

ORDINANCE NO. 19, 2022

AN ORDINANCE CONCERNING ACQUISITION, CONSTRUCTION OR IMPROVEMENT OF SEWAGE WORKS; AUTHORIZING ISSUANCE OF SEWAGE WORKS REVENUE BONDS FOR SUCH PURPOSE; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF REVENUES OF SEWAGE WORKS AND SAFEGUARDING OF INTERESTS OF OWNERS OF SEWAGE WORKS REVENUE BONDS; OTHER MATTERS CONNECTED THEREWITH; AND REPEALING ORDINANCES INCONSISTENT HERewith

WHEREAS, the City of Lawrence, Indiana (the "City") has heretofore established, constructed and financed its sewage works, and now owns and operates said sewage works pursuant to Indiana Code 36-9-23, as in effect on the issue date of the bonds authorized herein, and other applicable laws (collectively the "Act") (all references herein to the Indiana Code are designated hereafter as "IC" followed by the applicable code section or sections); and

WHEREAS, the Common Council of the City (the "Council") now finds that the acquisition, construction or improvement of certain sewage works, including without limitation the projects described in Exhibit A (collectively, the "Project"), is necessary and that plans, specifications and estimates thereof have been prepared and filed by the engineers employed by the City for the Project, which plans, specifications and estimates have been or will be submitted to and approved by all governmental authorities having jurisdiction; and

WHEREAS, the City has advertised for and received, or will advertise for and receive, bids for the Project, which bids are or will be subject to the City's determination to proceed with the Project and subject to the City's obtaining funds to pay for the Project; and

WHEREAS, on the basis of the engineer's estimates, the cost of the Project, including the cost of acquiring and constructing the sewage works, the cost of all property, easements, franchises and other rights considered necessary or convenient for the works, engineering expenses, legal expenses, expenses for estimates of cost and revenues, administrative expenses and other expenses necessary or incident to determining the feasibility of the works, financing the works, constructing or acquiring the works and placing the works in operation, is in an amount not exceeding \$20,000,000; and

WHEREAS, the Council finds that the City has insufficient funds on hand to pay for the Project, and that all or a portion of the cost of the Project must be financed by the issuance of sewage works revenue bonds in an amount not to exceed \$20,000,000; and

WHEREAS, the Council finds that there are now outstanding bonds payable out of the Net Revenues of the City's sewage works designated as (i) the "Sewage Works Revenue Bonds, Series 2009A" (the "2009A Bonds") dated September 15, 2009, originally issued in the principal amount of \$3,500,000, now outstanding in the principal amount of \$1,467,423 and maturing annually on January 1 over a period ending on January 1, 2030; (ii) the "Sewage Works Revenue Bonds, Series 2009B" (the "Series 2009B Bonds") dated November 19, 2009, originally issued in the principal amount of \$3,840,000, now outstanding in the principal amount of \$1,881,237 and maturing annually on January 1 over a period ending on January 1, 2030; (iii) the "Sewage Works Revenue Bonds, Series 2009C (Taxable)" (the "Series 2009C Bonds" and together with the 2009A Bonds and the 2009B Bonds the "2009 Bonds") dated November 19, 2009, originally issued in the principal amount of \$410,000, now outstanding in the principal amount of \$115,000 and maturing annually on January 1 over a period ending on January 1, 2025; and (iv) the "Sewage Works Refunding Revenue Bonds, Series 2015", dated December 30, 2015 (the "2015 Bonds") originally issued in the principal amount of \$2,160,000, now outstanding in the principal amount of \$1,185,000 and maturing annually on January 1 over a period ending on January 1, 2028, each of which constitute a first charge on the Net Revenues of the sewage works; and

WHEREAS, the ordinances authorizing the 2009 Bonds and the 2015 Bonds authorize the issuance of additional bonds ranking on a parity with the 2009 Bonds and the 2015 Bonds provided certain financial conditions can be met (the "Parity Test"); and

WHEREAS, the Council finds that the Parity Test can be met with respect to the bonds to be issued pursuant to this ordinance and, accordingly, the bonds to be issued pursuant to this ordinance will constitute a first charge against the Net Revenues of the sewage works, on a parity with the 2009 Bonds and the 2015 Bonds, and are to be issued subject to the provisions of the laws of the Act, as amended, and the terms and restrictions of this ordinance; and

WHEREAS, the Council desires to declare its official intent to reimburse any expenditures related to the financing of the Project pursuant to Treas. Reg. §1.150-2 and Ind. Code §5-1-14-6(c); and

WHEREAS, the Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of said sewage works revenue bonds have been complied with in accordance with the provisions of the Act; now, therefore,

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF LAWRENCE, INDIANA, THAT:

Section 1. Authorization of Project.

The City shall undertake the Project in accordance with the plans and specifications heretofore prepared and filed by engineers employed by the City, which plans and specifications are by reference made a part of this ordinance as fully as if the same were attached hereto and incorporated herein, and two copies of which are now on file in the office of the Clerk of the City (the "Clerk") and are open for public inspection pursuant to Indiana Code 36-1-5-4. The cost of the Project shall not exceed the sum of \$20,000,000, plus investment earnings on the proceeds of the Bonds. The terms "sewage works," "sewage work system," "works," "system" and words of like import where used in this ordinance shall be construed to mean and include 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. The Project shall be carried out in accordance with the plans and specifications heretofore mentioned, which plans and specifications are hereby approved. The Council hereby orders the Project and the issuance of the Bonds, in the amount necessary to pay the cost of the Project, pursuant to and in accordance with the Act and other applicable laws relating to the issuance of revenue bonds.

Section 2. Issuance of Bonds.

(a) The City shall issue its "Sewage Works Revenue Bonds, Series 202_ [] (with appropriate or alternate year and series designation completed), in one or more series (the "Bonds"), in an aggregate principal amount not exceeding \$20,000,000, for the purpose of procuring funds to be applied to: (i) the direct or indirect payment or reimbursement of any costs of the Project; (ii) the making of any deposit into the Reserve Account (as hereinafter defined); and (iii) the payment or reimbursement of any costs of issuance of the Bonds, including any costs of credit enhancement, if any, therefor.

