

AGENDA

KOKOMO COMMON COUNCIL

CITY OF KOKOMO, INDIANA

PUBLIC INFORMATIONAL MEETING AT 5:30 P.M.

COUNCIL MEETING IMMEDIATELY FOLLOWING FEBRUARY 8TH, 2021 @ 6:00 P.M.

COUNCIL CHAMBERS CITY HALL 100 S. UNION ST

CALL TO ORDER:

INVOCATION:

PLEDGE:

ROLL CALL:

APPROVAL OF MINUTES:

COMMUNICATIONS:

COMMITTEE REPORTS:

ORDINANCE #6980 A Ordinance of the Common Council of the City of Kokomo, Indiana.

Authorizing the acquisitions of construction and installation of certain improvements for the sewage works system of the city of Kokomo, Indiana.

(second reading) Miklik

ORDINANCE NO. 6982

**ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF KOKOMO, INDIANA
AUTHORIZING AND ESTABLISHING ENTERPRISE FUND FOR OPERATION OF
CHAMPIONSHIP PARK**

WHEREAS, the City of Kokomo, Indiana (the "City") is a duly organized municipal corporation and political subdivision under the laws of the State of Indiana, governed by its duly elected Common Council (the "Common Council"); and

WHEREAS, pursuant to Resolution No. 2746, the City has caused to be developed a certain baseball and softball tournament center located at the address commonly known as 600 South Goyer Road, Kokomo, Indiana 46901 ("Championship Park") which shall begin operation in the spring of calendar year 2021; and

WHEREAS, the Common Council desires to establish an enterprise fund for the operation of Championship Park, including acceptance of revenue and payment of expenditures associated therewith (the "Enterprise Fund"); and

WHEREAS, pursuant to I.C. § 36-4-4-3, the Common Council may designate a department to perform the functions necessary to supervise the operation of Championship Park; and

WHEREAS, upon creation of the Enterprise Fund, the Common Council finds that it is in the best interest of the City to authorize the City Board of Public Works and Safety to supervise the operation of Championship Park and the Enterprise Fund, subject to certain terms and conditions provided herein.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF KOKOMO, INDIANA, AS FOLLOWS:

1. The Common Council hereby authorizes the City Board of Public Works and Safety to create an Enterprise Fund for the operation of Championship Park.
2. Supervision of Championship Park's operation shall be the responsibility and duty of the City Board of Public Works and Safety. In furtherance of such responsibility and duty, the City Board of Public Works and Safety shall assign such employees or agents as are required to administer the daily operations and functions of Championship Park, which shall include but are not limited to acceptance of revenue and payment of expenditures associated with the Enterprise Fund.
3. The City Board of Public Works and Safety shall also be responsible for the safe, economical, and efficient management of Championship Park's business, including the full, exclusive and complete power and discretion to make all decisions and to do all things on behalf of Championship Park's operation which it deems necessary or desirable.

4. The City Board of Public Works and Safety shall use all reasonable efforts to furnish, no less than each calendar quarter, a financial update regarding the operation of Championship Park and the Enterprise Fund.

5. This Ordinance shall be in full force and effect immediately upon adoption and compliance with I.C. § 36-4-6-14.

ADOPTED BY THE COMMON COUNCIL OF THE CITY OF KOKOMO, INDIANA,
this ____ day of _____, 2021.

Matthew Grecu, Presiding Officer
Kokomo Common Council

ATTEST:

Diane Howard, City Clerk
City of Kokomo, Indiana

PRESENTED by me, the undersigned City Clerk of the City of Kokomo, Indiana, to the Mayor, for approval and signature, this ____ day of _____, 2021 at __:__.m.

Diane Howard, City Clerk
City of Kokomo, Indiana

The foregoing Ordinance No. _____ is hereby APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Kokomo, Indiana, this ____ day of _____, 2021 at __:__.m.

Tyler O. Moore, Mayor
City of Kokomo, Indiana

ORDINANCE NO. _____

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF KOKOMO, INDIANA AUTHORIZING THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF CERTAIN IMPROVEMENTS FOR THE SEWAGE WORKS SYSTEM OF THE CITY OF KOKOMO, INDIANA, THE ISSUANCE OF REVENUE BONDS TO PROVIDE THE COST THEREOF, THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SUCH SYSTEM, THE SAFEGUARDING OF THE INTERESTS OF THE OWNERS OF SUCH REVENUE BONDS AND OTHER MATTERS CONNECTED THEREWITH, INCLUDING THE ISSUANCE OF NOTES IN ANTICIPATION OF SUCH BONDS, AND REPEALING ORDINANCES INCONSISTENT HEREWITH.

WHEREAS, the City of Kokomo, Indiana (the “City”), has heretofore established, constructed and financed a municipal sewage works system for the purpose of providing for the collection and treatment of wastewater from the City residents and users (the “System”) pursuant to IC 36-9-23 et seq., as in effect on the issue date of the bond anticipation notes or the bonds, as applicable, which are authorized herein (the “Act”); and

WHEREAS, the Common Council of the City (the “Council”) hereby finds: (i) that the acquisition, construction, extension and installation of certain improvements for the System, as set forth in Exhibit A (the “Project”), are necessary; (ii) that plans, specifications and cost estimates for the Project (the “Engineering Reports”) have been prepared by an engineer (the “Engineer”), employed for plans, specifications, detailed descriptions and estimates of the costs of the necessary improvements and extensions to the System, and (iii) that the Engineering Reports have been previously adopted and have been or will be submitted to all government authorities having jurisdiction, particularly the Indiana Department of Environmental Management (“IDEM”), if and to the extent IDEM approval is required under Indiana law, and has been approved by the aforesaid government authorities; and

WHEREAS, the estimates prepared and delivered by the Engineer with respect to the costs of acquisition, construction, extension and installation of certain improvements for the System, and including all authorized expenses relating thereto, including the costs of issuance of bonds and bond anticipation notes on account thereof, will be in the estimated amount not to exceed Twenty-Four Million Five Hundred Thousand Dollars (\$24,500,000) to be financed by the issuance of revenue bonds and bond anticipation notes in an amount not to exceed Twenty-Four Million Five Hundred Thousand Dollars (\$24,500,000); and

WHEREAS, the City has advertised or will advertise for and receive bids for the construction of the Project, and such bids will be subject to the determination to acquire, construct and install the Project and obtaining funds for the Project; and

WHEREAS, the Council finds that there are insufficient funds available to pay the cost of the Project, and that cost of the Project is to be financed by certain available funds on hand, if

necessary, and through the issuance of its sewage works revenue bonds, in one or more series (the “2021 Bonds”) and, if necessary, its bond anticipation notes (the “BANs”); and

WHEREAS, the City has previously issued, and there are now outstanding, the following bonds payable from the revenues of the System: (i) the City’s Sewage Works Subordinate Refunding Revenue Bonds of 2012 (the “2012 Subordinate Bonds”), which were authorized by and issued pursuant to Ordinance No. 6702 adopted by the Council on October 29, 2012 (the “2012 Ordinance”); (ii) the City’s Sewage Works Refunding Revenue Bonds, Series 2014 (the “2014 Bonds”), which were authorized by and issued pursuant to Ordinance No. 6758 adopted by the Council on May 27, 2014 (the “2014 Ordinance”); (iii) the City’s Sewage Works Refunding Revenue Bonds, Series 2016 (the “2016 Bonds”), which were authorized by and issued pursuant to Ordinance No. 6836 adopted by the Council on July 25, 2016 (the “2016 Ordinance”); and (iv) the City’s Sewage Works Revenue Bonds, Series 2017 (the “2017 Bonds”), which were authorized by and issued pursuant to Ordinance No. 6859 adopted by the Council on April 24, 2017 (the “2017 Ordinance”); and

WHEREAS, the 2014 Bonds, the 2016 Bonds and the 2017 Bonds (collectively, the “Prior Bonds”) constitute a first charge on the Net Revenues (as defined herein) of the sewage works, and the 2012 Subordinate Bonds constitute a second charge on the Net Revenues of the sewage works, junior and subordinate to the Prior Bonds; and

WHEREAS, the 2014 Ordinance, the 2016 Ordinance and the 2017 Ordinance (collectively, the “Prior Ordinances”) allow for the issuance of additional bonds payable from Net Revenues of the System and ranking on parity with the Prior Bonds provided that certain financial conditions can be met; and

WHEREAS, the 2012 Ordinance (as amended by Section 26 of this Ordinance) and terms of the 2012 Subordinate Bonds authorize the issuance of additional bonds ranking senior to the 2012 Subordinate Bonds; and

WHEREAS, the Council now finds that all conditions precedent to the issuance of the Bonds on a parity with the Prior Bonds have been or will be met; and

WHEREAS, the Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of the BANs and the 2021 Bonds have been complied with in accordance with the provisions of the Act; and

WHEREAS, the City may enter into a Financial Assistance Agreement with the Indiana Finance Authority (the “Authority”) as part of its wastewater loan program, supplemental drinking water and wastewater assistance program and/or water infrastructure assistance program established and existing pursuant to IC 5-1.2-1 through 5-1.2-4, IC 5-1.2-10, IC 5-1.2-11 and/or IC 5-1.2-14 (collectively, the “IFA Program”), pertaining to the Project and the financing of the Project (the “Financial Assistance Agreement”) if any bonds are sold to the Authority as part of its IFA Program; and

WHEREAS, the City may accept other forms of financial assistance, as and if available, from the IFA Program; and

WHEREAS, Section 1.150-2 of the U.S. Treasury Regulations on Income Tax (the “Reimbursement Regulations”) specifies conditions under which a reimbursement allocation may be treated as an expenditure of bond proceeds, and the City intends by this ordinance to qualify amounts advanced by the City to the Project for reimbursement from proceeds of the BANS or the Bonds in accordance with the requirements of the Reimbursement Regulations.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF KOKOMO, INDIANA, AS FOLLOWS:

SECTION 1. Authorization of Project. (a) The City shall proceed with the completion of the Project in accordance with the Engineering Report, which is hereby adopted and approved, and by reference made a part of this Ordinance as fully as if the same were attached hereto and incorporated herein. The Project shall be constructed pursuant to and in accordance with the Act. The Project shall not be affected by the refunding of any BANS which may be issued pursuant to this Ordinance and any other interim borrowing related to the Project, and the bonds herein authorized shall be issued pursuant to and in accordance with the provisions of the Act. However, in the event the City desires to utilize proceeds of the 2021 Bonds (as hereinafter defined) for projects other than those contained in Exhibit A attached hereto, the Council shall first approve such projects and modify this Ordinance by adding them to the list in Exhibit A.

(b) The term “System,” “works”, “utility”, “sewage works” and other like terms where used in this Ordinance shall be construed to mean the existing Sewage Works system and all real estate and equipment used in connection therewith and appurtenances thereto, and all extensions, additions and improvements thereto and replacements thereof now or at any time hereafter constructed or acquired, and all other items as defined in the Act, whether from the proceeds of the BANS and bonds herein authorized or otherwise, provided that if the 2021 Bonds or BANS are purchased pursuant to the terms of the Financial Assistance Agreement, such term shall mean the Treatment Works (as defined in the Financial Assistance Agreement). The Project shall be carried out in accordance with the plans and specifications heretofore mentioned, which plans and specifications are hereby approved.

(c) The Council hereby orders the Project, and the issuance of the Bonds under the Act, in the amount necessary to pay the Costs of the Project, pursuant to and in accordance with the Act, Indiana Code 5-1-14, Indiana Code 5-1.2-1 through Indiana Code 5-1.2-4, Indiana Code 5-1.2-10, IC 5-1.2-11 and/or IC 5-1.2-14 and other applicable laws relating to the issuance of revenue bonds. The City reasonably expects to reimburse expenditures for the Project with proceeds of the Bonds and this constitutes a declaration of official intent pursuant to U.S. Treasury Regulation 1.150-2(e) and Indiana Code 5-1-14-6(c).

SECTION 2. Issuance of BANS and Bonds.

(a) The City shall issue its “City of Kokomo, Indiana Sewage Works Revenue Bonds of 2021” [with the year and any series or other references added, revised or removed as appropriate] (the “2021 Bonds”), in one or more series, in an original principal amount not to exceed Twenty-Four Million Five Hundred Thousand Dollars (\$24,500,000) as negotiable, fully registered bonds, for the purpose of procuring funds to be applied to the costs of the Project, including without limitation reimbursement of preliminary expenses related to the Project and all incidental expenses

incurred in connection therewith (all of which are deemed to be a part of the Project), and the costs of selling and issuing the 2021 Bonds. The 2021 Bonds shall rank on a parity with the Prior Bonds for all purposes upon satisfaction of the conditions set forth in the Prior Ordinances.

