principal of or interest on the Bonds or
16 BANs is (under the terms of the Bonds or BANs, this ordinance or any underlying
17 arrangement), directly or indirectly, secured by an interest in property used or to be
18 used for any private business use or payments in respect of any private business use
19 or payments in respect of such property or to be derived from payments (whether or
20 not to the City) in respect of such property or borrowed money used or to be used for
21 a private business use.
22

23 (c) No more than 5% of the Bond or BAN proceeds will be loaned to any
24 person or entity other than another state or local governmental unit. No more than
25 5% of the Bond or BAN proceeds will be transferred, directly or indirectly, or
26 deemed transferred to a nongovernmental person in any manner that would in
27 substance constitute a loan of the Bond or BAN proceeds.
28

1 (d) The City reasonably expects, as of the date hereof, that the Bonds and
2 BANs will not meet either the private business use test described in paragraph (a)
3 and (b) above or the private loan test described in paragraph (c) above during the
4 entire term of the Bonds or BANs, as the case may be.

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

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

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 (h) The City represents that it will rebate any arbitrage profits to the
24 United States in accordance with the Code. If required by the Authority, in
25

1 connection with the SRF Program, the City is authorized to execute and deliver a
2 form of Rebate Agreement in a form provided by the SRF Program. The Mayor and
3 the Controller, together or individually, are authorized to complete and execute the
4 Rebate Agreement on behalf of the City in connection with any series of Bonds sold
5 to the Authority as part of the SRF Program.
6

7 (i) These covenants are based solely on current law in effect and in
8 existence on the date of delivery of such Bonds or BANs, as the case may be.

9 Section 22. Issuance of BANs. (a) The City, having satisfied all the
10 statutory requirements for the issuance of its Bonds, may elect to issue its BAN or
11 BANs pursuant to a Bond Anticipation Note Purchase Agreement ("BAN Purchase
12 Agreement") to be entered into between the City and the purchaser of the BAN or
13 BANs. If the BANs are sold to the Authority as part of its SRF Program, the
14 Financial Assistance Agreement shall serve as the BAN Purchase Agreement. The
15 Common Council hereby authorizes the issuance and execution of the BAN or BANs
16 in lieu of initially issuing the Bonds to provide interim financing for the Project until
17 permanent financing becomes available. It shall not be necessary for the City to
18 repeat the procedures for the issuance of its Bonds, as the procedures followed
19 before the issuance of the BAN or BANs are for all purposes sufficient to authorize
20 the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs.
21

22 (b) The Mayor and the Controller are hereby authorized and directed to
23 execute a BAN Purchase Agreement or Financial Assistance Agreement (and any
24 amendments made from time to time) in such form or substance as they shall
25 approve acting upon the advice of counsel. The Mayor, the Clerk and the Controller
26 may also take such other actions or deliver such other certificates as are necessary or
27
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1 desirable in connection with the issuance of the BANs or the Bonds and the other
2 documents needed for the financing as they deem necessary or desirable in
3 connection therewith.

4 Section 23. Compliance with Tax Sections. Notwithstanding any other
5 provisions of this ordinance, the covenants and authorizations contained in this
6 ordinance ("Tax Sections") which are designed to preserve the exclusion of interest
7 on the Bonds and BANs from gross income under federal law ("Tax Exemption")
8 need not be complied with if the City receives an opinion of nationally recognized
9 bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.
10

11 Section 24. Supplemental Ordinances. Subject to the terms and provisions
12 contained in this Section, and not otherwise, the owners of not less than sixty-six and
13 two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds issued
14 pursuant to this ordinance and then outstanding shall have the right, from time to
15 time, anything contained in this ordinance to the contrary notwithstanding, to
16 consent to and approve the adoption by the City of such ordinance or ordinances
17 supplemental hereto as shall be deemed necessary or desirable by the City for the
18 purpose of modifying, altering, amending, adding to or rescinding in any particular
19 any of the terms or provisions contained in this ordinance, or in any supplemental
20 ordinance; provided, however, that so long as the Bonds or BANs are owned by the
21 Authority as part of its SRF Program, the City shall obtain the prior written consent
22 of the Authority; and provided, further, that nothing herein contained shall permit or
23 be construed as permitting:
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1 (a) An extension of the maturity of the principal of, mandatory sinking
2 fund redemption dates, if any, or interest on any Bond issued pursuant to this
3 ordinance; or

4 (b) A reduction in the principal amount of any Bond or the redemption
5 premium or the rate of interest thereon; or

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

8 (d) A preference or priority of any Bond or Bonds issued pursuant to this
9 ordinance over any other Bond or Bonds issued pursuant to the provisions of this
10 ordinance; or

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

13 (f) A reduction in the 2016 Reserve Requirement, the Reserve
14 Requirement or the SRF Reserve Requirement.