(b) The Bonds shall be issued and sold at a price not less than 99.0% of par value thereof. The Bonds shall be issued in fully registered form in denominations of (i) \$5,000 or integral multiples thereof or (ii) \$100,000 and any \$5,000 integral multiple in excess thereof, as determined by the Controller of the City (the "Controller"), with the advice of the City's financial advisor. The Bonds shall be numbered consecutively from R-1 up, originally dated as of the first day of the month in which they are sold or delivered, or the date of delivery, as determined by the Controller, with the advice of the City's financial advisor. The Bonds shall bear interest at a rate not exceeding 6.00% per annum (the exact interest rate or rates to be determined by negotiation). Interest shall be payable semiannually on January 1 and July 1 in each year, commencing on either the first January 1 or July 1 following delivery of the Bonds, as determined by the Controller, with the advice of the City's financial advisor. Principal shall be payable in lawful money of the United States of America at the principal office of the Paying Agent (as hereinafter defined). The Bonds of each series shall mature annually on January 1, or be subject to mandatory sinking fund redemption on January 1 of each year, over a period ending no later than twenty-five (25) years after the date of issuance of such series. The Bonds shall mature in such amounts as will (i) produce as level annual debt service as practicable taking into account the denominations of the Bonds or (ii) produce as level annual debt service as practicable taking into account the denominations of the Bonds and the annual debt service on the 2009 Bonds and the 2015 Bonds.

(c) All or a portion of the Bonds may be issued as one or more term bonds, upon election of the purchaser of the Bonds. Such term bonds shall have a stated maturity or maturities consistent with the maturity schedule determined in accordance with the preceding paragraph, on the dates as determined by the purchaser, but in no event later than the last serial maturity date of the Bonds as determined in the preceding paragraph. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on principal payment dates which are hereafter determined in accordance with the preceding paragraph.

(d) The Bonds will be payable solely out of and constitute a first charge against the Net Revenues (herein defined as gross revenues remaining after the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works of the City, on a parity with the 2009 Bonds and the 2015 Bonds. Interest on the Bonds shall be calculated according to a 360-day financial year containing twelve 30-day months or a calendar year basis.

Section 3. Registrar and Paying Agent.

(a) The Controller is hereby authorized to serve as, or select and appoint a qualified financial institution to serve as, Registrar and Paying Agent for the Bonds, which Registrar is hereby charged with the responsibility of authenticating the Bonds (the "Registrar" or "Paying Agent"). The Controller is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of a Registrar and Paying Agent. The Controller is further authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent, and such fees may be paid from the Sewage Works Sinking Fund established to pay the principal of and interest on the Bonds and fiscal agency charges. If sold to a purchaser that does not object to such designation, the Controller may serve as, Registrar and Paying Agent for the Bonds and, in such, case, is hereby charged with the duties of Registrar and Paying Agent.

(b) The principal of the Bonds shall be payable at the principal office of the Paying Agent. All payments of interest on the 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 day of the month preceding each payment (the "Record Date"), at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by such registered owner on or before such Record Date. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time).

(c) All payments on the Bonds shall be made in any coin or currency of the United States of America, which on the date of such payment, shall be legal tender for the payment of public and private debts.

(d) Each Bond shall be transferable or exchangeable only upon the books of the City kept for that purpose at the principal office of the Registrar, by the registered owner thereof in person, or by its attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, 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 therefore. The costs of such transfer or exchange shall be borne by the City. The City and the Registrar and Paying Agent for the Bonds may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

(e) Interest on Bonds which are authenticated on or before the Record Date which precedes the first interest payment date shall be paid from their original date. Interest on Bonds authenticated subsequent to the Record Date which precedes the first interest payment date thereon shall be paid from the interest payment date to which interest has been paid as of the date on which such Bonds are authenticated, unless a Bond is authenticated between the Record Date and the interest payment date in which case the interest shall be paid from such interest payment date.

Section 4. Redemption of Bonds.

(a) The Mayor and the Controller, upon consultation with the City's financial advisor, may designate maturities of Bonds (or portion thereof in integral multiples of \$5,000 principal amount each) that shall be subject to optional redemption and/or maturity sinking fund redemption, and the corresponding redemption dates, amounts and prices (including premium, if any). Except as otherwise set forth in this Ordinance, the Mayor and the Controller, upon consultation with the City's financial advisor, are hereby authorized and directed to determine the terms governing any such redemption, as evidenced by the delivery of any series of the Bonds.

(b) If any Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the City, any Bonds maturing as term bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each Bond maturing as a term bond so delivered or canceled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such Bond maturing as term bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date.

(c) Each Five Thousand Dollar (\$5,000) principal amount of the Bonds shall be considered a separate Bond for purposes of mandatory redemption. If less than an entire maturity is called for redemption, the Bonds to be called for redemption shall be selected by lot by the Registrar.

(d) Notice of redemption shall be given not less than thirty (30) days prior to the date fixed for redemption unless such redemption notice is waived by the owner of the Bond or Bonds redeemed. Such notice shall be mailed to the address of the registered owner as shown on the registration record of the City as of the date which is forty-five (45) days prior to such redemption date. The notice shall specify the date and place of redemption and sufficient identification 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 irrevocably pledged and available at the place of redemption to pay the redemption price on the date so named.

Section 5. Book-Entry Provisions.

(a) The City may, upon the advice of its financial advisor, have the Bonds held by a central depository system pursuant to an agreement between the City and The Depository Trust Company, New York, New York ("DTC") and have transfers of the Bonds effected by book-entry on the books of the central depository system. In such case, the Bonds shall be issued in the name of Cede & Co., as nominee for DTC, as registered owner of the Bonds, and held in the custody of DTC and the terms and conditions of this provision shall apply.

(b) If the Bonds are held by DTC, a single certificate will be issued and delivered to DTC for all maturities of the Bonds unless otherwise required by DTC. The actual purchasers of the Bonds (the "Beneficial Owners") will not receive physical delivery of the Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of the Bonds is to receive, hold, or deliver any Bond certificate.

(c) For every transfer and exchange of the Bonds the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee, or other governmental charge that may be imposed in relation thereto. Bond certificates are required to be

delivered to and registered in the name of the Beneficial Owner, under the following circumstances.

(i) DTC determines to discontinue providing its service with respect to the Bonds (such a determination may be made at any time by giving 30 days' notice to the City and the Registrar and discharging its responsibilities with respect thereto under applicable law), or

(ii) the City determines that continuation of the system of book-entry transfers through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners.