(b) The 2021 Bonds shall be issued in denominations of Five Thousand Dollars (\$5,000) (except for any 2021 Bonds sold to the Authority as part of the IFA Program, such denomination may be One Dollar (\$1)) or any integral multiple thereof, numbered consecutively from 1 upward, and dated as of the first day of the month in which they are sold or the date of delivery, as evidenced by the execution thereof. The 2021 Bonds may be sold at a discount not to exceed one percent (1%) of the aggregate principal amount thereof, shall bear interest at a rate or rates not exceeding five percent (5.00%) per annum (the exact rate or rates to be determined by bidding or, if applicable, negotiations), and interest shall be payable semiannually on February 1 and August 1 in each year, beginning on the February 1 or August 1 selected by the Controller of the City (the "Fiscal Officer") upon the advice of the City's municipal advisor, as evidenced by delivery of the executed initial issue of the 2021 Bonds to the Registrar for authentication. Interest on the 2021 Bonds shall be calculated according to a 360-day calendar year containing twelve 30-day months. The 2021 Bonds shall mature semiannually on February 1 and August 1 of each year thereafter over a period ending not later than twenty (20) years after the date of issuance and in such amounts which will achieve as level debt service as practicable (either based solely on the 2021 Bonds or the combined debt service of the 2021 Bonds, the Prior Bonds and the 2012 Subordinate Bonds, or for any 2021 Bond sold to the Authority as part of the IFA Program, in such amount as may meet the requirements of the IFA Program as provided by the maturities set forth in the Financial Assistance Agreement), and when considering authorized denominations and the initial principal maturity all as finally estimated, determined and fixed by the Mayor of the City (the "Executive") and the Fiscal Officer with the advice of the City's municipal advisor, as evidenced by delivery of the executed initial issue of the 2021 Bonds to the Registrar for authentication. The amount of 2021 Bonds issued shall be determined by the Executive and the Fiscal Officer, with the advice of the City's municipal advisor after fixing the amount of the funds of the Utility, if any, now on hand to be applied to the cost of the Project.

(c) All or a portion of the 2021 Bonds may be aggregated into and issued as one or more term bonds. The term bonds will be subject to mandatory sinking fund redemption with sinking fund payments and final maturities corresponding to the serial maturities described above. Sinking fund payments shall be applied to retire a portion of the term bonds as though it were a redemption of serial bonds, and, if more than one term bond of any maturity is outstanding, redemption of such maturity shall be made by lot. Sinking fund redemption payments shall be made in a principal amount equal to such serial maturities, plus accrued interest to the redemption date, but without premium or penalty. For all purposes of this Ordinance, such mandatory sinking fund redemption payments shall be deemed to be required payments of principal which mature on the date of such sinking fund payments. Appropriate changes shall be made in the definitive form of the 2021 Bonds, relative to the form of the 2021 Bonds contained in this Ordinance, to reflect any mandatory sinking fund redemption and optional redemption terms.

(d) The City has the authority to elect to issue its bond anticipation note or notes ("BANs") if necessary, in lieu of initially issuing all or a portion of 2021 Bonds to provide interim construction financing for the Project until permanent financing becomes available or to qualify for

financial assistance provided from the IFA Program. BANs may be issued to (i) the Indiana Bond Bank (the “Indiana Bond Bank”) pursuant to a Purchase Agreement (“Purchase Agreement”) or the Authority pursuant to a Financial Assistance Agreement; or (ii) a purchaser pursuant to Indiana Code 5-1-11 or as otherwise permitted by law and approved by the Executive and Fiscal Officer. If so determined by the Executive and Fiscal Officer, the City shall issue its BANs for the purpose of procuring interim financing to apply to the cost of the Project.

(e) The BAN or BANs shall be issued in an aggregate amount not exceeding Twenty-Four Million Five Hundred Thousand Dollars (\$24,500,000) and shall be designated “City of Kokomo, Indiana Sewage Works Bond Anticipation Note of 2021” [with the year and any series or other references added, revised or removed as appropriate]. Any such BAN or BANS shall have a maturity not exceeding five (5) years and shall be dated the first day of the month in which issued or sold or the date of delivery as determined by the Executive and Fiscal Officer with the advice of the City's financial adviser. Any such BAN or BANs shall pay interest semiannually on February 1 and August 1 in each year, beginning no later than either the next February 1 or August 1 following their issuance until maturity. Any such BAN or BANS may be refunded with a later series of BAN or BANS provided that such refunding BAN or BANS shall have a maturity not exceeding one (1) year and shall be dated the first day of the month in which issued or sold or the date of delivery as determined by the Executive and Fiscal Officer with the advice of the City's financial adviser. BAN interest may be paid as capitalized interest and, after provision for payment of the Prior Bonds and any 2021 Bonds, from the Net Revenues of the utility on a subordinate basis. BAN interest shall be calculated according to a 360-day calendar year containing twelve 30-day months, or based on an actual days basis using a 365-day year, as determined by the Executive and Fiscal Officer with the advice of the City's financial adviser. Any such BAN or BANs shall bear interest at a rate or rates not exceeding five percent (5.00%) per annum, or bear interest at a variable rate determined by reference to any available published index as selected by the Executive or Fiscal Officer prior to their issuance, and may be sold at a discount not to exceed one percent (1%). The BANs herein authorized are payable from the proceeds of the 2021 Bonds and other legally available funds of the utility. Any such BAN or BANs shall be subject to early redemption on or after any date selected by the Executive or Fiscal Officer prior to their issuance, upon thirty (30) days notice to the owner of such BAN, without a premium. The BANs may be issued in one or more series of BANs, or the City may receive payment on the BANs in installments, as determined by the Executive and Fiscal Officer with the advice of the City's municipal advisor prior to advertising or negotiating a sale of the BANs. The BANs shall be in a customary form as approved by the Executive and Fiscal Officer.

(f) It shall not be necessary for the City to repeat the procedures for the issuance of its 2021 Bonds; the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the 2021 Bonds and the use of the proceeds to repay the BAN or BANs. The City shall issue the 2021 Bonds described and authorized in this Ordinance to discharge its obligations under the BAN and BANs at or before the maturity date of the BAN or BANs.

The City may receive payment for the 2021 Bonds and BANs in installments. With respect to any 2021 Bonds sold to the Authority as part of the IFA Program, to the extent that (a) the total principal amount of the 2021 Bonds is not paid by the purchaser or drawn down by the City or (b) proceeds remain in the Project Fund and are not applied to the Project (or any modifications or

additions thereto approved by IDEM and the Authority) as of the date no additional amounts may be drawn under the Financial Assistance Agreement, the remaining 2021 Bond maturities shall be reduced in a manner that will effect as level debt service as practicable for such remaining maturities an in a manner consistent with how the initial maturities were fixed, provided however such shall in any case be consistent with the Financial Assistance Agreement.

Notwithstanding anything contained herein, the City may accept any other forms of financial assistance, as and if available, from the IFA Program (including without limitation (1) any forgivable loans, grants or other assistance whether available as an alternative to any 2021 Bond or BAN related provision otherwise provided for herein or as a supplement or addition thereto and (2) one or more series or combination of series of 2021 Bonds and/or BANs). If required by the IFA Program to be eligible for such financial assistance, one or more of the series of 2021 Bonds or BANs issued hereunder may be issued on a basis such that the payment of the principal of or interest on (or both) such series of 2021 Bonds is junior and subordinate to the payment of the principal of and interest on other series of 2021 Bonds issued hereunder (and/or any other revenue bonds secured by a pledge of Net Revenue, whether now outstanding or hereafter issued), but ranking on parity with the 2012 Subordinate Bonds subject to the terms of the 2012 Ordinance, all as provided by the terms of such series of 2021 Bonds as modified pursuant to this authorization. Such financial assistance, if any, shall be as provided in the Financial Assistance Agreement and the 2021 Bonds of each series of 2021 Bonds and the BANs of each series of BANs issued hereunder (including any modification made pursuant to the authorization in this paragraph to the form of the 2021 Bonds otherwise contained herein).

SECTION 3. Pledge of Net Revenues; Payment of Principal and Interest. The 2021 Bonds, and any hereafter issued bonds ranking on a parity therewith, as to principal, premium, if any, and interest, shall be payable solely from and are hereby secured by an irrevocable pledge of and shall constitute a charge upon all the net revenues (defined as gross revenues of the works after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, and after such time as no Prior Bonds remain outstanding, defined as gross revenues, inclusive of System Development Charges (as hereinafter defined), of the works after deduction only for the payment of the reasonable expenses of operation, repair and maintenance excluding transfers for payment in lieu of taxes) of the works (the "Net Revenues"), on a parity with the Prior Bonds for all purposes. For purposes of this Ordinance, "System Development Charges" shall mean the proceeds and balances from any non-recurring charges such as tap fees, subsequent connector fees, capacity or contribution fees, and other similar one-time charges that are available for deposit under this ordinance; provided, however, that any System Development Charges that are enacted under IC 36-9-23-29, shall be considered as Net Revenues of the sewage works. The City shall not be obligated to pay the 2021 Bonds, any BANs or the interest thereon, except from the Net Revenues, and the 2021 Bonds and any BANs shall not constitute an indebtedness of the City within the meaning of the provisions and limitations of the constitution of the State of Indiana.

All payments of interest on the 2021 Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof as of the fifteenth (15th) day of the month preceding the interest payment date (the "Record Date") at the addresses as they appear on the registration and transfer books of the City kept for that purpose by the Registrar (the "Registration Record") or at such other address as is provided to the Paying Agent in writing by

such registered owner. Each registered owner of \$1,000,000 or more in principal amount of the 2021 Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the Record Date for any payment. All principal payments and premium payments, if any, on the 2021 Bonds shall be made upon surrender thereof at the principal office of the Paying Agent, in any U.S. coin or currency which on the date of such payment shall be legal tender for the payment of public and private debts, or in the case of a registered owner of \$1,000,000 or more in principal amount of the 2021 Bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date or redemption date. If the 2021 Bonds or BANs are purchased by the Authority as part of the IFA Program, the principal of and interest on the 2021 Bonds or BANs shall be paid by wire transfer to such financial institution if and as directed by the Authority as of the due date of such payment or if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date. So long as the Authority is the owner of the 2021 Bonds or BANs, such 2021 Bonds or BANs shall be presented for payment as directed by the Authority.

Interest on the 2021 Bonds or BANs sold to the Authority shall be paid from the dates of payment for the 2021 Bonds or BANs. Interest on 2021 Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date thereof unless such 2021 Bonds are authenticated after the Record Date for an interest payment date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless authenticated on or before the Record Date for the first interest payment date, in which case they shall bear interest from the original date, until the principal shall be fully paid.

SECTION 4. Transfer and Exchange of Bonds and BANs. Each 2021 Bond or BAN shall be transferable or exchangeable only upon the Registration Record, by the registered owner thereof in writing, or by the registered owner's attorney duly authorized in writing, upon surrender of such 2021 Bond or BAN, together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or such attorney, and thereupon a new fully registered 2021 Bond or Bonds, or BAN or BANs, in the same aggregate principal amount, and of the same maturity, shall be executed and delivered in the names of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the City except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The City, the Registrar and the Paying Agent may treat and consider the persons in whose names such 2021 Bonds or BANs are registered as the absolute owners thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest and premium, if any, due thereon.

In the event any 2021 Bond or BAN is mutilated, lost, stolen or destroyed, the City may execute and the Registrar may authenticate a new bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed, which new bond shall be marked in a manner to distinguish it from the 2021 Bond or BAN for which it was issued, provided that, in the case of any mutilated 2021 Bond or BAN, such mutilated bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the Fiscal Officer and the Registrar, together with indemnity satisfactory to them. In the event any such 2021 Bond or BAN shall have matured, instead of issuing

a duplicate bond, the City and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The City and the Registrar may charge the owner of such 2021 Bond or BAN with their reasonable fees and expenses in this connection. Any 2021 Bond or BAN issued pursuant to this paragraph shall be deemed an original, substitute contractual obligation of the City, whether or not the lost, stolen or destroyed 2021 Bond or BAN shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other 2021 Bond or BAN issued hereunder.

SECTION 5. Registrar and Paying Agent. The Fiscal Officer is hereby authorized to serve as, or to appoint a qualified financial institution to serve as, Registrar and Paying Agent for the 2021 Bonds and any BANs (together with any successor, the “Registrar” or “Paying Agent”). The Registrar is hereby charged with the responsibility of authenticating the 2021 Bonds and any BANs, and shall keep and maintain the Registration Record at its office. The Fiscal Officer is hereby authorized to enter into such agreements or understandings with any such institution as will enable the institution to perform the services required of a Registrar and Paying Agent. The Fiscal Officer is further authorized to pay such fees and the institution may charge for the services its provides as Registrar and Paying Agent and such fees may be paid from the Sinking Fund established to pay the principal of and interest on the 2021 Bonds and any BANs as fiscal agency charges.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent by giving thirty (30) days’ written notice to the City and by first-class mail to each registered owner of the 2021 Bonds and any BANs then outstanding, and such resignation will take effect at the end of such thirty (30) days’ or upon the earlier appointment of a successor Registrar and Paying Agent by the City. Such notice to the City may be served personally or sent by first-class or registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the City, in which event the City may appoint a successor Registrar and Paying Agent. The City shall notify each registered owner of the 2021 Bonds and any BANs then outstanding of the removal of the Registrar and Paying Agent. Notices to the registered owners of the 2021 Bonds and any BANs shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the Registration Record. Any predecessor Registrar and Paying Agent shall deliver all the 2021 Bonds and any BANs, cash and investments related thereto in its possession and the Registration Record to the successor Registrar and Paying Agent.

SECTION 6. Terms of Redemption. The 2021 Bonds may be made redeemable at the option of the City (a) on thirty (30) days' notice, in whole or in part, in any order of maturities selected by the City, for any 2021 Bonds not purchased by the Authority as part of the IFA Program, and (b) on sixty (60) days’ notice in whole or in part, in inverse order of maturities for any 2021 Bonds purchased by the Authority as part of the IFA Program, and in each case, by lot within a maturity, on dates and with premiums, if any, and other terms as finally determined by the Executive and the Fiscal Officer with the advice of the City’s Municipal advisor, as evidenced by delivery of the executed initial issue of the 2021 Bonds to the Registrar for authentication; provided, however if the 2021 Bonds are sold to the IFA Program and registered in the name of the Authority, the 2021 Bonds shall not be redeemable at the option of the City unless and until consented to by the Authority. Such determination shall be made and fixed separately for each series of 2021 Bonds issued.