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

13
14 Section 25. Rates and Charges. The estimates of the rates and charges of
15 the Sewage Works are set forth in Ordinance No. _____ to be adopted on -
16 February 25, 2020, which ordinance is incorporated herein by reference.

17 Section 26. Ordinance Constitutes Resolution under IC 36-9-23. For
18 purposes of Sections 10 and 12 of IC 36-9-23, this ordinance shall constitute and be
19 deemed as the "resolution" as such term is used under Sections 10 and 12 of IC 36-9-
20 23.
21

22 Section 27. Repeal of Conflicting Ordinances. All ordinances and parts of
23 ordinances in conflict herewith are hereby repealed; provided, however, that this
24 ordinance shall not be construed as modifying, amending or repealing in any respect
25 any of the provisions of the Prior Ordinances, as amended to date, nor be construed
26 as adversely affecting the rights of any of the holders of the Prior Bonds or the
27 Refunded Bonds.
28

Section 28. 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 29. Effectiveness. This ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of Fort Wayne, Indiana,
on this _____ day of _____, 2020.

COMMON COUNCIL OF THE CITY OF FORT
WAYNE, INDIANA

By: _____
Member of the Common Council

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney

EXHIBIT A

Project Description

Wastewater Facility Expansions and Operational Improvements

Fort Wayne City Utilities (FWCU), in conjunction with its Consent Decree, the Long Term Control Plan (LTCP) and future economic development planning, has plans for a multi-year improvement plan to be constructed and additional infrastructure, buildings, facilities and structures are being added to the Water Pollution Control Plant (WPCP), Wet Weather Pond, Biosolids and other treatment complex areas. Additional land and access routes are required to allow for more cost-effective construction, operation and expansion of facilities in these areas.

WPCP Treatment and Operational Improvements

As part of its long-term plan, systems for WPCP treatment and residual management are being rehabilitated and upgraded as necessary to reliably support the increased treatment required by the LTCP, improve its efficiency and to meet its permit requirements. These improvements are being implemented in a sustainable manner so that the energy necessary to run the associated systems is reasonably minimized and is intended to reduce FWCU operational costs. Improvements included, but not limited to, are upgrades to the aeration system, electrical systems, heating and air conditioning systems, effluent treatment and piping, laboratory facilities and biosolids facilities.

Sludge, Digester & Methane System Improvements

A multi-phase digester improvement program is currently being implemented in the capital program. Currently, six (6) digesters and their associated facilities and systems are in service which allows the FWCU to produce class "A" sludge as well as produce methane gas that is utilized to generate energy. FWCU intends to make reliability, efficiency and operational improvements, consistent with its regulatory commitments, including improvements to the high strength waste receiving facilities and systems, methane gas systems, boilers and heat exchangers, sludge handling systems and the digested sludge force main system. These improvements are being implemented in a sustainable manner so that methane produced by the digestion process can be utilized to produce heat and power or converted into other energy sources for use by FWCU.

Wet Weather Pond Pumping, Storage and Dewatering Improvements

The Wet Weather facilities on the north side of the river across from the WPCP are a vital part of FWCU's wet weather facilities and play a key role in the City's 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 tunnel that is planned to begin operation by the end of 2023. Additional improvements to the Wet Weather pond

1 infrastructure and facilities will be made to increase their capacity and ability to store
2 wet weather flows efficiently and effectively.

3 Three Rivers Protection and Overflow Reduction Tunnel (3RPORT) Program

4 This program is a combination of projects that are key component of the LTCP. The
5 main component is the construction of the 3RPORT deep rock tunnel from the
6 southern side of the combined sewer system along the St Marys River north and
7 then east along the Maumee River to the WPCP. This new tunnel provides a
8 significant increase in wet weather flows from existing interceptors and CSO outfalls
9 to be transported to the WPCP for treatment - or to the WWPS for storage in the
10 Wet Weather Ponds, instead of overflowing into the local waterways. The
11 program/project includes a deep rock tunnel, drop shafts and associated screening
12 and odor control facilities, collector and relief/conveyance sewers, floatables control
13 and outfall modifications, and the tunnel dewatering pump station. The 3RPORT
14 improvements are required to be operational by the end of 2023.

15 Foster Park Relief Sewers and Facilities

16 This program is a combination of projects that are intended to convey flow from the
17 southernmost St Marys River CSO outfalls to the 3RPORT deep rock tunnel. The
18 program may include a combination of capacity improvements, including collector
19 and relief/conveyance sewers, storage facilities, pump stations and force mains,
20 floatables control and outfall modifications. The Foster Park improvements are
21 required per the Consent Decree to be operational by the end of 2025.