(d) The City and the Registrar will recognize DTC or its nominee as the holder of the Bonds for all purposes, including notices and voting. The City and the Registrar covenant and agree, so long as DTC shall continue to serve as securities depository for the Bonds, to meet the requirements of DTC with respect to required notices and other provisions of a Letter of Representations between the City and DTC. If necessary to comply with the terms and provisions of the Letter of Representations, a supplemental ordinance shall be adopted to amend this ordinance as necessary.

(e) The Registrar is authorized to rely conclusively upon a certificate furnished by DTC and corresponding certificates from DTC participants and indirect participants as to the identity of, and the respective principal amount of Bonds beneficially owned by, the Beneficial Owner or Beneficial Owners.

Section 6. Execution of Bonds; Pledge of Net Revenues to Bonds.

(a) The Bonds shall be signed in the name of the City by the manual or facsimile signature of the Mayor, countersigned by the manual or facsimile signature of the Controller and attested by the manual or facsimile signature of the Clerk, who shall affix the seal of said City to each of said Bonds manually or shall have the seal imprinted or impressed thereon by facsimile. These officials, by the signing of a Signature and No Litigation Certificate, shall adopt as and for their own proper signatures their facsimile signatures appearing on said Bonds. In case any officer whose signature or facsimile signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature of such officer shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Bonds shall also be authenticated by the manual signature of an authorized representative of the Registrar and no Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed.

(b) The Bonds, and any bonds ranking on a parity therewith, as to both principal and interest, shall be payable from, secured by and shall constitute a first charge upon the Net Revenues of the sewage works of the City, hereby irrevocably pledged to the payment of the Bonds to the extent necessary for that purpose. The City shall not be obligated to pay said Bonds or the interest thereon except from the Net Revenues of said works, on a parity with the 2009 Bonds and the 2015 Bonds, and said Bonds shall not constitute an indebtedness of the City within the meaning of the provisions and limitations of the constitution of the State of Indiana. The Bonds 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 7. Form of Bonds.

The form and tenor of the Bonds shall be substantially as follows, with such additions, deletions and modifications as the Mayor, the Controller and the Clerk of the City may authorize, as conclusively evidenced by their signatures thereon, all blanks to be filled in properly prior to delivery thereof:

[Form of Bond]

[Unless this Bond is presented by an authorized representative of The Depository Trust Company to the Registrar or its agent for registration or transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co. or such other name as

requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.]

No. R-__

UNITED STATES OF AMERICA

STATE OF INDIANA

MARION COUNTY

CITY OF LAWRENCE, INDIANA

SEWAGE WORKS REVENUE BOND, SERIES 202 []

[Maturity Date] [Interest Rate] [Original Date] [Authentication Date] [CUSIP]

Registered Owner:

Principal Sum:

The City of Lawrence, Indiana (the "City"), Marion County, State of Indiana, for value received, hereby promises to pay to the Registered Owner (named above) or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above on the Maturity Date set forth above [(unless this Bond be subject to and shall have been duly called for redemption and payment as provided for herein)], and to pay interest hereon until the Principal Sum shall be fully paid at the rate per annum specified 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 an interest payment 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, 202_, in which case it shall bear interest from the Original Date, which interest is payable semiannually on the first days of January and July of each year, beginning on _____ 1, 202_. Interest shall be calculated according to a 360-day calendar year containing twelve 30-day months.

The principal of this Bond is payable at the principal office of _____ (the "Registrar" or "Paying Agent"), in the City of 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 hereof, as of the fifteenth day of the month preceding such payment, 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. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the Bond shall be made in any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts.

THIS BOND SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY OF LAWRENCE, INDIANA, WITHIN THE MEANING OF THE PROVISIONS AND LIMITATIONS OF THE CONSTITUTION OF THE STATE OF INDIANA, AND THE CITY SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE INTEREST HEREON EXCEPT FROM THE SPECIAL FUND PROVIDED FROM THE NET REVENUES (AS HEREINAFTER DEFINED).

This Bond is [the only] one of an authorized issue of Bonds of the City of Lawrence, Indiana, [of like tenor and effect, except as to numbering, interest rate, and dates of maturity,] in the total amount of _____ Dollars (\$_____, (the "Bonds"), numbered from R-1 up, issued for the purpose of providing funds to be applied on the cost of

financing the Project (as defined in the hereinafter defined Ordinance) and paying incidental expenses, as authorized by an Ordinance adopted by the Common Council of the City of Lawrence, Indiana, on the ____ day of _____, 2022, entitled "AN ORDINANCE CONCERNING ACQUISITION, CONSTRUCTION OR IMPROVEMENT OF SEWAGE WORKS; AUTHORIZING ISSUANCE OF SEWAGE WORKS REVENUE BONDS FOR SUCH PURPOSE; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF REVENUES OF SEWAGE WORKS AND SAFEGUARDING OF INTERESTS OF OWNERS OF SEWAGE WORKS REVENUE BONDS; OTHER MATTERS CONNECTED THEREWITH; AND REPEALING ORDINANCES INCONSISTENT HEREWITH" (the "Ordinance"), and in strict compliance with the provisions of Indiana Code 36-9-23, as in effect on the issue date of the Bonds (the "Act").

[The Bonds shall be initially issued in a book entry system by The Depository Trust Company ("DTC"). The provisions of this Bond and of the Ordinance are subject in all respect to the provisions of the Letter of Representations between the City and DTC, or any substitute agreement effecting such book entry system under DTC.]

Pursuant to the provisions of said Act and said Ordinance, the principal and interest of this Bond and all other Bonds of said issue, and any bonds hereafter issued on a parity therewith, are payable solely from the Sewage Works Sinking Fund (continued by the Ordinance) to be provided from the Net Revenues (defined as the gross revenues remaining after the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works now owned or hereafter acquired by the City. The payment of this Bond ranks on a parity with the payment of the 2009 Bonds and the 2015 Bonds (as defined in the Ordinance). The City reserves the right to issue additional bonds on a parity with the Bonds of this issue, as provided in the Ordinance.

The City of Lawrence, Indiana irrevocably pledges the entire Net Revenues of said sewage works to the prompt payment of the principal of and interest on the Bonds authorized by said Ordinance, of which this is one, and any bonds ranking on a parity therewith, including the 2009 Bonds and the 2015 Bonds, to the extent necessary for that purpose, and covenants that it will cause to be fixed, maintained and collected such rates and charges for service rendered by said works as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of said works and for the payment of the sums required to be paid into said Sinking Fund under the provisions of the Act and the Ordinance. If the City or the proper officers of the City shall fail or refuse to so fix, maintain and collect such rates or charges, or if there be a default in the payment of the interest on or principal of this Bond, the owner of this Bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the works and to charge and collect rates sufficient to provide for the payment of this Bond and the interest hereon.