Notice of redemption shall be mailed by first-class mail to the address of each registered owner of a 2021 Bond to be redeemed as shown on the Registration Record not more than (a) sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption for any 2021 Bonds not purchased by the Authority as part of the IFA Program, and (b) not more than ninety (90) days and not less than sixty (60) days prior to the date fixed for redemption for any 2021 Bonds purchased by the Authority as part of the IFA Program, and in each case except to the extent such redemption notice is waived by owners of the 2021 Bonds redeemed, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any 2021 Bond shall not affect the validity of any proceedings for the redemption of any other 2021 Bonds. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers of the 2021 Bonds called for redemption. The place of redemption may be determined by the City. Interest on the 2021 Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and thereafter, such 2021 Bonds shall no longer be protected by this Ordinance and shall not be deemed to be outstanding hereunder, and the holders thereof shall have the right only to receive the redemption price.

All 2021 Bonds which have been redeemed shall be canceled and shall not be reissued; provided, however, that one or more new registered bonds shall be issued for the unredeemed portion of any 2021 Bond without charge to the holder thereof.

SECTION 7. Execution and Negotiability. The 2021 Bonds and any BANs shall be signed in the name of the City by the manual or facsimile signature of the Executive, and attested by the manual or facsimile signature of the Fiscal Officer, who also shall affix the seal of the City manually or shall have the seal imprinted or impressed thereon by facsimile or other means. In case any officer whose signature or facsimile signature appears thereon shall cease to be such officer before the delivery of the 2021 Bonds and any BANs, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery.

The 2021 Bonds and any BANs shall also be authenticated by the manual signature of the Registrar, and no 2021 Bond or BAN shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed.

The 2021 Bonds and any BANs shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Indiana, subject to the provisions for registration herein.

SECTION 8. Authorization for Book-Entry System. The 2021 Bonds and any BANs may, in compliance with all applicable laws, initially be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the City from time to time (the "Clearing Agency"), without physical distribution of bonds to the purchasers. The following provisions of this Section apply in such event.

One definitive 2021 Bond or BAN of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The City and Registrar may, in connection herewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the

holders of the 2021 Bonds and any BANs as are necessary or appropriate to accomplish or recognize such book-entry form 2021 Bonds and any BANs.

During any time that the 2021 Bonds and any BANs are held in book-entry form on the books of a Clearing Agency, (1) any such 2021 Bond or BAN may be registered upon Registration Record in the name of such Clearing Agency, or any nominee thereof, including Cede & Co.; (2) the Clearing Agency in whose name such 2021 Bond or BAN is so registered shall be, and the City and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such 2021 Bond or BAN for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest and premium, if any, on such 2021 Bond or BAN, the receiving of notice and the giving of consent; (3) neither the City nor the Registrar or Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any 2021 Bond or BAN, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any 2021 Bond or BAN or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any 2021 Bond or BAN, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not required to present any 2021 Bond or BAN called for partial redemption, if any, prior to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption.

If either the City receives notice from the Clearing Agency which is currently the registered owner of the 2021 Bonds and any BANs to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the 2021 Bonds and any BANs, or the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the 2021 Bonds and any BANs, then the City and the Registrar and Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the 2021 Bonds and any BANs, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the 2021 Bonds and any BANs and to transfer the ownership of each of the 2021 Bonds and any BANs to such person or persons, including any other Clearing Agency, as the holder of the 2021 Bonds and any BANs may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the 2021 Bonds and any BANs, shall be paid by the City.

During any time that the 2021 Bonds and any BANs are held in book-entry form on the books of a Clearing Agency, the Registrar shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owner of the 2021 Bonds and any BANs as of a record date selected by the Registrar. For purposes of determining whether the consent, advice, direction or demand of a registered owner of a 2021 Bond or BAN has been obtained, the Registrar shall be entitled to treat the beneficial owners of the 2021 Bonds and any BANs as the bondholders and any consent, request, direction, approval, objection or other instrument of such beneficial owner may be obtained in the fashion described in this Ordinance.

During any time that the 2021 Bonds and any BANs are held in book-entry form on the books of a Clearing Agency, the Executive, the Fiscal Officer and/or the Registrar are authorized to execute and deliver a Letter of Representations agreement with the Clearing Agency, or a Blanket Issuer Letter of Representations, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth therein. The Registrar, by accepting the duties of Registrar under this Ordinance, agrees that it will (i) undertake the duties of agent required thereby and that those duties to be undertaken by either the agent or the City shall be the responsibility of the Registrar, and (ii) comply with all requirements of the Clearing Agency, including without limitation same day funds settlement payment procedures. Further, during any time that the 2021 Bonds and any BANs are held in book-entry form, the provisions of Section 8 of this Ordinance shall control over conflicting provisions in any other section of this Ordinance.

SECTION 9. Form of the 2021 Bonds. The form and tenor of the 2021 Bonds shall be substantially as follows (with such additions, deletions and modification as the Executive and Fiscal Officer may authorize, as conclusively evidenced by their signatures thereon), with all blanks to be filled in properly prior to delivery thereof:

R-___

UNITED STATES OF AMERICA
 STATE OF INDIANA COUNTY OF HOWARD
 CITY OF KOKOMO, INDIANA
 SEWAGE WORKS REVENUE BOND OF 2021

[As follows if sold pursuant to a Financial Assistance Agreement

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Date</u>	Authentication <u>Date</u>
-------------------------	-------------------------	-------------------------	-------------------------------

REGISTERED OWNER: Indiana Finance Authority

PRINCIPAL SUM:

The City of Kokomo, in Howard, County, State of Indiana (the “City”), for value received, hereby promises to pay to the Registered Owner set forth above or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above on the Maturity Date 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 February 1 and August 1 in the years and in the amounts set forth on Exhibit A attached hereto (unless this bond be subject to and be called for redemption prior to maturity as hereafter provided), and to pay interest hereon until the Principal Sum shall be fully paid at the Interest Rate per annum set forth above from 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 the interest payment date (the “Record Date”) and on or before such interest payment date in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before _____ 15, 20__, in which case it shall bear interest from the Original Date, which interest is payable semiannually on February 1 and August 1 of each year, beginning on _____ 1, 20___. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of and premium, if any, on this bond are payable at the principal office of _____ (the “Registrar” or “Paying Agent”), in Indianapolis, Indiana. All payments of interest

on this bond shall be paid by check mailed one business day prior to the interest payment date to the Registered Owner as of the Record Date at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. Notwithstanding the foregoing to the contrary, if payment of this Bond is made to the Indiana Finance Authority under the terms of the Financial Assistance Agreement, all payments of principal and interest hereon shall be made by wire transfer for deposit to a financial institution as directed by the Indiana Finance Authority as of the due date or if such due date is a day when financial institutions are not open for business on the business day immediately after such due date to the registered owner hereof at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the registered owner.]

[As follows if not sold pursuant to a Financial Assistance Agreement

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Date</u>	Authentication <u>Date</u>	<u>CUSIP</u>
-------------------------	-------------------------	-------------------------	-------------------------------	--------------

REGISTERED OWNER:

PRINCIPAL SUM:

The City of Kokomo, in Howard, County, State of Indiana (the “City”), for value received, hereby promises to pay to the Registered Owner set forth above or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above on the Maturity Date set forth above (unless this bond be subject to and be called for redemption prior to maturity as hereafter provided), and to pay interest hereon until the Principal Sum shall be fully paid at the Interest Rate per annum set forth above from 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 the interest payment date (the “Record Date”) and on or before such interest payment date in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before _____ 15, 20__, in which case it shall bear interest from the Original Date, which interest is payable semiannually on February 1 and August 1 of each year, beginning on _____ 1, 20__. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of and premium, if any, on this bond are payable at the principal office of the Controller of the City of Kokomo [the principal office of the financial institution so appointed] (the “Registrar” or “Paying Agent”), in Indianapolis, Indiana. All payments of interest on this bond shall be paid by check mailed one business day prior to the interest payment date to the Registered Owner as of the Record Date at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. Each Registered Owner of \$1,000,000 or more in principal amount of bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the Record Date for any payment. All payments of principal of, and premium, if any, on this bond shall be made upon surrender thereof at the principal office of the Paying Agent, in any U.S. coin or currency which on the date of such payment shall be legal tender for the payment of public and private debts, or in the case of a Registered Owner of \$1,000,000 or more in principal amount of the 2021 Bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date or redemption date.]

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 one of an authorized issue of bonds of the City of Kokomo, of Howard County, Indiana, of like date, tenor and effect except as to denomination, numbering, rates of interest, redemption terms and dates of maturity, aggregating _____ Dollars (\$ _____), numbered consecutively from 1 upward (the “Bonds”), issued for the purpose of providing funds to be applied for construction and acquisition of certain

improvements to the sewage works (the “Project”), and to pay incidental expenses and costs of issuance of the Bonds. This bond is issued pursuant to an ordinance adopted by the Common Council of said City on the ____ day of _____, 2021, entitled “An Ordinance of the of the Common Council of the City of Kokomo, Indiana Authorizing the Acquisition, Construction and Installation of Certain Improvements for the Sewage Works System of the City of Kokomo, Indiana, the Issuance of Revenue Bonds to Provide the Cost Thereof, the Collection, Segregation and Distribution of the Revenues of such System, the Safeguarding of the Interests of the Owners of such Revenue Bonds and Other Matters Connected Therewith, Including the Issuance of Notes in Anticipation of such Bonds, and Repealing Ordinances Inconsistence Herewith” (the “Ordinance”), and in accordance with the provisions of Indiana law, including without limitation Indiana 36-9-23, and other applicable laws, as amended (the “Act”), all as more particularly described in the Ordinance. The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Ordinance and the Act.

Pursuant to the provisions of the Act and the Ordinance, the principal of and interest on this bond and all other bonds of said issue and any hereafter issued bonds ranking on a parity therewith are payable solely from the Sinking Fund (the “Sinking Fund”) maintained under the Ordinance to be provided from the Net Revenues (defined as the gross revenues of the works after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, and after such time as no Prior Bonds (as defined herein) remain outstanding, defined as gross revenues, inclusive of System Development Charges (as defined in the Ordinance), of the works after deduction only for the payment of the reasonable expenses of operation, repair and maintenance excluding transfers for payment in lieu of taxes) of the works, including all additions and improvements thereto and replacements thereof subsequently constructed or acquired on a basis that is on a parity with the Prior Bonds.

[Reference is hereby made to the Financial Assistance Agreement, as amended from time to time, between the City and the Indiana Finance Authority as to certain terms and covenants pertaining to the Project and this Bond (the “Financial Assistance Agreement”).]

The City irrevocably pledges the entire Net Revenues of the works to the prompt payment of the principal of and interest on the Bonds on a parity with the pledge thereof to the payment of the principal of and interest on the City of Kokomo, Indiana Sewage Works Revenue Refunding Bonds of 2014 (the “2014 Bonds”), the City of Kokomo, Indiana Sewage Works Revenue Refunding Bonds of 2016 (the “2016 Bonds”) and the City of Kokomo, Indiana Sewage Works Revenue Bonds, Series 2017 (the “2017 Bonds”) (the 2014 Bonds, the 2016 Bonds, and the 2017 Bonds, collectively, the “Prior Bonds”) and any hereafter issued bonds ranking on a parity therewith, and senior in all respects to the pledge thereof to the City of Kokomo, Indiana Subordinate Sewage Works Revenue Refunding Bonds of 2012, to the extent necessary for such purposes, and covenants that it will establish proper rates and charges for services rendered by the utility as are sufficient in each year for the payment of the proper [Operation and Maintenance (as defined in the Financial Assistance Agreement) of the Utility] [and reasonable expenses of operation, repair and maintenance of the 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 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.

The City covenants that for so long as the Bonds and any hereafter issued bonds ranking on a parity therewith remain outstanding it will set aside and pay into the Sinking Fund a sufficient amount of the Net Revenues for the payment of (a) the principal of and interest on all bonds which by their terms are payable from the Net Revenues, as such principal and interest shall fall due, (b) the necessary fiscal agency charges for paying bonds and (c) an additional amount as a margin of safety to accumulate and maintain the reserve required by the Ordinance. Such required payments of the Bonds and any hereafter issued bonds ranking on a parity therewith, shall constitute a first charge upon all the Net Revenues. Reference is made to the Ordinance for a more complete statement of the revenues from which and conditions under which this bond is payable, a statement of the conditions on which obligations may hereafter be issued on parity with this bond, the manner in which the Ordinance may be amended and the general covenants and provisions pursuant to which this bond has been issued.

The bonds of this issue maturing on and after _____ 1, 20__ are redeemable at the option of the City on _____, 20__ or any date thereafter, on [sixty (60)] [thirty (30)] days' notice, in whole or in part, [in inverse order of

maturities] [in any order of maturities selected by the City] and by lot within a maturity, at 100% of face value, together with the following premiums:

____% if redeemed on _____ 1, 20____, or thereafter
on or before _____ 31, 20__;
____% if redeemed on _____ 1, 20____, or thereafter
on or before _____ 31, 20__;
____% 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 registered in the name of the Authority, the Bonds shall not be redeemable at the option of the City unless and until consented to by the Authority]. Each minimum authorized denomination in principal amount shall be considered a separate bond for purposes of partial redemption.

[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 _____ 1 in the years and in the amounts set forth below:

<u>Year</u>	<u>Amount</u>
*	

* Final Maturity]

Notice of such redemption shall be mailed by first-class mail not more than [ninety (90)] [sixty (60)] days and not less than [sixty (60)] [thirty (30)] days prior to the date fixed for redemption to the address of the registered owner of each bond to be redeemed as shown on the registration record of the City except to the extent such redemption notice is waived by owners of the bond or bonds redeemed, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any bond shall not affect the validity of any proceedings for the redemption of any other bonds. The notice shall specify the date and place of redemption, the redemption price [and the CUSIP numbers] of the bonds called for redemption. The place of redemption may be determined by the City. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and thereafter, such bonds shall no longer be protected by the Ordinance and shall not be deemed to be outstanding thereunder.