22 Combined Sewer System Capacity Improvements

23 The projects in this category of work generally include partial sewer separation by
24 the construction of new storm drains and/or sanitary sewers and structures but may
25 include various other technologies/methods and source control efforts to reduce
26 Combined Sewer Overflows (CSO's) and improve neighborhood sewer or
27 stormwater system capacity. In these projects, the City will investigate the potential
28 for incorporating green/sustainable solutions.

29 Satellite Storage Facility Improvements

30 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 as part of efforts to reduce 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.

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

1 by the LTCP. The sizing of these facilities is dependent on many variables for each
2 site, but FWCU intends, as much as reasonable, to utilize similar methods of
3 removal for each type of site.

4 Technology Improvements

5 FWCU plans to implement technology improvements for operational efficiency and
6 customer service. These projects will often be in partnership with the Water and
7 Stormwater Utilities. Projects include, but not limited to include: AMI (Advanced
8 Metering Infrastructure) system to collect water meter readings via a new fixed
9 communication network and replace existing metering infrastructure at the end of its
10 useful life, improvements to Supervisory Control and Data Acquisition (SCADA)
11 systems and improvements to business and asset management systems.

12 Collection System - Capacity Improvements

13 This category of work will consist of a combination of projects and efforts directed
14 towards improving the capacity and reach of the collection system for economic
15 development as well as the reduction and mitigation of sanitary sewer overflows and
16 surcharging in the existing sanitary sewer collection system as required by the
17 Consent Decree. Areas of work identified for potential improvements include sewer
18 infrastructure serving and areas tributary to these subbasins. Work may include
19 sewer rehabilitation, sewer construction, pump station facilities, wet weather
20 storage/equalization improvements, source control and other collection system
21 improvements as determined necessary by ongoing planning and engineering
22 studies of the areas. Projects and/or areas identified in the capital plan to date are:
23 Nebraska, Rothman and Tamarack, upper Maumee interceptor system and sewer
24 subbasins, upper St Joseph interceptor system and sewer subbasins, Spy Run
25 interceptor system and subbasins, lower St Marys interceptor system and subbasins
26 and the Trier Ditch interceptor system and subbasins.

27 Collection System Improvements – Repair & Replacement Program

28 The goal of the Sewer Repair and Replacement Program is to develop, implement
29 and monitor sewer repair/replacement strategies to proactively, following standard
30 industry asset management principles, identify deteriorating or assets in the sewer
collection system that are reaching their useful life. It is also to coordinate review
and analysis of sewer operation and maintenance data to select and prioritize
collection system renewal, repair and replacement projects as per the Consent
Decree and the City's regulatory commitments. Cured in Place Piping (CIPP) and
other trenchless construction technologies are often utilized for renewal and repair
of piping and manholes, but sometimes the construction of improvements requires
open cut installation and excavation for new underground sewer infrastructure.

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

CITY OF FORT WAYNE

[TAXABLE] SEWAGE WORKS REVENUE

[[AND] 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

1 bear interest from such interest payment date, or unless this bond is authenticated on
2 or before ____ 15, ____, in which case it shall bear interest from the Original Date,]
3 until the principal is paid, which interest is payable semiannually on the first days of
4 February and August in each year, beginning on _____ 1, 20___. Interest shall
5 be calculated according to a 360-day calendar year containing twelve 30-day months.

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

30 THE CITY SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE
INTEREST HEREON EXCEPT FROM THE HEREINAFTER DESCRIBED
SPECIAL FUND, AND NEITHER THIS BOND NOR THE ISSUE OF WHICH IT
IS A PART SHALL IN ANY RESPECT CONSTITUTE A CORPORATE
INDEBTEDNESS OF THE CITY WITHIN THE PROVISIONS AND
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 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,] [refunding certain
Refunded Bonds (as defined in the hereinafter defined Ordinance] and to pay
issuance expenses [including a premium for a debt service reserve surety]. This
bond is issued pursuant to an Ordinance adopted by the Common Council of the City

1 on the _____ day of _____, 2020, entitled "AN ORDINANCE OF THE
2 COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA,
3 AUTHORIZING THE REFUNDING BY THE CITY OF CERTAIN
4 OUTSTANDING SEWAGE WORKS REVENUE BONDS, THE ACQUISITION
5 AND INSTALLATION OF CERTAIN IMPROVEMENTS TO THE CITY'S
6 SEWAGE WORKS, AND THE COLLECTION, SEGREGATION AND
7 DISTRIBUTION OF THE REVENUES OF SUCH SEWAGE WORKS AND
8 OTHER RELATED MATTERS, AND REPEALING ORDINANCES
9 INCONSISTENT HEREWITH" ("Ordinance"), and in accordance with the
provisions of Indiana law, including without limitation [Indiana Code 5-1-5 and]
Indiana Code 36-9-23 as in effect on the date of delivery of the bonds of this issue
("Act"), the proceeds of which bonds are to be applied to the costs of the [refunding
and legal defeasance of the Refunded Bonds] [Project,] [the payment of notes issued
in anticipation of the bonds,] and expenses incurred in connection therewith[,
including a premium for a debt service reserve surety].