The City of Lawrence, Indiana further covenants that it will set aside and pay into its Sewage Works Sinking Fund a sufficient amount of the Net Revenues of said works to meet (a) the interest on all bonds which by their terms are payable from the revenues of the sewage works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying the bonds and interest, (c) the principal of all bonds which by their terms are payable from the revenues of the sewage works, as such principal shall fall due, and (d) an additional amount to [create and] maintain the reserve required by the Ordinance. Such required payments shall constitute a first charge upon all the Net Revenues of said works, on a parity with the payment of the 2009 Bonds and the 2015 Bonds.

[The Bonds maturing on or after _____ 1, 202__, shall be subject to optional redemption prior to their stated maturities, on any date on or after _____ 1, 202__, in whole or in part, in any order of maturity selected by the City and by lot within any maturity, at face value and without premium, plus, in each case, accrued interest to the date fixed for redemption.]

[The Bonds maturing on _____ 1, 202__ are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on the dates and in the amounts set forth below:

Date

Amount

*Final Maturity]

Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate bond for purposes of mandatory redemption. If less than an entire maturity is called for redemption, the Bonds to be called for redemption shall be selected by lot by the Registrar.

Notice of redemption shall be mailed to the address of the registered owner as shown on the registration record of the City, as of the date which is forty-five (45) days prior to such redemption date, not less than thirty (30) days prior to the date fixed for redemption. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption may be determined by the City and interest on the Bonds so called for redemption shall cease on the redemption date fixed in such notice, if sufficient funds are irrevocably pledged and available at the place of redemption to pay the redemption price on the date so named.

If this Bond shall not be presented for payment or redemption on the date fixed therefor, the City may deposit in trust with its depository bank, 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 with said bank for payment and the City shall have no further obligation or liability in respect thereto; [provided, however that no such presentment of Bonds is required with respect to mandatory sinking fund redemptions.]

This Bond is transferable or exchangeable only upon the books of the City kept for that purpose at the office of the Registrar, by the registered owner hereof in person, or by its 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 its attorney duly authorized in writing, 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 to the registered owner, as the case may be, in exchange therefor. The City, the Registrar and any paying agent for this Bond may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

This Bond is subject to defeasance prior to [redemption or] payment as provided in the Ordinance referred to herein. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. The Ordinance may be amended without the consent of the owners of the Bonds as provided in the Ordinance.

The Bonds maturing in any one year are issuable only in fully registered form in the denomination of [] or any integral multiple thereof not exceeding the aggregate principal amount of the Bonds maturing in such year.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the preparation and complete 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 Lawrence, Marion County, Indiana, has caused this Bond to be executed in its corporate name by the manual or facsimile signature of its Mayor, countersigned manually or by facsimile by the Controller, its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by its Clerk.

CITY OF LAWRENCE, INDIANA

[SEAL]

By: _____
Mayor

Countersigned:

By: _____
Controller

Attest:

Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

It is hereby certified that this Bond is one of the Bonds described in the Ordinance.

_____, as Registrar

By: _____
Authorized Representative

ASSIGNMENT

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

Dated: _____

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

NOTICE: The signature to this assignment must correspond with the name as it appears the face of the within Bond in every

without alteration or enlargement or any change whatsoever.

[End of Bond Form]

Section 8. Preparation and Sale of Bonds; Official Statement; Term Sheet.

(a) The Controller is hereby authorized and directed to have said Bonds prepared, and the Mayor, the Controller and the Clerk are hereby authorized and directed to execute said Bonds in the form and manner herein provided. The Controller is hereby authorized and directed to deliver the Bonds to the purchaser thereof (the "Purchaser") after sale made in accordance with the provisions of this ordinance, provided that at the time of such delivery the Controller shall collect the full amount which the Purchaser has agreed to pay therefor, which shall not be less than 99.0% of the par value of the Bonds, plus accrued interest from the date thereof to the date of delivery. The City may receive payment for the Bonds in installments.

(b) The 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 of the City's sewage works, on a parity with the 2009 Bonds and the 2015 Bonds, to be set aside into the Sinking Fund as herein provided. The proceeds derived from the sale of the Bonds shall be and are hereby set aside for application to: (i) the direct or indirect payment or reimbursement of any costs of the Project; (ii) the making of any deposit into the Reserve Account; and (iii) the payment or reimbursement of any costs of issuance of the Bonds, including any costs of credit enhancement therefor. The proper officers of the City are hereby directed 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) In the event the Bonds are to be sold at public sale, the Controller shall cause to be published either (i) a notice of such sale two times, at least one week apart, the first publication being made at least 15 days before the date of the sale and the second publication being made at least three days before the date of the sale, or (ii) a notice of intent to sell in accordance with Indiana Code 5-1-11 and Indiana Code 5-3-1.

The notice shall state the character and amount of the Bonds, the maximum rate of interest thereon, the terms and conditions upon which bids will be received and the sale made, and such other information as the Controller deems advisable, and any summary notice may contain any information as the Controller deems advisable. The notice may provide, among other things, that each bid shall be accompanied by a certified or cashier's check in an amount equal to 1% of the principal amount of the Bonds described in the notice and that in the event the successful bidder fails or refuses to accept delivery of the Bonds and pay for the same as soon as the Bonds are ready for delivery, or at the time fixed in the notice of sale, then such check and the proceeds thereof shall be the property of the City and shall be considered as its liquidated damages on account of such default; that bidders for the Bonds will be required to name the rate or rates of interest which the Bonds are to bear, not exceeding the maximum rates hereinbefore fixed; and that such interest rate or rates shall be in multiples of one-eighth ($1/8$) or one one-hundredth ($1/100$) of one percent (1%). The rate bid on any maturity shall be equal to or greater than the rate bid on the immediately preceding maturity. No conditional bid or bid for less than 99.0% of the par value of the Bonds will be considered. The opinion of Kroger Gardis & Regas LLP, Indianapolis, Indiana, bond counsel, approving the legality of the Bonds, will be furnished to the Purchaser at the expense of the City.