This bond is subject to defeasance prior to payment or redemption as provided in the Ordinance.

If this bond shall not be presented for payment or redemption on the date fixed therefor, the City may deposit in trust with the Paying Agent or another paying agent, an amount sufficient to pay such bond or the redemption price, as the case may be, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the registration record kept for that purpose at the office of the Registrar by the Registered Owner in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the Registered Owner or such attorney, and thereupon a new fully registered bond or bonds in the same aggregate principal amount, and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the Registered Owner, as the case may be, in exchange therefor. This bond may be transferred or exchanged without cost to the Registered Owner except for any tax or governmental charge required to be paid with respect to the transfer or exchange. 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 and premium, if any, due hereon.

The bonds maturing on any maturity date are issuable only in the denomination of [\$1.00] [\$5,000] or any integral multiple thereof.

[A Continuing Disclosure Contract from the City to each registered owner or holder of any bond, dated as of the date of initial issuance of the Bonds (the "Contract"), has been executed by the City, a copy of which is available from the City and the terms of which are incorporated herein by this reference. The Contract contains certain promises of the City to each registered owner or holder of any bond, including a promise to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond assents to the Contract and to the exchange of such payment and acceptance for such promises.]

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

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

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

CITY OF KOKOMO, INDIANA

By: _____
Mayor

(SEAL)

ATTEST:

Controller

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

It is hereby certified that this bond is one of the bonds described in the within-mentioned Ordinance duly authenticated by the Registrar.

as Registrar

By: _____
Authorized Representative

The following abbreviations, when used in the inscription of the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN. COM. as tenants in common

TEN. ENT. as tenants by the entireties

JT. TEN. as joint tenants with right of survivorship and not as tenants in common

UNIF. TRAN.
 MIN. ACT _____ Custodian _____
 (Cust.) (Minor)

under Uniform Transfer to Minors Act of

(State)

Additional abbreviations may also be used although not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto (Please Print or Typewrite Name and Address and Social Security or Other Identifying Number) \$_____ principal amount (must be a multiple of [\$1.00][\$5,000]) of the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

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.

Signature Guaranteed:

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

[As follows if sold pursuant to a Financial Assistance Agreement

EXHIBIT A

<u>Date*</u>	<u>Amount</u>	<u>Date*</u>	<u>Amount</u>
--------------	---------------	--------------	---------------

* Pursuant to the Financial Assistance Agreement, the final maturity of this Bond may occur prior to those set forth above in order that the final maturity of this Bond not exceed 20 years from Substantial Completion of Construction (as defined in the Financial Assistance Agreement).]

[End of form of bonds]

SECTION 10. Sale of Bonds.

(a) The 2021 Bonds shall be sold in a competitive sale or by negotiation with a purchaser(s) selected by the Executive and Fiscal Officer on the advice of the City’s municipal advisor, to the Authority as part of its IFA Program, or to the Indiana Bond Bank pursuant to I.C. 5-1.5, as determined by the Executive and Fiscal Officer. If sold in a competitive sale, the Fiscal Officer shall cause to be published either (i) a notice of sale once each week for two consecutive

weeks in accordance with I.C. §5-3-1-2, in which case the date fixed for the sale shall not be earlier than fifteen (15) days after the first of such publications and not earlier than three (3) days after the second of such publications, or (ii) a notice of intent to sell bonds once each week for two weeks in accordance with I.C. §5-1-11-2 and I.C. §5-3-1-4 and in a newspaper of general circulation published in the State capital, in which case bids may not be received more than ninety (90) days after the first of such publications. Said sale notice shall state the time and place of sale, the purpose for which the 2021 Bonds are being issued, the total amount thereof, the amount and date of each maturity, the maximum rate or rates of interest thereon, their denominations, the time and place of payment, the terms and conditions upon which bids will be received and the sale made and such other information as is required by law or as the Fiscal Officer shall deem necessary.

If sold by a competitive sale, bids for the 2021 Bonds shall be sealed and shall be presented to the Fiscal Officer in accord with the terms set forth in the sale notice. Bidders for the 2021 Bonds shall be required to name the rate or rates of interest which the 2021 Bonds are to bear, which shall be the same for all 2021 Bonds maturing on the same date and the interest rate bid on any maturity of the 2021 Bonds must be no less than the interest rate bid on any and all prior maturities, not exceeding five percent (5.00%) per annum, and such interest rate or rates shall be in multiples of one hundredth of one percent. The Fiscal Officer shall award the 2021 Bonds to the bidder who offers the lowest interest cost, to be determined by computing the total interest on all the 2021 Bonds to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of the discount, if any. No bid for less than ninety-nine percent (99.0%) of the par value of the 2021 Bonds, plus accrued interest, shall be considered. The Fiscal Officer may require that all bids be accompanied by certified or cashier's checks payable to the order of the City, or a surety bond, in an amount not to exceed one percent of the aggregate principal amount of the 2021 Bonds as a guaranty of the performance of said bid, should it be accepted. In the event no satisfactory bids are received on the day named in the sale notice, the sale may be continued from day to day thereafter for a period of thirty (30) days without readvertisement; provided, however, that if said sale is continued, no bid shall be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for sale in the bond sale notice. The Fiscal Officer shall have full right to reject any and all bids.

If the 2021 Bonds are sold by negotiated sale, the Executive is authorized to negotiate and execute a bond purchase agreement with one or more selected purchaser(s) on terms recommended by the City's municipal advisor, consistent with the parameters set forth in this Ordinance.

After the 2021 Bonds have been properly sold and executed, the Fiscal Officer shall receive from the purchasers payment for the 2021 Bonds and shall provide for delivery of the 2021 Bonds to the purchasers.

(b) The 2021 Bonds, when fully paid for and delivered to the purchaser shall be the binding special revenue obligations of the City, payable out of the Net Revenues. The proper officers of the City are hereby directed to sell the 2021 Bonds to the purchaser, to draw all proper and necessary warrants, and to do whatever acts and things which may be necessary to carry out the provisions of this Ordinance.

(c) If necessary, the Executive and the Fiscal Officer each are hereby authorized to deem final an official statement with respect to the 2021 Bonds, as of its date, in accordance with the

provisions of Rule 15c2-12 of the U.S. Securities and Exchange Commission, as amended (the “SEC Rule”), subject to completion as permitted by the SEC Rule, and the City further authorizes the distribution of the deemed final official statement, and the execution, delivery and distribution of such document as further modified and amended with the approval of the Executive or the Fiscal Officer in the form of a final official statement.

In order to assist any underwriter of the 2021 Bonds in complying with paragraph (b)(5) of the SEC Rule by undertaking to make available appropriate disclosure about the City and the 2021 Bonds to participants in the municipal securities market, the City hereby covenants, agrees and undertakes, in accordance with the SEC Rule, unless excluded from the applicability of the SEC Rule or otherwise exempted from the provisions of paragraph (b)(5) of the SEC Rule, that it will comply with and carry out all of the provisions of the continuing disclosure contract. “Continuing disclosure contract” shall mean that certain continuing disclosure contract executed by the City and dated the date of issuance of the 2021 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The execution and delivery by the City of the continuing disclosure contract, and the performance by the City of its obligations thereunder by or through any employee or agent of the City, are hereby approved, and the City shall comply with and carry out the terms thereof.

(d) The Fiscal Officer is hereby authorized and directed to obtain a legal opinion as to the validity of the 2021 Bonds from Barnes & Thornburg LLP, and to furnish such opinion to the purchasers of the 2021 Bonds or to cause a copy of said legal opinion to be printed on each 2021 Bond. The cost of such opinion shall be paid out of the proceeds of the 2021 Bonds.

(e) In connection with the sale of the 2021 Bonds, the Executive and the Fiscal Officer each are authorized to take such actions and to execute and deliver such agreements and instruments as they deem advisable to obtain a rating and/or to obtain bond insurance for the 2021 Bonds, and the taking of such actions and the execution and delivery of such agreements and instruments are hereby approved.

(f) In connection with the sale of the BANs, the Executive and the Fiscal Officer each are authorized to take all or a part of the same authorized actions, and to execute and deliver the agreements and instruments, as they deem advisable with respect to the BANs to the same extent as if the foregoing provisions of this Section applicable to the 2021 Bonds were applied to the sale of the BANs, provided they shall not be required to take each and every such act as would relate to the 2021 Bonds unless by law it is required with respect to the BANs.

(g) Notwithstanding anything in this Ordinance and in lieu of a public sale of the 2021 Bonds pursuant to this Section, the 2021 Bonds may, in the discretion of the Fiscal Officer, based upon the advice of the City's municipal advisor, be sold to the Indiana Bond Bank or to the Authority as part of the IFA Program. In the event of such determination of sale to the Indiana Bond Bank, the 2021 Bonds shall be sold to the Indiana Bond Bank in such denomination or denominations as the Indiana Bond Bank may request, and pursuant to a qualified entity purchase agreement (the “Purchase Agreement”) between the City and the Indiana Bond Bank, hereby authorized to be entered into and executed by the Executive on behalf of the City, and attested by the Fiscal Officer, subsequent to the date of the adoption of this Ordinance. Such Purchase Agreement may set forth the definitive terms and conditions for such sale, but all of such terms and conditions must be consistent

with the terms and conditions of this Ordinance, including without limitation, the interest rate or rates on the 2021 Bonds which shall not exceed the maximum rate of interest for the 2021 Bonds authorized pursuant to this Ordinance. Bonds sold to the Indiana Bond Bank shall be accompanied by all documentation required by the Indiana Bond Bank pursuant to the provisions of Indiana Code 5-1.5 and the Purchase Agreement, including, without limitation, an approving opinion of nationally recognized bond counsel, certification and guarantee of signatures and certification as to no litigation pending, as of the date of delivery of the 2021 Bonds to the Indiana Bond Bank, challenging the validity or issuance of the 2021 Bonds. In the event the Fiscal Officer determines to sell the 2021 Bonds to the Indiana Bond Bank, the submission of an application to the Indiana Bond Bank, the entry by the City into the Purchase Agreement, and the execution and delivery of the Purchase Agreement on behalf of the City by the Executive in accordance with this Ordinance are hereby authorized, approved and ratified.

In the event of such determination of sale to the Authority as part of the IFA Program, The Executive and Fiscal Officer with the advice of the City's municipal advisor are hereby authorized to (i) submit an application to the IFA Program, (ii) negotiate the terms of and execute and deliver a Financial Assistance Agreement between the City and the Authority pursuant to Indiana Code 5-1.2-1 through Indiana Code 5-1.2-4, Indiana Code 5-1.2-10, IC 5-1.2-11 and/or IC 5-1.2-14 (in a form substantially similar to that attached hereto as Exhibit B, but with such changes in form or substances as such officials may approve, as conclusively evidenced by their signature thereof) (including any amendment thereof), and (iii) sell one or more series of the 2021 Bonds upon such terms as are acceptable to the Executive and the Fiscal Officer consistent with the terms of this Ordinance. The Financial Assistance Agreement (including any amendment thereof) for one or more series of the 2021 Bonds and the Project shall be executed by the Executive and Fiscal Officer and the Authority. The Executive and the Fiscal Officer are hereby authorized to execute and deliver an amended and restated Financial Assistance Agreement or a subsequent Financial Assistance Agreement if an earlier series of 2021 Bonds has been purchased by the Authority and may approve any changes in form or substance to Financial Assistance Agreement as they determined to be necessary or desirable in connection therewith, and such approval shall be conclusively evidenced by its execution.

SECTION 11. Use of Proceeds. Any accrued interest received at the time of delivery of the 2021 Bonds or BANs (and, if deemed by the Executive or the Fiscal Officer to be in excess of Project and Refunding needs, any premium), shall be deposited in the Sinking Fund (as hereafter defined) and applied to payments on the 2021 Bonds and any BANs on the first interest payment date. The remaining proceeds from the sale of the 2021 Bonds and any BANs shall be deposited in a fund of the utility hereby created and designated as "City of Kokomo, Indiana 2021 Sewage Works Bond Project Fund" (the "Project Fund") or applied to the payment of costs of the Project as contemplated by the Financial Assistance Agreement. The proceeds deposited in the Project Fund, together with all investment earnings thereon, shall be expended only for the purpose of paying the costs of the Project, refunding the BANs if issued and the costs of selling and issuing the 2021 Bonds and any BANs, including the premium for any bond insurance obtained for the 2021 Bonds.

The City hereby declares that it reasonably expects to reimburse the City's advances to the Project from proceeds of any BANs or the 2021 Bonds, as anticipated by this Ordinance, and such declaration shall be deemed one within the meaning of the Reimbursement Regulations.

Any balance remaining in the Project Fund after the completion of the Project which is not required to meet unpaid obligations incurred in connection therewith and on account of the sale and issuance of the 2021 Bonds shall be paid (a) paid into the Sinking Fund (to be part of the hereinafter referenced Bond and Interest Account) or (b) used for the same purpose or type of project for which the 2021 Bonds were originally issued, all in accordance with I.C. 5-1-13, as amended or as otherwise permitted by law.