10 [Reference is hereby made to the Financial Assistance Agreement ("Financial
11 Assistance Agreement") between the City and the Authority concerning certain terms
12 and covenants pertaining to the Project and the purchase of this bond as part of the
13 wastewater loan program established and existing pursuant to IC 5-1.2-1 through IC
5-1.2-4 and IC 5-1.2-10.]

14 Pursuant to the provisions of the Act and the Ordinance, the principal of and
15 interest on this bond and all other bonds of said issue, [including the [Taxable]
16 Sewage Works Revenue [[and] Refunding Revenue] Bonds of 20____, Series ____
17 ("Series ____ Bonds")] and any bonds hereafter issued on a parity therewith are
18 payable solely from the Sewage Works Sinking Fund continued by the Ordinance
19 ("Sinking Fund") to be provided from the Net Revenues (defined as gross revenues,
20 inclusive of System Development Charges (as defined in the Ordinance), after
deduction only for the payment of the reasonable expenses of operation, repair and
maintenance, excluding transfers for payments in lieu of property taxes) of the
sewage works of the City. This bond and the issue of which it is a part constitute a
first charge upon the Net Revenues and shall rank on a parity with the Prior Bonds,
as defined in the Ordinance [and the Series ____ Bonds].

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

25 The City irrevocably pledges the entire Net Revenues of the sewage works to
26 the prompt payment of the principal of and interest on the bonds authorized by the
27 Ordinance, of which this is one, and any bonds ranking on a parity therewith,
28 including the Prior Bonds [and the Series ____ Bonds] to the extent necessary for that
29 purpose, and covenants that it will cause to be fixed, maintained and collected such
30 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 payment of the sums required to be paid into the Sinking Fund under the provisions of the Act and the Ordinance. If the City or the proper officers thereof shall fail or refuse to so fix, maintain and collect such rates or charges, or if there be a default in the payment of the interest on or principal of this bond, the owner of this bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the works and to charge and collect rates sufficient to provide for the payment of this bond and the interest hereon.

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

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

____% if redeemed on _____ 1, 20____ or thereafter
on or before _____, 20____;
____% if redeemed on _____ 1, 20____ or thereafter
on or before _____, 20____;
0% if redeemed on _____ 1, 20____ or thereafter
prior to maturity;

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:

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

1 * Final Maturity]

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

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

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

25 This bond is transferable or exchangeable only upon the books of the City
26 kept for that purpose at the [principal corporate trust] office of the Registrar by the
27 registered owner hereof in person, or by his attorney duly authorized in writing, upon
28 surrender of this bond together with a written instrument of transfer or exchange
29 satisfactory to the Registrar duly executed by the registered owner, or his attorney
30 duly authorized in writing, and thereupon a new fully registered bond or bonds in an
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.

IN WITNESS WHEREOF, the City of Fort Wayne, in Allen County, Indiana, has caused this bond to be executed in its corporate name by the manual or facsimile signature of its Mayor, countersigned by the manual or facsimile signature of the Controller, and its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by its Clerk.

CITY OF FORT WAYNE, INDIANA

By _____
Mayor

COUNTERSIGNED:

By _____
Controller

[SEAL]

Attest:

Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

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

as Registrar

By _____
Authorized Representative

ASSIGNMENT

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

Dated: _____

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

NOTICE: The signature to this assignment
must correspond with the name as it appears on
the face of the within bond in every particular
without alteration or enlargement or any
change whatsoever.

[EXHIBIT A]

[To be completed on a separate page]

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EXHIBIT C
Form of Financial Assistance Agreement

**STATE OF INDIANA
WASTEWATER REVOLVING LOAN PROGRAM**

FINANCIAL ASSISTANCE AGREEMENT made as of this ____ day of _____ 20__ 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. 5-1.2-2-57 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. 5-1.2-10 (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 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 Participant has previously entered into fourteen (14) 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, 2014, July 12, 2016, October 12, 2016 and November 15, 2018 (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 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.

“Asset Management Program” means programs, plans and documentation (including a Fiscal Sustainability Plan) that demonstrates that the Participant has the financial, managerial, technical, and legal capability to operate and maintain its Treatment Works and which is consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

“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 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.