(d) In the event of public sale, the Bonds shall be awarded by the Controller to the best bidder who has submitted its bid in accordance with the terms of this ordinance, Indiana Code 5-1-11 and the notice. The best bidder will be the one who offers the lowest interest cost, to be determined by computing the total interest on all Bonds from the date thereof to the date of maturity and deducting therefrom the premium bid, if any, or adding thereto the discount, if any. The right to reject any and all bids shall be reserved. If no acceptable bid is received at the time fixed for sale of the Bonds, then the sale may be continued from day to day for a period not to exceed 30 days without readvertising. During the continuation of the sale, 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 the sale in the notice.

(e) In the alternative, the Controller may provide for the negotiated sale of the Bonds on terms satisfactory to the Controller in accordance with Ind. Code §5-1-11(a)(2).

(f) The preparation and distribution of an official statement or private placement memorandum for the Bonds (preliminary and final) prepared by London Witte Group, LLC, on behalf of the City, is hereby authorized. The Mayor and Controller are hereby authorized and directed to execute such official statement or private placement memorandum on behalf of the City in a form consistent with this ordinance and are further authorized to designate the preliminary official statement, or private placement memorandum as "nearly final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "SEC Rule"), if applicable.

(g) If a private placement memorandum or official statement is not required upon delivery of the Bonds, the City shall issue an appropriate term sheet and shall obtain an investment letter from the purchaser of the Bonds which satisfies federal and state securities laws applicable to the Bonds.

(h) The Controller, with the advice of the City's financial advisor, is hereby authorized to obtain one or more ratings or bond insurance policies for the Bonds if such rating or ratings or bond insurance will facilitate the sale of the Bonds.

Section 9. Use of Proceeds.

Proceeds of the Bonds shall be applied as follows and in the following order:

(a) First, any accrued interest received at the time of the delivery of the Bonds shall be deposited in the Sinking Fund (hereinafter defined) and used to pay interest on the Bonds on the first interest payment date for the Bonds.

(b) Second, proceeds from the sale of the Bonds shall be deposited in a bank or banks which are legally designated depositories for the funds of the City, in a special account or accounts to be designated as "City of Lawrence Sewage Works 202_ Construction Account" (the "Construction Account"). All funds deposited to the credit of the sinking Fund or Construction Account shall be deposited, held, secured and invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing and investing of public funds, including particularly Indiana Code 5-13-9, and the acts amendatory thereof and supplemental thereto. The funds in the Construction Account shall be expended only for the purpose directly or indirectly paying or reimbursing any costs of the Project. Any balance or balances remaining unexpended in the Construction Account after completion of the Project, which are not required to meet unpaid obligations incurred in connection with the Project, shall be paid into the Sinking Fund or applied as set forth in Indiana Code 5-1-13.

(c) Third, if proceeds of the Bonds will be used to fund all or a portion of the reserve for the Bonds, the Controller shall transfer such proceeds to the Reserve Account of the Sinking Fund, as hereinafter described.

(d) Fourth, the remaining proceeds from the sale of the Bonds shall be applied by the Controller to costs of issuance of the Bonds not otherwise paid, including costs of credit enhancement, if any. Prior to the delivery of the Bonds, the Controller shall obtain the legal opinion of Kroger Gardis & Regas LLP, bond counsel, of Indianapolis, Indiana, and shall furnish such opinion to the purchaser of the Bonds. The cost of the opinion shall be considered as part of the costs incidental to the issuance of the Bonds and shall be paid out of the proceeds thereof. When all costs of issuance of the Bonds have been paid, the Controller shall then transfer any amount then remaining from the proceeds of the Bonds to the hereinafter described Sinking Fund.

Section 10. Revenue Fund.

There is hereby continued the Sewage Works Revenue Fund (the "Revenue Fund") into which all income and revenues derived from the operation of the sewage works, and from the collection of sewage rates and charges shall be deposited. Out of these revenues, the proper and reasonable expenses of operation, repair and maintenance of the works shall be paid, the principal of and interest on all bonds and fiscal agency charges of registrars or paying agents shall be paid, the Reserve Account of the Sinking Fund shall be funded, and the costs of replacements, extensions, additions and improvements shall be paid.

Section 11. Operation and Maintenance Fund.

The Operation and Maintenance Fund (the "Operation and Maintenance Fund") is hereby continued. On the last day of each calendar month, revenues of the sewage works shall be transferred from the Revenue Fund to the Operation and Maintenance Fund so that the balance maintained in this Fund shall be sufficient to pay the expenses of operation, repair and maintenance of the sewage works for the then next succeeding two (2) calendar months. The moneys credited to the Operation and Maintenance Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the sewage works on a day-to-day basis, but none of the moneys in this Fund shall be used for depreciation, replacements, improvements, extensions or additions. Any moneys in the Operation and Maintenance Fund in excess of the expected expenses of operation, repair and maintenance for the next succeeding two (2) calendar months may be transferred to the Sewage Works Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the outstanding bonds of the sewage works.

Section 12. Sewage Works 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,

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"). 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. After making the credit to the Operation and Maintenance Fund, 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 on the then next succeeding interest payment date and (ii) at least one-twelfth (1/12) of the principal of all then outstanding bonds payable 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 Debt Service Reserve Account (the "Reserve Account"). On the date of delivery of the Bonds, funds on hand of the sewage works, Bond proceeds, or a combination thereof may be deposited in the Reserve Account. The initial deposit or the balance accumulated in the Reserve Account shall equal but not exceed the least of (i) the maximum annual debt service on the 2009 Bonds and the 2015 Bonds, the Bonds and any additional bonds issued in the future on a parity with the Bonds (the "Parity Bonds"), (ii) 125% of average annual debt service on the 2009 Bonds and the 2015 Bonds, the Bonds and any Parity Bonds, or (iii) 10% of the proceeds of the 2009 Bonds and the 2015 Bonds, the Bonds and any Parity Bonds (the "Reserve Requirement"). If the initial deposit into the Reserve Account does not cause the balance therein to equal the Reserve Requirement, or if no deposit is made, an amount of Net Revenues shall be credited to the Reserve Account on the last day of each calendar month until the balance therein equals the Reserve Requirement. The monthly deposits shall be equal in amount and sufficient to accumulate the Reserve Requirement within five (5) years of the date of delivery of the Bonds.