SECTION 12. Revenue Fund. There is hereby continued a fund of the utility designated as the Revenue Fund (the “Revenue Fund”), into which there shall be deposited upon receipt all revenues (including any System Development Charges that are not considered Net Revenues) of the works for application as set forth below. Nothing in this Ordinance shall require the City to keep such revenues in such a fund so long as the City is able to account for all such revenue and have it available for the funds of the Funds and Accounts of the works as set forth below on a regular, consistently applied monthly cycle. The orderly allocation of revenues of the works may be processed on a combined billing basis with other utilities of the City, provided that the cycle is complete by the end of the month next following the receipt of any payment made in respect of the works. Other than as provided by Section 15 herein, no moneys derived from the revenues of the sewage works shall be transferred to the general fund of the City or be used for any purpose not connected with the sewage works.

SECTION 13. Operation and Maintenance Fund. There is hereby continued an operating fund of the utility designated as the Operation and Maintenance Fund (the “Operation and Maintenance Fund”). There shall be transferred from the Revenue Fund and credited to the Operation and Maintenance Fund, on the last day of each calendar month, a sufficient amount to meet the expenses of operation, repair and maintenance for the then next succeeding two (2) calendar months; provided however, that the amount credited to the Operation and Maintenance Fund may only exceed the estimated expenses of the operation, repair and maintenance for the then next succeeding two calendar months after meeting the requirements of the Sinking Fund. The moneys credited to this Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the works on a day-to-day basis, but none of the moneys in the Operation and Maintenance Fund shall be used for depreciation, replacements, improvements, extensions or additions and after such time as no Prior Bonds remain outstanding, none of the moneys in the Operation and Maintenance Fund shall be used for transfers for payment in lieu of property taxes. Any balance in Operation and Maintenance Fund in excess of the expected expenses of operation, repair and maintenance for the next succeeding month may be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the outstanding bonds of the works.

SECTION 14. Sinking Fund. There is hereby continued a sinking fund for the payment of the principal of and interest on revenue bonds which by their terms are payable from the Net Revenues of the sewage works, including the 2021 Bonds, and the payment of any fiscal agency charges in connection with the payment of bonds and interest, which fund has been designated the Sewage Works Sinking Fund (the “Sinking Fund”), consisting of the Bond and Interest Account and the Reserve Account. There shall be set aside and deposited in the Sinking Fund, as available, and as provided below, a sufficient amount of the Net Revenues of the sewage works to meet the requirements of the Bond and Interest Account and the Reserve Account hereby continued in the

Sinking Fund. Such payments shall continue until the balances in the Bond and Interest Account and the Reserve Account equal the principal of and interest on all of the then outstanding bonds of the sewage works to their final maturity.

(a) Bond and Interest Account. There is hereby continued, within said Sinking Fund, the Bond and Interest Account. There shall be credited on the last day of each calendar month, from the Revenue Fund to the Bond and Interest Account, an amount of the Net Revenues equal to (i) at least one-sixth (1/6) of the interest on all then outstanding bonds payable from Net Revenues on the then next succeeding interest payment date and (ii) at least one-sixth (1/6) of the principal of all then outstanding bonds payable from Net Revenues on the then next succeeding principal payment date, until the amount of interest and principal payable on the then next succeeding interest and principal payment date shall have been so credited. There shall similarly be credited to the account any amount necessary to pay the bank fiscal agency charges for paying principal of and interest on outstanding bonds as the same become payable. The City shall, from the sums deposited in the Sinking Fund and credited to the Bond and Interest Account, remit promptly to the registered owner or to the bank fiscal agency sufficient moneys to pay the interest and principal on the due dates thereof together with the amount of bank fiscal agency charges.

(b) Reserve Account. There is hereby continued, within the Sinking Fund, the Reserve Account (the "Reserve Account"). Within the Reserve Account thereby is hereby created and established two separate reserve subaccounts designated as the "2021/Additional Bonds Reserve Subaccount" and the "Prior Bonds Reserve Subaccount". The Reserve Account does not secure the 2012 Subordinate Bonds and no moneys in the Reserve Account shall be applied to the payment of the 2012 Subordinate Bonds.

(1) 2021/Additional Bonds Reserve Subaccount. (A) On the last day of each calendar month following the issuance of the 2021 Bonds, after making any required transfer to the Bond and Interest Account, the City shall transfer Net Revenues from the Revenue Fund and credit to the 2021/Additional Bonds Reserve Subaccount, an amount to constitute an appropriate reserve to facilitate the marketing of the 2021 Bonds, which monthly deposits shall be in an amount sufficient to build the balance in the 2021/Additional Bonds Reserve Subaccount (after consideration of any transfers made pursuant to the next following sentence) to an amount equal to such required reserve within no more than five (5) years on a level monthly basis (after accounting for earnings thereon), which reserve amount shall not exceed the hereinafter 2021/Additional Bonds Reserve Subaccount Requirement. The Fiscal Officer, with the advice of the City's municipal advisor, may transfer an amount of the funds of the utility now on hand, or apply proceeds of the 2021 Bonds, in full or partial satisfaction of the 2021/Additional Bonds Reserve Subaccount Requirement. After the issuance of the 2021 Bonds, the City shall maintain the balance in the 2021/Additional Bonds Reserve Subaccount in an amount equal to the 2021/Additional Bonds Reserve Subaccount Requirement, subject to the provisions of this Ordinance or any ordinance authorizing and any hereafter issued bonds ranking on a parity therewith, which allows the 2021/Additional Bonds Reserve Subaccount Requirement to be accumulated over time. For these purposes, "2021/Additional Bonds Reserve Subaccount Requirement" means the least of (i) ten percent (10%) of the proceeds of the 2021 Bonds and any bonds ranking on a parity therewith (including the outstanding Prior Bonds), (ii) the maximum annual debt service on the 2021 Bonds and any such parity bonds (including the outstanding Prior Bonds), or (iii) 125% of the average annual debt

service on the 2021 Bonds and any additional parity bonds issued by the City in the future; *provided, however*, if the 2021 Bonds are sold to the Authority as part of its IFA Program, the 2021/Additional Bonds Reserve Subaccount Requirement shall mean the maximum annual debt service on the 2021 Bonds and any additional parity bonds issued by the City in the future.

(B) The 2021/Additional Bonds Reserve Subaccount shall constitute the margin for safety and protection against default in the payment of principal of and interest on solely the 2021 Bonds and any additional parity bonds issued by the City in the future, and the moneys in the 2021/Additional Bonds Reserve Subaccount shall be used solely to pay current principal and interest on the 2021 Bonds and any additional parity bonds issued by the City in the future to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. All money designated as part of the 2021/Additional Bonds Reserve Subaccount shall be used and reallocated to the Bond and Interest Account, in the event of and to the extent of any deficiency in the Bond and Interest Account with respect solely to the payments then due on the 2021 Bonds and any additional parity bonds issued by the City in the future, or to make the final payments on such bonds when the balance in the 2021/Additional Bonds Reserve Subaccount, together with other funds available for such purpose, is sufficient to make all remaining payments thereon to final maturity.

(C) Any moneys in the 2021/Additional Bonds Reserve Subaccount in excess of the 2021/Additional Bonds Reserve Subaccount Requirement shall be withdrawn from time to time, and at least as frequently as annually, and transferred to the Improvement Fund or the Bond and Interest Account, as determined by the Fiscal Officer. Any deficiency in the balance required to the 2021/Additional Bonds Reserve Subaccount shall be promptly made up from the next available Net Revenues, pro rata with any required deposits to the Prior Bonds Reserve Subaccount to cure any deficiency therein, after credits to the Bond and Interest Account.

(D) Notwithstanding the foregoing, the Fiscal Officer, with the advice of the City's municipal advisor and bond counsel, may enable the City to satisfy all or any part of its obligation to maintain the 2021/Additional Bonds Reserve Subaccount equal to the 2021/Additional Bonds Reserve Subaccount Requirement by depositing a Reserve Fund Credit Facility into the 2021/Additional Bonds Reserve Subaccount. A "*Reserve Fund Credit Facility*" is hereby defined as a letter of credit, liquidity facility, insurance policy or comparable instrument furnished by a bank, insurance company, financial institution or other entity pursuant to a reimbursement agreement or similar instrument between such entity and the City, for the purpose of satisfying in whole or in part the City's obligation to maintain the 2021/Additional Bonds Reserve Subaccount Requirement, provided that the Reserve Fund Credit Facility must be issued by a provider (a) that is rated in one of the two highest rating categories by Standard & Poor's Rating Services ("S&P") and Moody's Investors Service at the time of the issuance of such Reserve Fund Credit Facility, and (b) if the 2021 Bonds or BANs are purchased by the Authority as part of the IFA Program, such provider shall be acceptable to the Authority.

(E) In the event the 2021/Additional Bonds Reserve Subaccount Account applicable to any series of 2021 Bonds or any additional bonds issued by the City in the future ranking on a parity therewith is met by a Reserve Fund Credit Facility and such facility is not available to pay the principal of and interest on all such outstanding bonds payable from Net Revenues, then (i) the bonds so secured by such a Reserve Fund Credit Facility shall only be secured

by (and payable from) such allocable portion of the 2021/Additional Bonds Reserve Subaccount attributable to such bonds as if such Reserve Fund Credit Facility were held in a separate account from the portion of the 2021/Additional Bonds Reserve Subaccount applicable to the remainder of the bonds, (ii) any required deposits (including as a result of any deficiency in the balance required to be held) in 2021/Additional Bonds Reserve Subaccount shall be allocated to such separate reserves on a pro rata, parity basis to meet such allocable portion of the 2021/Additional Bonds Reserve Subaccount attributable to such bonds, and (iii) any cash allocated to a separate reserve shall be applied to pay the principal of and interest on the outstanding bonds secured by it before a draw is made to make such a payment from a Reserve Fund Credit Facility that is also held in the same reserve.

(2) Prior Bonds Reserve Subaccount. (A) The Prior Bonds Reserve Subaccount contains a Municipal Bond Debt Service Reserve Insurance Policy, dated July 26, 2017 (the “2017 Reserve Fund Credit Facility”), issued by Build America Mutual Assurance Company, which was rated, on the date of issuance of the 2017 Reserve Fund Credit Facility, in one of the two highest rating categories by S&P. The 2017 Reserve Fund Credit Facility provides separate coverage solely for the Prior Bonds. On the last day of each calendar month following the issuance of the 2021 Bonds, after making any required transfer to the Bond and Interest Account, the City shall transfer Net Revenues from the Revenue Fund and credit to the Prior Bonds Reserve Subaccount, an amount to constitute an appropriate reserve to facilitate the marketing of the 2021 Bonds, which monthly deposits shall be in an amount sufficient to build the balance in the Prior Bonds Reserve Subaccount (after consideration of any transfers made pursuant to the next following sentence) to an amount equal to such required reserve within no more than five (5) years on a level monthly basis (after accounting for earnings thereon), which reserve amount shall not exceed the hereinafter Prior Bonds Reserve Subaccount Requirement. After the issuance of the 2021 Bonds, the City shall maintain the balance in the Prior Bonds Reserve Subaccount in an amount equal to the Prior Bonds Reserve Subaccount Requirement, subject to the provisions of this Ordinance or any ordinance authorizing and any hereafter issued bonds ranking on a parity therewith, which allows the Prior Bonds Reserve Subaccount Requirement to be accumulated over time. For these purposes, “*Prior Bonds Reserve Subaccount Requirement*” means the least of (i) ten percent (10%) of the proceeds of the Prior Bonds, (ii) the maximum annual debt service on the Prior Bonds, or (iii) 125% of the average annual debt service on the Prior Bonds; *provided, however*, if the 2021 Bonds are sold to the Authority as part of its IFA Program, the Prior Bonds Reserve Subaccount Requirement shall mean the maximum annual debt service on the Prior Bonds. Any cash in the Prior Bonds Reserve Subaccount shall be applied to pay the principal of and interest on the outstanding Prior Bonds before a draw is made to make such a payment from the 2017 Reserve Fund Credit Facility that is also held in the same subaccount.

(B) The Prior Bonds Reserve Subaccount shall constitute the margin for safety and protection against default in the payment of principal of and interest solely on the Prior Bonds, and the moneys in the Prior Bonds Reserve Subaccount shall be used solely to pay current principal and interest on the Prior Bonds to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. All money designated as part of the Prior Bonds Reserve Subaccount shall be used and reallocated to the Bond and Interest Account, in the event of and to the extent of any deficiency in the Bond and Interest Account with respect solely to the payments then due on Prior Bonds, or to make the final payments on such bonds when the balance in the Prior

Bonds Reserve Subaccount, together with other funds available for such purpose, is sufficient to make all remaining payments thereon to final maturity.

(C) Any moneys in the Prior Bonds Reserve Subaccount in excess of the Prior Bonds Reserve Subaccount Requirement shall be withdrawn from time to time, and at least as frequently as annually, and transferred to the Improvement Fund or the Bond and Interest Account, as determined by the Fiscal Officer. Any deficiency in the balance required to the Prior Bonds Reserve Subaccount shall be promptly made up from the next available Net Revenues, pro rata with any required deposits to the 2021/Additional Bonds Reserve Subaccount to cure any deficiency therein, after credits to the Bond and Interest Account.

(3) Authorized Transfers. If the 2021 Bonds or BANs are purchased by the Authority as part of the IFA Program and to the extent required by the IFA Program, the Sinking Fund and the Project Fund, including any accounts or subaccounts thereof, may be held by a financial institution acceptable to the IFA Program pursuant to terms acceptable to the IFA Program. If the Sinking Fund and the accounts and subaccounts therein are so held in trust, the City shall transfer the monthly required amounts of Net Revenues to the Sinking Fund in accordance with this Section 14 and the financial institution holding such funds in trust shall be instructed to pay the required payments in accordance with the payment schedules for the City's outstanding 2021 Bonds. The Council hereby authorizes the Executive and the Fiscal Officer to execute and deliver an agreement with a financial institution to reflect this trust arrangement for the Sinking Fund and Project Fund. The financial institution selected to serve in this role may also serve as Registrar and Paying Agent for the 2021 Bonds or the Prior Bonds of the City.