The Reserve Account shall constitute the margin for safety and a protection against default in the payment of principal of and interest on the 2009 Bonds, the 2015 Bonds, the Bonds and any Parity Bonds, and the moneys in the Reserve Account shall be used to pay current principal and interest on the 2009 Bonds, the 2015 Bonds, the Bonds and any Parity Bonds, to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. Any deficiency in the balance maintained in the Reserve Account shall be made up from the next available Net Revenues remaining after the credits to the Bond and Interest Account. Any moneys in the Reserve Account in excess of the Reserve Requirement shall either be transferred to the Sewage Works Improvement Fund or be used for the purchase of outstanding bonds or installments of principal of fully registered bonds.

If the Reserve Account contains a debt service reserve surety policy for the 2009 Bonds or the 2015 Bonds (the "Prior Bonds Surety") which provides separate coverage for the 2009 Bonds or the 2015 Bonds. The Prior Bonds Surety shall be taken into account in calculating the valuation of the then existing balance in the Reserve Account. The City may at any time and from time to time fund all or part of the Reserve Account by depositing in the Reserve Account one or more debt service reserve surety bonds or insurance policies (each, a "Reserve Account Credit Instrument"), each of which is issued by an insurance company rated at the time of deposit in one of the three highest rating categories by Standard & Poor's Corporation or Moody's Investors Service. As long as any Reserve Account Credit Instrument is in full force and effect, any valuation of the Reserve Account shall treat the maximum amount available under such Reserve

Account Credit Instrument at its value.

Notwithstanding the foregoing, in the event that the City determines to fund the Reserve Account with a Reserve Account Credit Instrument that covers the 2009 Bonds, the 2015 Bonds, and the initial series of the Bonds in the aggregate, the combined Reserve Requirement shall only apply to those series of bonds, and any future series of Parity Bonds, including any additional series of the Bonds, shall be secured by its own separate reserve account which shall be funded (with cash or a separate Reserve Account Credit Instrument) in an amount equal to the least of (i) the maximum annual debt service on such series of Parity Bonds, (ii) 125% of average annual debt service on such series of Parity Bonds, or (iii) 10% of the proceeds of such series of Parity Bonds. If the initial deposit into the reserve account securing such separate series of Parity Bonds does not cause the balance therein to equal the reserve requirement therefor, or if no deposit is made, an amount of Net Revenues shall be credited to such reserve account on the last day of each calendar month until the balance therein equals the reserve requirement. The monthly deposits shall be equal in amount and sufficient to accumulate the reserve requirement within five (5) years of the date of delivery of such series of Parity Bonds.

Section 13. Sewage Works Improvement Fund.

There is hereby continued the Sewage Works Improvement Fund (the "Improvement Fund"). After meeting the requirements of the Operation and Maintenance Fund and the Sinking Fund, any excess revenues shall be transferred or credited to the Improvement Fund and shall be used for improvements, replacement, additions and extensions of the sewage works. Moneys in the Improvement Fund shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal or interest on the then outstanding bonds payable from the Sinking Fund or, if necessary, to eliminate any deficiencies in credits to or minimum balances in the Reserve Account of the Sinking Fund. Moneys in the Improvement Fund may also be transferred to the Operation and Maintenance Fund to meet unforeseen contingencies in the operation, repair and maintenance of the sewage works.

Section 14. Maintenance of Accounts; Investments.

The Sinking Fund shall be deposited in and maintained as a separate account or accounts from all other accounts of the City. The Operation and Maintenance Fund and the Improvement Fund may be maintained in a single account, or accounts, but such account, or accounts, shall likewise be maintained separate and apart from all other accounts of the City and apart from the Sinking Fund account or accounts. All moneys deposited in the 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 IC 5-13, as amended or supplemented, 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.

Section 15. Maintenance of Books and Records.

The City shall keep proper books of records and accounts, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues collected from said works and all disbursements made on account of the works, also all transactions relating to said works. There shall be furnished, upon written request, to any owner of the Bonds, the most recent audit report of the sewage works prepared by the State Board of Accounts. Copies of all such statements and reports shall be kept on file in the office of the Controller. Any owner of the Bonds then outstanding shall have the right at all reasonable times to inspect the works and all records, accounts, statements, audits, reports and data of the City relating to the sewage works. Such inspections may be made by representatives duly authorized by written instrument.

Section 16. Rate Covenant.

The City covenants and agrees that it will establish and maintain just and equitable rates or charges for the use of and the service rendered by the sewage 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 sewage works by or through any part of the sewage system of the City, or that in any way uses or is served by the sewage works, at a level adequate to produce and maintain sufficient revenue to provide

for the proper operation, repair and maintenance of the sewage works, to comply with and satisfy all covenants contained in this ordinance, and to pay all obligations of the sewage works and of the City with respect to the sewage works. Such rates and 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 sewage works, and the requirements of the Sinking Fund. The rates and 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 17. Defeasance of Bonds.

If, when any of the Bonds issued hereunder 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 Bonds or any portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds or any portion thereof and coupons then outstanding shall be paid; or (i) sufficient moneys, or (ii) direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, the principal of and the interest on which when due will provide sufficient moneys, 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 Bonds issued hereunder or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the City's sewage works.

Section 18. Additional Bond Provisions.

The City reserves the right to authorize and issue additional Parity Bonds payable out of the Net Revenues of its sewage works ranking on a parity with the Bonds for the purpose of financing the cost of future additions, extensions and improvements to the sewage works, or to refund obligations, subject to the following conditions:

(a) All required payments into the Sinking Fund shall have been made in accordance with the provisions of this ordinance, and the interest on and principal of all bonds payable from the Net Revenues of the sewage works shall have been paid to date in accordance with their terms. The Reserve Requirement shall be satisfied for the additional Parity Bonds either at the time of delivery of the additional Parity Bonds or over a five (5) year or shorter period, in a manner which is commensurate with the requirements established in Section 12(b) of this ordinance.

(b) The Net Revenues of the sewage works in the fiscal year immediately preceding the issuance of any such additional Parity Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds and the additional Parity Bonds proposed to be issued; or, prior to the issuance of said Parity Bonds, the sewage rates and charges shall be increased sufficiently so that said increased rates and charges applied to the previous year's operations would have produced Net Revenues for said period equal to not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds and the additional Parity Bonds proposed to be issued. For purposes of this subsection all calculations required herein shall be prepared by a certified public accountant employed by the City for that purpose.

(c) The interest on the additional Parity Bonds shall be payable semiannually on the first days of January and July and the principal of, or mandatory sinking fund redemption dates for, the additional Parity Bonds shall be payable annually on January 1.

Section 19. Further Covenants.

For the purpose of further safeguarding the interests of the holders of the Bonds, it is specifically provided as follows:

(a) So long as any of the Bonds are outstanding, the City shall at all times maintain its sewage works in good condition and operate the same in an efficient manner and at a reasonable cost.

(b) So long as any of the Bonds are outstanding, the City shall acquire and maintain insurance coverage, including fidelity bonds, to protect the sewage works and its operations on the insurable parts of the sewage works of a kind and in an amount such as would normally be carried by private companies 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. All insurance proceeds and condemnation awards shall be used in replacing or restoring the property destroyed, damaged or taken; alternatively, they may be applied as Net Revenues of the works.

(c) So long as any of the Bonds are outstanding, the City shall not mortgage, pledge or otherwise encumber such works or any part thereof, nor shall it sell, lease or otherwise dispose of any portion thereof except machinery, equipment or property which may become worn out, obsolete or no longer suitable for use in the sewage works.

(d) Except as hereinbefore provided in Section 18 hereof, so long as any of the Bonds are outstanding, no additional bonds or other obligations pledging any portion of the revenues of said sewage works shall be authorized, executed, or issued by the City except such as shall be made subordinate and junior in all respects to the Bonds, unless all of the Bonds are redeemed, retired or defeased pursuant to Section 17 hereof coincidentally with the delivery of such additional bonds or other obligations.

(e) The City shall take all actions or proceedings necessary and proper, to the extent permitted by law, to require connection of all property where liquid and solid waste, sewage, night soil or industrial waste is produced with available sanitary sewers. The City shall, insofar as possible, and to the extent permitted by law, cause all such sanitary sewers to be connected with said sewage works.

(f) The provisions of this ordinance shall constitute a contract by and between the City and the owners of the Bonds, and after the issuance of said Bonds, this ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the owners of said Bonds nor shall the Council adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners so long as any of said Bonds or the interest thereon remain unpaid. Except for the changes set forth in Section 22(a)-(g), 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 Bonds.

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

Section 20. Investment of Funds.

The Controller is hereby authorized to invest moneys pursuant to IC 5-1-14-3 and the provisions of this ordinance (subject to applicable requirements of federal law to insure such yield is the then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Bonds under federal law. The Controller shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts continued or referenced herein. In order to comply with the provisions of the ordinance, the Controller 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 Controller may pay any such fees as operating expenses of the sewage works.

Section 21. Tax Covenants.

In order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as existing on the date of issuance of the Bonds (the "Code") and as an inducement to purchasers of the Bonds, the City represents, covenants and agrees that:

(a) The sewage works will be available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. No person or entity other than the City or another state or local governmental unit will use more than 10% of the proceeds of the Bonds or property financed by the Bond 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 Bond proceeds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates that person's or entity's use of such property from use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Bonds. If the City enters into a management contract for the sewage works, the terms of the contract will comply with Internal Revenue Service Revenue Procedure 2016-44, as it may be amended, supplemented or superseded for time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the Bonds.

(b) No more than 10% of the principal of or interest on the Bonds is (under the terms of the Bonds, 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 more than 5% of the Bond proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than 5% of the Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond proceeds.

(d) The City reasonably expects, as of the date hereof, that the Bonds will not meet either the private business use test described in paragraphs (a) and (b) above or the private loan test described in paragraph (c) above during the entire term of the Bonds:

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

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

(g) It shall not be an event of default under this ordinance if the interest on any Bond 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 Bonds.

(h) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds.

(i) The City represents that it will rebate any arbitrage profits to the United States of America, to the extent required by the Code.

Section 22. Amendments with Consent of Bondholders.

Subject to the terms and provisions contained in this Section and Section 19(f), and not otherwise, the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds issued pursuant to this ordinance and then outstanding shall have the right, from time to time, anything contained in this ordinance to the contrary notwithstanding, to consent to and approve the adoption by the City of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or, interest on any Bond issued pursuant to this ordinance; or

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

(c) The creation of a lien upon or a pledge of the revenues of the sewage works ranking prior to the pledge thereof created by this ordinance; or

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

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

(f) A reduction in the Reserve Requirement; or

(g) The extension of mandatory sinking fund redemption dates, if any.

(h) If the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds outstanding at the time of adoption of such supplemental ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Controller, no owner of any Bond issued pursuant to this ordinance 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 City or its officers 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 Bonds issued pursuant to the provisions of this ordinance 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 Bonds authorized by this ordinance, and the terms and provisions of the Bonds and this ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the Bonds issued pursuant to this ordinance then outstanding.

Section 23. Tax Exemption.

Notwithstanding any other provisions of this ordinance, the covenants and authorizations

contained in this ordinance (the "Tax Sections") which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law (the "Tax Exemption") need not be complied with if the City receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption. At the time of delivery of the Bonds, the Mayor and Controller will execute post-issuance compliance procedures with respect to the Bonds relating to continued compliance of the City with respect to the Tax Sections to preserve the Tax Exemption.

Section 24. Continuing Disclosure.

If necessary in order for any placement agent of the Bonds to comply with the SEC Rule, the Mayor and the Controller of the City are hereby authorized to execute and deliver an agreement by the City to comply with the requirements of a continuing disclosure undertaking by the City pursuant to subsection (b)(5) of the SEC Rule, and any amendments thereto from time to time (the "Continuing Disclosure Agreement"). In such case, the City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. The Mayor and Controller of the City are authorized to execute the same in form or substance reasonably acceptable to such officers.

Section 25. Conflicting Ordinances.

All ordinances and parts of ordinances in conflict herewith, except the ordinances authorizing the 2009 Bonds and the 2015 Bonds, are hereby repealed; provided, however, that this ordinance shall not be construed as adversely affecting the rights of the owners of the 2009 Bonds and the 2015 Bonds.

Section 26. Sewer Rates.

The estimates of the rates and charges of the sewage works are set forth in the Lawrence City Code which is incorporated herein by reference.

Section 27. Intent to Reimburse.

The Council hereby further declares its official intent, pursuant to Treas. Reg. §1.150-2 and Indiana Code §5-1-14-6(c) to reimburse any expenditures related to the financing of the Projects or the Bonds incurred by the City for the purposes set forth herein prior to the issuance of the Bonds from the proceeds of the Bonds. Each reimbursed expenditure will be either "(a) of a type properly chargeable to a capital account under general federal income tax principles as of its date; (b) a cost of issuance with respect to the Bonds; or (c) a non-recurring item that is not customarily payable from current revenues." The proper officers of the City are hereby authorized and directed to take all action necessary to effect such reimbursements to the proper fund or party, and all actions previously taken by any such officer is hereby ratified, endorsed and authorized in every way.