SECTION 15. Improvement Fund. After meeting the requirements of the Operation and Maintenance Fund and the Sinking Fund, any excess revenues may be transferred from the Revenue Fund and credited to the special utility fund, to be expended in making good depreciation in the works and new construction, hereby continued and designated as the "Improvement Fund" (the "Improvement Fund"). Said Fund shall be used for (a) replacements, improvements, extensions and additions to the works and (b) any other lawful purpose (including without limitation and subject to applicable law, payments in lieu of property taxes to the City) provided that if any of the 2021 Bonds are owned by the Authority as part of the IFA Program, unless otherwise approved by the prior written consent of the Authority, such uses and transfers pursuant to clause (b) (including payments in lieu of taxes and any transfers to the General Fund of the City) shall be made only (i) no more frequently than semiannually on February 2 and August 2, and (ii) if all monthly deposits required by this Ordinance are current and held as of such dates in the Operation and Maintenance Fund and the Sinking Fund. Moneys in the Improvement Fund shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal of and interest on the then outstanding bonds of the works, or may be transferred to the Operation and Maintenance Fund to meet unforeseen contingencies in the operation, repair and maintenance of the works.

SECTION 16. Investment of Funds. The funds and accounts described herein shall be accounted for separate and apart from each other and from all other funds and accounts of the City. All moneys deposited in the funds and accounts shall be deposited, held and secured as public funds in accordance with the public depository laws of the State of Indiana; provided that moneys therein may be invested in obligations in accordance with the applicable laws, including particularly Indiana

Code, Title 5, Article 13, as amended or supplemented, IC 5-1.2-1 through IC 5-1.2-4, IC 5-1.2-10, IC 5-1.2-11 and/or IC 5-1.2-14 and in the event of such investment the income therefrom shall become a part of the funds invested and shall be used only as provided in this Ordinance.

The Fiscal Officer is hereby authorized pursuant to Indiana Code 5-1-14-3 to invest moneys pursuant to the provisions of this Ordinance (subject to applicable requirements of federal law to ensure such yield is then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the 2021 Bonds under federal law.

The Fiscal Officer shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts created or referenced herein. In order to comply with the provisions of this Ordinance, the Fiscal Officer is hereby authorized and directed to employ consultants or attorneys from time to time to advise the City as to requirements of federal law to preserve the tax exclusion. The Fiscal Officer may pay any fees as operation expenses of the utility.

SECTION 17. Financial Records and Accounts. The City shall keep proper records and books of account, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues received on account of the operation of the utility and all disbursements made therefrom and all transactions relating to the utility. The City shall maintain on file the audited financial statements of the utility prepared by the State Board of Accounts. There shall be furnished, upon written request, to any owner of the 2021 Bonds and any BANs, the most recent copy of the audited financial statements of the utility prepared by the State Board of Accounts. Copies of all such statements and reports shall be kept on file in the office of the Fiscal Officer.

If the 2021 Bonds are sold to the Authority as part of the IFA Program, the City shall establish and maintain the books and other financial records of the Project (including the establishment of a separate account or subaccount for the Project) and the Utility in accordance with (i) generally accepted governmental accounting standards for utilities on an accrual basis as promulgated by the Governmental Accounting Standards Board, and (ii) the rules, regulations and guidance of the State Board of Accounts.

SECTION 18. Rate Covenant. (a) The City covenants and agrees that, by ordinance of the Council, it will establish and maintain just and equitable rates and charges for the use of and the service rendered by the works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses said works by or through any part of the utility, or that in any way uses or is served by such works; that such rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the works, and for the payment of the sums required to be paid into the Sinking Fund by the Act and this Ordinance. Such rates or charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of operation, repair and maintenance of the works and the requirements of the Sinking Fund. The rates or charges so established shall apply to any and all use of such works by and service rendered to the City and all departments thereof, and shall be paid by the City or the various departments thereof as the charges accrue.

(b) This subsection (b) shall apply in lieu of the provision of subsection (a) above with respect to the 2021 Bonds owned by the Authority as part of the IFA Program. The City covenants and agrees that by ordinance of the Council, it will establish and maintain just and equitable rates and charges, provided that System Development Charges shall be excluded, to the extent permitted by law, when determining if such rates and charges are sufficient so long as the 2021 Bonds are outstanding and owned by the Authority as part of its IFA Program, for the use of and the service rendered by the works to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses said works by or through any part of the utility or that in any way uses or is served by such works, that such rates or charges shall be sufficient in each year to provide for the proper Operation and Maintenance (as defined in the Financial Assistance Agreement) of the Utility and for the payment of the sums required to be paid into the Sinking Fund by the Act and this Ordinance. Such rates or charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of operation, repair and maintenance of the works and the requirements of the Sinking Fund. The rates or charges so established shall apply to any and all use of such works by and service rendered to the City and all departments thereof and shall be paid by the City or the various departments thereof as the charges accrue.

SECTION 19. Defeasance. If, when the 2021 Bonds and any BANs or a portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the 2021 Bonds and any BANs or a portion thereof for redemption shall have been given, and the whole amount of the principal, premium, if any, and the interest so due and payable upon such 2021 Bonds and any BANs or any portion thereof then outstanding shall be paid, or (i) sufficient moneys or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the 2021 Bonds and any BANs issued hereunder or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the works.

SECTION 20. Additional Obligations. The City reserves the right to authorize and issue additional BANs at any time ranking on a parity with the BANs. The City reserves the right to authorize and issue additional bonds payable out of the Net Revenues ranking on a parity with the 2021 Bonds for the purpose of financing the cost of future additions, extensions and improvements to the works, or to provide for a complete or partial refunding of obligations, subject to the following conditions precedent:

(a) The interest on and principal of all bonds payable from the Net Revenues shall have been paid to date in accordance with the terms thereof, provided, this condition shall be satisfied if any required amount is to be provided from the proceeds of such additional bonds or other funds.

(b) The balance in the Reserve Account and any subaccount thereof shall be equal to the amounts required herein, provided, this condition shall be satisfied if any required amount is to be provided from the proceeds of such additional bonds or

other funds either (i) at the time of their issuance or (ii) by monthly deposits in an amount sufficient to build the balance in the 2021/Additional Bonds Reserve Subaccount to an amount equal to the 2021/Additional Bonds Reserve Subaccount Requirement with no more than five (5) years after the additional bonds are issued, on a level monthly basis (after accounting for earnings thereon).

(c) The Net Revenues in the fiscal year immediately preceding the issuance of any such bonds ranking on a parity with the 2021 Bonds (provided, within the 90 day period following the end of such preceding fiscal year, if such year's account records are not final as of the sale date of the additional bonds, the fiscal year preceding such year may be used in lieu of the immediately preceding year) shall be not less than one hundred twenty five percent (125%) of the annual principal and interest requirements of the then outstanding bonds payable from the Net Revenues of the System (including the 2021 Bonds, the Prior Bonds and the 2012 Subordinate Bonds) and the additional parity bonds proposed to be issued for each respective year during the term of such outstanding bonds and the proposed additional bonds; or, prior to the issuance of the additional bonds, the rates and charges shall be increased sufficiently so that said increased rates and charges applied to the previous fiscal year's operations (provided, within the 90 day period following the end of such preceding fiscal year, if such year's account records are not final as of the sale date of the additional bonds, the fiscal year preceding such year may be used in lieu of the immediately preceding year) would have produced Net Revenues for said year equal to not less than one hundred twenty five percent (125%) of the annual principal and interest requirements of the then outstanding bonds payable from the Net Revenues of the System (including the 2021 Bonds, the Prior Bonds and the 2012 Subordinate Bonds) and the proposed additional bonds for each respective year during the term of such outstanding bonds and the proposed additional bonds. For purposes of this subsection, the records of the works shall be analyzed and all showings shall be prepared by a certified public accountant employed by the City for that purpose. In addition, for purposes of this subsection with respect to any additional parity bonds proposed to be issued, while the 2021 Bonds remain outstanding and owned by the Authority as part of its IFA Program, Net Revenues may not include any revenues from the System Development Charges unless the Authority provides its consent to include all or some portion of the System Development Charges as part of the Net Revenues or otherwise consents to the issuance of such additional parity bonds without satisfying this subsection (c).

(d) The principal of said additional parity bonds shall be payable on February 1 and August 1, and the interest shall be payable on February 1 and August 1 during the periods such principal and interest are payable.

(e) So long as the 2021 Bonds are outstanding and the Authority is the registered owner thereof: (i) the City obtains the consent of the Authority; (ii) the City has faithfully performed and is in compliance with each of its obligations, agreements and covenants contained in the Financial Assistance Agreement and this Ordinance; and (iii) the City is in compliance with its System permits, except for

noncompliance, the elimination of which is a purpose for which the 2021 Bonds or the additional bonds are issued, including any refunding bonds, are issued, so long as such issuance constitutes part of an overall plan to eliminate such noncompliance.

SECTION 21. Further Covenants of the City. For the purpose of further safeguarding the interests of the owners of the 2021 Bonds and any BANs, it is hereby specifically provided as follows:

(a) The City shall at all times maintain the works in good condition, and operate the same in an efficient manner and at a reasonable cost.

(b) If the 2021 Bonds are sold to the Authority as part of the IFA Program, the City shall acquire and maintain insurance coverage as required by the Authority including fidelity bonds to protect the Utility and its operations, provided that if the City is not so directed by the Authority, so long as any of the 2021 Bonds or BANs are outstanding, the City shall maintain insurance on the insurable parts of the works, of a kind and in an amount such as would normally be carried by private entities engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana. Insurance proceeds shall be used in replacing or repairing the property destroyed or damaged, or if not used for that purpose, shall be treated and applied as Revenues of the Sinking Fund, provided that if the 2021 Bonds are sold to the Authority as part of the IFA Program, the Authority must consent to a different use of such proceeds or awards.

(c) So long as any of the 2021 Bonds and any BANs are outstanding, the City shall not mortgage, pledge or otherwise encumber the works, or any part thereof, and shall not sell, lease or otherwise dispose of any part of the same, excepting only such machinery, equipment or other property as may be replaced, or shall no longer be necessary for use in connection with said utility, provided that if such outstanding BANs or 2021 Bonds are sold to the Authority as part of the IFA Program, such exception shall only apply if the Authority consents.

(d) If the BANs or 2021 Bonds are sold to the Authority as part of the IFA Program, the City shall not borrow any money, enter into any contract or agreement or incur any other liabilities in connection with the Utility other than for normal operating expenditures, without the prior written consent of the Authority if such undertaking would involve, commit or use the revenues of the Utility.

(e) Except as otherwise specifically provided in Section 20 of this Ordinance, so long as any of the 2021 Bonds and any BANs are outstanding, no additional bonds or other obligations pledging any portion of the revenues of the works shall be issued by the City, except such as shall be made junior and subordinate in all respects to the 2021 Bonds, unless all of the 2021 Bonds are defeased, redeemed or retired coincidentally with the delivery of such additional bonds or other obligations.

(f) The City shall take all action or proceedings necessary and proper to require connection of all property where liquid and solid waste, sewage, night soil, or industrial waste is produced with available sanitary sewer. The City shall, insofar as possible, cause all such sanitary sewers to be connected with the utility or otherwise cause an equivalent availability charged to be enforced against such property. Notwithstanding the foregoing to the contrary, the City shall not be required to enforce this subsection (e) so long as sufficient payments into the Sinking Fund shall have been made to meet the monthly transfer requirements of Section 14, and the interest on and principal of all bonds payable from the revenues of the works shall have been paid to date in accordance with the terms thereof.

(g) The provisions of this Ordinance shall constitute a contract by and between the City and the owners of the 2021 Bonds and any BANs, all the terms of which shall be enforceable by any such owner by any and all appropriate proceedings in law or in equity. After the issuance of the 2021 Bonds and any BANs and so long as any of the principal thereof or interest or premium, if any, thereon remains unpaid, except as expressly provided herein, this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights of such owners, nor shall the Council or any other body of the City adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners. Except in the case of changes described in Section 22(a) through (f) hereof, this Ordinance may be amended, however, without the consent of bond owners, if the Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the 2021 Bonds, provided, however, that if the 2021 Bonds or BANs are sold to the Authority as part of the IFA Program, the City shall also obtain the prior written consent of the Authority.

(h) The provisions of this Ordinance shall be construed to create a trust in the proceeds of the sale of the 2021 Bonds and any BANs for the uses and purposes herein set forth, and the owners of the 2021 Bonds and any BANs shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this Ordinance and the Act. The provisions of this Ordinance shall also be construed to create a trust in the Net Revenues herein directed to be set apart and paid into the Sinking Fund for the uses and purposes of that Fund as set forth in this Ordinance. The owners of the 2021 Bonds and any BANs shall have all the rights, remedies and privileges set forth in the Act, including the right to have a receiver appointed to administer the utility in the event the City shall fail or refuse to fix and collect sufficient rates and charges for those purposes, or shall fail or refuse to operate and maintain said utility and to apply properly the revenues derived from the operation thereof, or if there be a default in the payment of the interest on or principal of the 2021 Bonds or any BANs.

(h) None of the provisions of this Ordinance shall be construed as requiring the expenditure of any funds of the City derived from any sources other than the proceeds of the 2021 Bonds and any BANs and the operation of the utility.

SECTION 22. Amendments With Consent of Bondholders. Subject to the terms and provisions contained in this section and Sections 21 and 23, the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the 2021 Bonds and any BANs and then outstanding shall have the right, from time to time, to consent to and approve the adoption by the Council of such ordinance or ordinances supplemental hereto, as shall be deemed necessary or desirable by the City for the purpose of amending in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental Ordinance provided however that if the 2021 Bonds or BANs are sold to the Authority as part of the IFA Program, the City shall obtain the prior written consent of the Authority, and provided further, that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or interest or premium, if any, on, or any mandatory sinking fund redemption date for, or an advancement of the earliest redemption date on, any 2021 Bond or BAN, without the consent of the holder of each 2021 Bond or BAN so affected; or

(b) A reduction in the principal amount of any 2021 Bond or BAN or the redemption premium or the rate of interest thereon, or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each 2021 Bond or BAN so affected; or

(c) The creation of a lien upon or a pledge of the Net Revenues ranking prior to the pledge thereof created by this Ordinance, without the consent of the holders of all 2021 Bonds then outstanding; or

(d) A preference or priority of any 2021 Bond or BAN over any other 2021 Bond or BAN, without the consent of the holders of all 2021 Bonds and any BANs then outstanding; or

(e) A reduction in the aggregate principal amount of the 2021 Bonds and any BANs required for consent to such supplemental ordinance, without the consent of the holders of all 2021 Bonds and any BANs then outstanding; or

(f) A reduction in the Reserve Requirement.

If the City shall desire to obtain any such consent, it shall cause the Registrar to mail a notice, postage prepaid, to the addresses appearing on the Registration Record. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the 2021 Bonds and any BANs. The Registrar shall not, however, be subject to any liability to any owners of the 2021 Bonds and any BANs by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental ordinance when consented to and approved as herein provided.

Whenever at any time within one year after the date of the mailing of such notice, the City shall receive any instrument or instruments purporting to be executed by the owners of the 2021 Bonds and any BANs of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the 2021 Bonds and any BANs then outstanding, which instrument or

instruments shall refer to the proposed supplemental ordinance described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar, thereupon, but not otherwise, the City may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the 2021 Bonds and any BANs, whether or not such owners shall have consented thereto.

No owner of any 2021 Bond or BAN shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Council from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the City and all owners of the 2021 Bonds and any BANs then outstanding shall thereafter be determined, exercised and enforced in accordance with this Ordinance, subject in all respects to such modifications and amendments.

Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the City and of the owners of the 2021 Bonds and any BANs, and the terms and provisions of the 2021 Bonds and any BANs and this Ordinance, or any supplemental ordinance, may be modified or amended in any respect with the consent of the City and the consent of the owners of all the 2021 Bonds and any BANs then outstanding.

SECTION 23. Amendments Without Consent of Bondholders. The Council may, from time to time and at any time, and without notice to or consent of the owners of the 2021 Bonds and any BANs, adopt such ordinances supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental ordinances shall thereafter form a part hereof):

- (a) To cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance;
- (b) To grant to or confer upon the owners of the 2021 Bonds and any BANs any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the 2021 Bonds and any BANs;
- (c) To procure a rating on the 2021 Bonds and any BANs from a nationally recognized securities rating agency designated in such supplemental ordinance, if such supplemental ordinance will not adversely affect the owners of the 2021 Bonds and any BANs;
- (d) To obtain or maintain bond insurance with respect to the 2021 Bonds;
- (e) To provide for the refunding or advance refunding of the 2021 Bonds;

(f) To provide for the issuance of additional bonds or BANs as provided in Section 20 hereof; or

(g) To make any other change which, in the determination of the Council in its sole discretion, does not in any way adversely affect the rights of such owners of the 2021 Bonds and any BANs.

Provided, however, that if the 2021 Bonds or BANs are sold to the Authority as part of the IFA Program, the City shall obtain the prior written consent of the Authority to the foregoing.

SECTION 24. Tax Matters. In order to preserve the exclusion of interest on the 2021 Bonds and any BANs from gross income for federal income tax purposes and as an inducement to purchasers of the 2021 Bonds and any BANs, the City represents, covenants and agrees that:

(a) No person or entity, other than the City or another state or local governmental unit, will use proceeds of the 2021 Bonds and any BANs or property financed by the 2021 Bond or BAN proceeds other than as a member of the general public. No person or entity other than the City or another state or local governmental unit will own property financed by 2021 Bond or BAN proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as take-or-pay or output contract, or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

(b) No portion of the principal of or interest on the 2021 Bonds and any BANs is (under the terms of the 2021 Bonds and any BANs, this Ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments (whether or not to the City) in respect of such property or borrowed money used or to be used for a private business use.

(c) No 2021 Bond or BAN proceeds will be loaned to any entity or person other than a state or local governmental unit. No 2021 Bond or BAN proceeds will be transferred, directly or indirectly, or deemed transferred to a non-governmental person in any manner that would in substance constitute a loan of the 2021 Bond or BAN proceeds.

(d) The City will not take any action or fail to take any action with respect to the 2021 Bonds and any BANs that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2021 Bonds and any BANs pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder as applicable to the 2021 Bonds and any BANs, including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on 2021 Bond or BAN proceeds or other monies treated as 2021 Bond or BAN proceeds to the federal government as provided in Section 148 of the Code, and will set aside such monies,

which may be paid from investment income on funds and accounts notwithstanding anything else to the contrary herein, in trust for such purposes.

(e) The City will file an information report on Form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

(f) The City will not make any investment or do any other act or thing during the period that any 2021 Bond or BAN is outstanding hereunder which would cause any 2021 Bond or BAN to be an “arbitrage bond” within the meaning of Section 148 of the Code and the regulations thereunder as applicable to the 2021 Bonds and any BANs.

(g) It shall not be an event of default under this Ordinance if the interest on any 2021 Bonds or BANs is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the 2021 Bonds and any BANs, respectively. These covenants are based solely on current law in effect and in existence on the date of delivery of the 2021 Bonds and any BANs, respectively.

Notwithstanding any other provisions of this Ordinance, the foregoing covenants and authorizations (the “Tax Sections”) which are designed to preserve the exclusion of interest on the 2021 Bonds and any BANs from gross income under federal law (the “Tax Exemption”) need not be complied with to the extent the City receives an opinion of nationally recognized bond counsel that compliance with such Tax Section is unnecessary to preserve the Tax Exemption.

SECTION 25. Additional Authority. (a) The Executive and Fiscal Officer, and either of them, is hereby authorized and directed to do and perform all acts and execute in the name of the City all such instruments, documents, papers or certificates which are necessary, desirable or appropriate to carry out the transactions contemplated by this Ordinance in such forms as the Executive or Fiscal Officer executing the same shall deem proper, to be conclusively evidenced by the execution thereof. Any provision of this Ordinance authorizing the Executive or Fiscal Officer to act shall mean either of them, individually rather than collectively, is so authorized and any action taken and agreement or undertaking executed in the name of the City by them in further of the same shall be deemed a proper use of such authority and will be conclusively evidenced by their execution of any agreement or undertaking, or by their taking of any such authorized action.

(b) In the event the Executive and Fiscal Officer with the advice of the municipal advisor to the City certifies to the City that it would be economically advantageous for the City to obtain a municipal bond insurance policy for any of the 2021 Bonds issued hereunder, the City hereby authorizes the purchase of such an insurance policy. The acquisition of a municipal bond insurance policy is hereby deemed economically advantageous in the event the difference between the present value cost of (a) the total debt service on the 2021 Bonds if issued without municipal bond insurance and (b) the total debt service on the 2021 Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy. The City also authorizes the purchase of a debt service reserve surety bond based upon the advice of the City's municipal advisor for the 2021 Bonds. If such an insurance policy or surety bond is purchased, the Executive or Fiscal Officer are hereby authorized to execute and deliver all agreements with the provider of the policy or

surety bond, as the case may be, to the extent necessary to comply with the terms of such insurance policy, surety bond and the commitments to issue such policy or surety bond, as the case may be.

SECTION 26. Amendment to 2012 Ordinance. This Ordinance shall be deemed a supplemental ordinance to the 2012 Ordinance. The first sentence of Section 17 of the 2012 Ordinance, which purports to prohibit the issuance of any bonds or obligations enjoying a lien on the Net Revenues of the System senior to the 2012 Subordinate Bonds, is hereby deleted in its entirety. Pursuant to (i) the terms contained in the 2012 Subordinate Bonds to which the owner thereof has assented by its acceptance thereof and (ii) the representations made by the owner of the 2012 Subordinate Bonds to the City in its investment letter executed and delivered on the date of issuance of the 2012 Subordinate Bonds, the owner of the 2012 Subordinate Bonds has consented to the amendment contained in this supplemental ordinance, and, therefore, such amendment does not adversely affect the interests of the owner of the 2012 Subordinate Bonds.

SECTION 27. Non-Business Days. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the City or the jurisdiction in which the Registrar or Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

SECTION 28. No Conflict. The Council hereby finds and determines that the adoption of this Ordinance and the issuance of the 2021 Bonds and any BANs is in compliance with the Prior Bond Ordinances. The Prior Bond Ordinances shall remain in full force and effect, except as modified herein. The Council determines that to the extent this Ordinance modifies or amends the Prior Bond Ordinances, there is no adverse effect to the holders of the Prior Bonds. All ordinances and resolutions and parts thereof in conflict, are to the extent of such conflict hereby repealed. None of the provisions of this Ordinance shall be construed to adversely affect the rights of the owners of the Prior Bonds.

SECTION 29. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 30. Headings. The headings or titles of the several sections shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Ordinance.

SECTION 31. Interpretation. Unless the context or laws clearly require otherwise, references herein to statutes or other laws include the same as modified, supplemented or superseded from time to time. The headings or titles of the several sections shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Ordinance.

SECTION 32. Estimates of Rates and Charges. The estimates of the rates and charges of the utility are set forth in Ordinance S-74-18, Version A (the "Rate Ordinance"), which Rate Ordinance is incorporated herein by reference.

SECTION 33. Effectiveness. This Ordinance shall be in full force and effect from and after its passage and signing by the Executive.

Passed and adopted by the Common Council of the City of Kokomo, Indiana this ____ day of _____, 2021.

AYE

NAY

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

ATTEST:

Diane Howard, Clerk

PASSED by the Common Council of Kokomo, Indiana by a _____ vote of all members present and voting this ____ day of _____, 2021.

Tyler O. Moore, Mayor

Presented by me to the Mayor of the City of Kokomo, Indiana, on the ____ day of _____, 2021, at the hour of ____:____ m.

Diane Howard, Clerk

This ordinance approved and signed by me, the Mayor of the City of Kokomo, Indiana, on the ____ day of _____, 2021, at the hour of ____:____ m.

Tyler O. Moore, Mayor

EXHIBIT A

Description of the Project

The Project consists of the following described improvements to the City's Treatment Works, and are in accordance with the Participant's CSO Long Term Control Plan to treat additional wet-weather flow preventing combined sewer overflows. The WWTP is rated at 40 MGD providing full secondary treatment and flows beyond 40 MGD up to 80 MGD is sent to a peak excess flow treatment facility (PEFTF#1). PEFTF#1 is rated at 40 MGD consisting of a fine screen, chlorine contact tank, intermediate pump station and an up flow sand filter.

The WWTP will be served by the following sewers:

1. 48-inch Wildcat Creek North – Existing Gravity
2. 90-inch Wildcat Creek North – Future Gravity (Next Phase of LTCP)
3. 42-inch Wildcat Creek South – Existing Gravity
4. 30-inch Dixon North – Existing Gravity
5. 36-inch Dixon South – Existing Gravity
6. 21-inch Bennett Street – Existing Gravity
7. 24-inch Highland Park PS FM 1 – Existing Force Main
8. 24-inch Highland Park PS FM 2 – Proposed Force Main

The proposed 50 MGD PEFTF#2 will be used as the primary wet-weather treatment facility beyond WWTP's 40 MGD capacity. The existing PEFTF#1 will be used to treat all excess flow from WWTP and PEFTF#2.

The following is a summary of the proposed capital improvements to the City's Treatment Works:

1. PEFTF#2 Flow Diversion Structure: A new flow diversion structure is added to direct dry-weather flow to the existing WWTP headworks pump station. This structure will have a motorized slide gate to divert wet-weather flow to PEFTF#2. Majority of WWTP's flow is received by this structure from a 48", 42", 24" & 90" gravity sewers from North of WWTP Location.

Estimated Project Costs (w/ 10% contingency) = \$638,600

2. Overflow Structure #109: A new structure will be installed on the 72-inch gravity sewer feeding the WWTP headworks pump station. This structure will send all dry-weather flow to the WWTP pump station until the wet-well reaches 12' while 40 MGD is sent to the headworks. At high wet-well mark this structure would allow raw sewage to existing PEFTF#1 while VTSH pump station is pumping 28 MGD to PEFTF#2.

Estimated Project Costs (w/ 10% contingency) = \$269,900

3. PEFTF#2 Pump Station & Electrical Room: A new pump station will be constructed to pump 28 MGD to the new PEFTF#2 facility. The pump station will have four 10 MGD vertical turbine solids handling (VTSH) pumps with individual force mains. An electrical room will be part of this building to house all electrical controls for this whole project.

Estimated Project Costs (w/ 10% contingency) = \$3,229,600

4. PEFTF#2 Structure: The new PEFTF#2 will have a junction box to receive force mains from VTSH pump station and from Highland Park pump station forcemains. The structure will have two mechanical fine screens with screw conveyors. The wet-weather flow treatment will be provided by two high rate clarification systems (Hydro International's Storm King). Storm King units include submersible underflow pumps to continuously pump solids flow to the WWTP. PEFTF#2 will have a 72-inch influent AV meter, a 48-inch effluent AV meter and an effluent automated sampler.