Section 27. Headings.

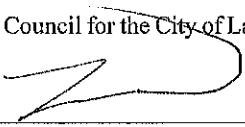
The headings or titles of the several sections of this ordinance shall be solely for convenience or reference and shall not affect the meaning, construction or effect of this ordinance.

Section 28. Effective Date.

This ordinance shall be in full force and effect from and after its passage and execution by the Mayor.

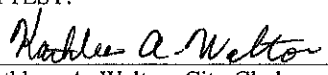
[Signature Page Follows]

This Ordinance is hereby passed by the Common Council for the City of Lawrence, Indiana
this 6th day of September, 2022.



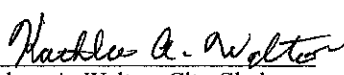
Lisa Chavis, President

ATTEST:



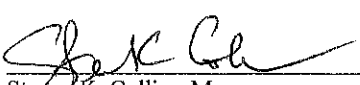
Kathleen A. Walton, City Clerk

Presented by me to the Mayor of the City of Lawrence, Indiana this 6th day of September, 2022.



Kathleen A. Walton, City Clerk

Presented to me and signed this 6th day of Sept, 2022.



Steven K. Collier, Mayor

EXHIBIT A

Description of the Project

EXHIBIT "A"

QUANTITY COST ESTIMATE

City of Lawrence Remaining SSES
Rehabilitation Work

Project No.: 2021.007222



AMERICAN
STRUCTUREPOINT
INC

ESTIMATED PROJECT COST

Total: \$25,179,000.00
30.0% Contingency: \$7,554,000.00
ESTIMATED TOTAL: \$32,733,000.00

ID	Description	Quantity	Unit	Unit Price	Item Total
0001	MOBILIZATION / DEMOBILIZATION (10% - INCL. CONSTRUCTION ENG.)	1	LS	\$2,248,417	\$2,248,417
0002	MAINTENANCE OF TRAFFIC	1	LS	\$1,069,993	\$1,069,993
0003	6-INCH DIAMETER CIPP LINING	477	LF	\$30	\$14,310
0004	8-INCH DIAMETER CIPP LINING	59,107	LF	\$40	\$2,364,280
0005	10-INCH DIAMETER CIPP LINING	15,794	LF	\$45	\$710,730
0006	12-INCH DIAMETER CIPP LINING	8,663	LF	\$55	\$476,465
0007	15-INCH DIAMETER CIPP LINING	3,289	LF	\$75	\$246,675
0008	18-INCH DIAMETER CIPP LINING	634	LF	\$90	\$57,060
0009	ROOT REMOVAL	87,964	LF	\$1	\$70,331
0010	CUT PROTRUDING TAP	377	EA	\$180	\$67,920
0011	SANITARY SEWER, LATERAL REINSTATEMENT IN CURED-IN-PLACE PIPE	2,383	EA	\$113	\$268,171
0012	LATERAL LINER USING EITHER BRIM STYLE OR FULL MAINLINE CIRCUMFERENCE CONNECTION, 6", UP TO 5 FEET	2,383	EA	\$3,500	\$8,340,500
0013	SANITARY SEWER, PARTIAL REPLACEMENT UP TO 5', 6" PVC	3	EA	\$9,493	\$28,478
0014	SANITARY SEWER, PARTIAL REPLACEMENT UP TO 5', 8" PVC	120	EA	\$12,657	\$1,518,827
0015	SANITARY SEWER, PARTIAL REPLACEMENT UP TO 5', 10" PVC	27	EA	\$12,945	\$349,519
0016	SANITARY SEWER, PARTIAL REPLACEMENT UP TO 5', 12" PVC	14	EA	\$18,985	\$265,795
0017	SANITARY SEWER, PARTIAL REPLACEMENT UP TO 5', 15" PVC	9	EA	\$23,733	\$213,593
0018	SANITARY SEWER, PARTIAL REPLACEMENT UP TO 5', 18" PVC	3	EA	\$28,478	\$85,435
0019	SANITARY SEWER, 8" PVC PIPE SDR 35, GRANULAR BACKFILL	8,312	LF	\$205	\$1,703,960
0020	SANITARY SEWER, 10" PVC PIPE SDR 35, GRANULAR BACKFILL	1,834	LF	\$210	\$385,140

Prepared By: _____ Date: _____ Checked By: _____ Date: _____

ID	Description	Quantity	Unit	Unit Price	Item Total
0021	ASPHALT PAVEMENT REPLACEMENT, INTERMEDIATE	3,233	TON	\$144	\$466,984
0022	ASPHALT PAVEMENT REPLACEMENT, SURFACE	1,082	TON	\$138	\$149,025
0023	PAVEMENT REPLACEMENT, AGGREGATE BASE	4,301	TON	\$69	\$295,557
0024	LINE MANHOLE	7,130	VF	\$236	\$1,682,432
0025	REPLACE MANHOLE LID AND FRAME	167	EA	\$1,245	\$207,946
0026	MANHOLE INFLOW DISH	20	EA	\$250	\$5,000
0027	INTERNAL CHIMNEY SEAL	391	EA	\$289	\$113,054
0028	REPLACE MANHOLE	56	EA	\$10,413	\$583,155
0029	LINE LATERAL, 6", ADDITIONAL LENGTH	23,830	LF	\$21	\$508,915
0030	MANHOLE CHIMNEY REPLACEMENT	29	EA	\$929	\$26,939
0031	MANHOLE BENCH REPLACEMENT	62	EA	\$258	\$15,980
0032	REPLACE MANHOLE CONE	64	EA	\$3,000	\$192,000
0033	RESET MANHOLE LID AND FRAME	230	EA	\$1,262.43	\$290,358
0034	RAISE BURIED MANHOLE	90	EA	\$1,000.00	\$90,000.00
0035	REPAIR PIPE CONNECTION	216	EA	\$300.00	\$64,800.00
0036	CONCRETE EXTERIOR REPAIR	2	EA	\$500.00	\$1,000.00
0037	PLUG ABANDONED PIPE CONNECTION	2	EA	\$250.00	\$500.00

Prepared By: _____ Date: _____ Checked By: _____ Date: _____