Estimated Project Costs (w/ 10% contingency) = \$7,330,600

5. Disinfection Building: The disinfection building will house three 12,000 gal single walled polyethylene tanks to store 15% liquid sodium hypo and one 6,500 gal tank to store 38% liquid sodium bisulfite. Adequate containment storage volume is provided in case of tanks leaking. Hypo metering pumps skids will have four 175 GPH pumps dedicated to PEFTF#1 and PEFTF#2. Bisulfite metering pumps skids will have four 16 GPH pumps dedicated to PEFTF#1 and PEFTF#2.

Estimated Project Costs (w/ 10% contingency) = \$1,161,500

6. Flow Diversion Valve Pits: There will be five (5) flow diversion motorized plug valve pits to divert flow to the WWTP and to PEFTF#2. Structures 114 and 115 will installed on the two 24" HPPS force mains to divert dry-weather flow to WWTP and wet-weather flow to PEFTF#2. Structure 112 will have a 36" plug valve to send wet-weather flow only to PEFTF#2. Structure 110 will have a 12" plug valve to send storm king underflow to WWTP while Structure 111 will have a 24" plug valve to open/close based on the scenarios.

Estimated Project Costs (w/ 10% contingency) = \$383,400

7. Electrical, Instrumentation, Emergency Power and SCADA: A new 1,250 KW generator will be installed for the additional load. A new SCADA system will be added to operate and control the plant in remote. All new electrical and instrumentation panels will be installed in the PEFTF#2 pump station building electrical room.

Estimated Project Costs (w/ 10% contingency) = \$2,441,900

8. Site Work and Site Piping: Site work includes new grading work, asphalt access road, new entrance gate and new outfall. Site piping includes installing gravity sewers force mains to feed the WWTP and PEFTFs and storm water piping.

Estimated Project Costs (w/ 10% contingency) = \$3,890,500

Estimated Total Project Costs (w/ 10% contingency) = \$19,346,000

EXHIBIT B

Form of Financial Assistance Agreement

[Attached]

**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 Kokomo (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 is also entering into a Financial Assistance Agreement with the Finance Authority, dated as of the date of this Agreement, to borrow money from the Wastewater SRF Program, to construct and acquire separate projects as described and defined therein (the “Other Agreement”); 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.

“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 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.

“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.

“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, 2023 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.

“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.

“System Development Charges” shall mean the proceeds and balances from any non-recurring charges such as tap fees, subsequent connector fees, capacity or contribution fees, and

other similar one-time charges applicable to the Treatment Works that are available for deposit under the Authorizing Instrument.

“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. 5-1.2-10-2.

“Wastewater SRF Indenture” shall mean the Seventh Amended and Restated Wastewater SRF Trust Indenture, dated as of September 1, 2019 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 610026840C, Account Name: City of Kokomo 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 I.C. 5-1.2-10-15 and -20. Interest, if any, on the Bonds will be payable on February 1 and August 1 of each year, commencing [] 1, 20[]. The Bonds will be in the aggregate principal amount of [] Dollars (\$[]). Subject to Section 2.05 and 2.06 herein, the Bonds will mature on February 1 and August 1 of each of the years 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 thirty-five (35) years after the date of this Agreement. 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. 5-1.2-10, 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, 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. If the Participant fails to make such Loan Reduction Payment 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, 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 such other forms as may be required by the Clean Water Act or SRF Policy Guidelines.

(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 to the Finance Authority audited financial statements of the Participant inclusive of the activities of the Treatment Works, commencing with financial statements for a calendar year period that ends not more than two (2) years after the date of this Agreement (and for each calendar year period that ends every two (2) years thereafter until the Loan has been repaid), which audit (i) shall have been performed by the Indiana State Board of Accounts or by an independent public accountant and (ii) shall be submitted to the Finance Authority no later than nine (9) months following the end of the calendar year period to which such audit pertains.

(h) Develop, certify, implement and maintain an Asset Management Program (including a Fiscal Sustainability Plan) of the Participant that meets SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act. The Participant acknowledges that its agreement to develop, certify, implement and maintain an Asset Management Program (including a Fiscal Sustainability Plan) as provided in this subsection was a condition of the Loan. Unless the Participant's Asset Management Program (including a Fiscal Sustainability Plan) was certified prior to the date of this Agreement, the Participant agrees to submit a certification (on and in a form as provided by the Finance

Authority) related to the Participant's Asset Management Program (including a Fiscal Sustainability Plan) prior to submitting its request for a final Loan disbursement related to the Project. Over the term of the Loan, the Participant further agrees to continue to update, implement and maintain the Participant's Asset Management Program (including a Fiscal Sustainability Plan) to assure it has the financial, managerial, technical, and legal capability to operate and maintain its Treatment Works consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

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

(j) (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 (when determined including user and other charges, fees, income or revenues available to the Participant, provided that to the extent permitted by law System Development Charges shall be excluded when determining if such are sufficient) 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.

(k) 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.

(l) 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.

(m) 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.

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

(o) 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.

(p) 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.

(q) 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.

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

(s) 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.

(t) (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.

(u) 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.

(v) 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.

(w) Whenever from time to time requested by the Finance Authority, submit evidence satisfactory to the Finance Authority demonstrating that the Participant's 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) and, in the event the Participant's rates and charges are insufficient to demonstrate such coverage, then to the extent permitted by law annually enact an increase in its rates and charges reasonably designed to be consistent with SRF Policy Guidelines regarding such coverage.

(x) Notwithstanding any provision of the Authorization Instrument to the contrary, not make any payment in lieu of property taxes from any account of the Treatment Works (i) if the Finance Authority provides notice to the Participant that the Finance Authority has

determined in its reasonable discretion that such a transfer adversely affects the Finance Authority and (ii) more frequently than semiannually if the Authority provides notice to the Participant so requiring such a limitation on frequency.

(y) 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. 5-1.2-2-57) and a “participant” within the meaning of I.C. 5-1.2-2-54. 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. 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.

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 Other Agreement. The Participant and the Finance Authority agree that any event of default occurring under the Other Agreement 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 entered into between the Participant and the Finance Authority, shall constitute an event of default under the Other Agreement 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.

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 Other Agreement 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 Kokomo
100 S. Union Street
Kokomo, Indiana 46901
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 thirty (30) days after any request), a Non-Use Fee in connection with the Loan, which may not be paid from a Loan disbursement; (4) 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 (5) 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 KOKOMO, INDIANA

INDIANA FINANCE AUTHORITY

“Participant”

“Finance Authority”

By: _____

By: _____

Printed: _____

James P. McGoff

Title: _____

Director of Environmental Programs

Attest: _____

EXHIBIT A

Project Description

The Project consists of the following improvements to the Participant's Treatment Works:

-
-
-
-

[The Project contains components that are GPR Projects, which GPR Projects Expenditures have been determined and are expected as of the date of this Agreement to be in the amount as set forth in the Participant's business case or categorical exclusion which is posted at www.srf.in.gov.]

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 for the Bonds

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Principal Amount</u>
08/01/2021	\$	02/01/2039	\$
02/01/2022		08/01/2039	
08/01/2022		02/01/2040	
02/01/2023		08/01/2040	
08/01/2023		02/01/2041	
02/01/2024		08/01/2041	
08/01/2024		02/01/2042	
02/01/2025		08/01/2042	
08/01/2025		02/01/2043	
02/01/2026		08/01/2043	
08/01/2026		02/01/2044	
02/01/2027		08/01/2044	
08/01/2027		02/01/2045	
02/01/2028		08/01/2045	
08/01/2028		02/01/2046	
02/01/2029		08/01/2046	
08/01/2029		02/01/2047	
02/01/2030		08/01/2047	
08/01/2030		02/01/2048	
02/01/2031		08/01/2048	
08/01/2031		02/01/2049	
02/01/2032		08/01/2049	
08/01/2032		02/01/2050	
02/01/2033		08/01/2050	
08/01/2033		02/01/2051	
02/01/2034		08/01/2051	
08/01/2034		02/01/2052	
02/01/2035		08/01/2052	
08/01/2035		02/01/2053	
02/01/2036		08/01/2053	
08/01/2036		02/01/2054	
02/01/2037		08/01/2054	
08/01/2037		02/01/2055	
02/01/2038		08/01/2055	
08/01/2038		02/01/2056	
		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 are [NOT] 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, 2020 (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).

The Participant further understands and agrees that it is required to comply with all terms of 2 CFR 200.216, Prohibition on certain telecommunication and video surveillance services or equipment, which among other requirements prohibits the use of Loan proceeds by the Participant to procure (by means of entering into, extending, or renewing contracts) or obtain equipment, systems or services that use “covered telecommunications equipment or services” identified in the regulation as a substantial or essential component of any Treatment Works, or as critical technology as part of any Treatment Works. Such prohibitions extend to the use of Loan proceeds by the Participant to enter into a contract with an entity that “uses any equipment, system, or service that uses covered telecommunications equipment or services” as a substantial or essential component of any Treatment Works, or as critical technology as part of any Treatment Works. The Participant represents and warrants that it has not procured or obtained from Loan proceeds equipment, systems or services that use “covered telecommunications equipment or services” identified in the regulation as a substantial or essential component of any Treatment Works, or as critical technology as part of any Treatment Works.

B. *The following additional terms in this Paragraph B (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 GPR Projects Business Case Amount), all as determined by the Finance Authority.

“GPR Projects Business Case Amount” shall mean the amount referenced in the Participant’s business case related to GPR Projects as was set in the Participant’s Preliminary Engineering Report (or categorical exclusion) posted at www.srf.in.gov, uses of funds information submitted to the Finance Authority after the Project was bid or some other submitted information that was used by the Finance Authority prior to the date of this Agreement to set a special interest rate under the Wastewater SRF Program’s interest rate policies and practices applicable to the Bonds.

“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 GPR Projects Business Case Amount, 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. The Participant shall certify to the Finance Authority those Loan disbursements it represents to be its GPR Projects Expenditures when and as required by SRF Policy Guidelines. The Participant understands and acknowledges that it is required to submit a business case or categorical exclusion documenting the GPR Projects and the GPR Projects Business Case Amount prior to loan closing or if a request is made pursuant to Section 3.02(f) of this Agreement.

C. The following additional terms in this Paragraph C (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 post-bid and other documents submitted to the Finance Authority), 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 Amount” shall mean the amount referenced in the Participant's post-bid and other documents submitted to the Finance Authority prior to the date of this Agreement to set a special interest rate under the Wastewater SRF Program's interest rate policies and practices applicable to the Bonds

“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 Non-point Source Projects Amount, 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. The Participant shall certify to the Finance Authority those Loan disbursements it represents to be its Non-point Source Expenditures when and as requested by SRF Policy Guidelines.

[End of Exhibit D]

COUNCIL MEETING MINUTES

JANUARY 25TH, 2021

The Common Council of the City of Kokomo, Indiana met Monday January 25th, 2021 at 6:00 p.m. in City Hall Council Chambers.

President Grecu called the meeting to order.

Councilwoman Sanders States, those who wish to stand may stand, or you may remain seated.

Pastor Gary Bush of Temple of Faith Church of God In Christ offered invocation.

Present: Acord, T. Stewart, Grecu, Collins, Sanders, McKibben, Miklik

Absent: Rudolph, R. Stewart

The minutes of the Council Meeting held December 14th 2020, and the minutes of the Re-Organizational Meeting held January 4th, 2021 we declared approved as presented.

Communications: Mike Wyant, Kokomo wanted to take the time to thank the community for all the years they have supported WE Care Park, this past year 118,791.58 was raised.

Mr. Wyant presented a check to Mr. Rogers of the Carver Center. He also presented a check to the F.O.P. (fraternal order of police).

Mayor Moore presented Mr. Wyant and his wife Nancy a Key to the City for all the years he has been a part of the community.

Councilman Acord presented Mr. Wyant an award thanking him for all of his dedication to the city of Kokomo.

Council Attorney Corbin King states, based upon sworn information publications in Kokomo meet the statutory definition of "newspaper" and qualify as publications in which placement of legal advertising is required. By law, we have to pass a motion, recognizing the Kokomo Tribune and Kokomo Perspective for us to do legal advertising: a motion was made and Councilman T. Stewart seconded.

All those in favor:

Aye: All

Nay: None

The vote was 7-0

President Grecu acknowledges the Kokomo Airport Rotary Fuel Fund report.

President Grecu made a motion to approve the Mayoral appointments to the Historic Review Board. This is a 3-year appointment expiring 12-31-2023. Appointments are Tom Tolen, Dave Broman, and Catherine Hughes. All appointments approved by Council.

President Grecu states there are Council Appointments for the following Boards: Councilman Roger Stewart to the Howard County Recycling District, and Councilman Rudolph, Councilman Grecu to be Council Representative to the Policy Board of Kokomo Howard County Governmental Coordinating Council. Councilwoman McKibben and Paul Frank to the Kokomo Redevelopment Commission. Councilman Miklik as the chair to the Finance Committee. Councilman Grecu as chair to the Public Works and Welfare Committee. Councilwoman McKibben as chair to the Public Safety and Welfare Committee. Councilman Collins as chair to the Resolutions Committee.

Ordinance #6980 was read by the Clerk by title only. Councilman Miklik moved for passage on the first reading. Seconded by Councilman T. Stewart. Councilman Miklik states the City of Kokomo, Indiana has established constructed and financed a municipal sewage works system for providing for the collection and treatment of wastewater from the City residents and users. The Common Council of the City find that the acquisition, construction, extension and installation of certain improvements for the system are set forth in Exhibit A.

Vote for passage on first reading follow:

Aye: All

Nay: None

The vote was 7-0 for passage on first reading.

Adjourned at 6:30 p.m.

Presiding Officer

ATTEST:

City Clerk

