

Approved and signed by me on this 11th day of February 1991.

Ann Garoffolo (signed)
Ann Garoffolo, Mayor

ORDINANCE NO. 1991-4

AN ORDINANCE CONCERNING THE CONSTRUCTION OF IMPROVEMENTS,
ADDITIONS AND EXTENSIONS TO THE SEWAGE WORKS OF THE CITY OF
LEBANON, INDIANA, THE ISSUANCE OF REVENUE BONDS TO PROVIDE THE
COST THEREOF, THE COLLECTION, SEGREGATION AND DISTRIBUTION OF
THE REVENUES OF SAID WORKS, THE SAFEGUARDING OF THE INTERESTS
OF THE OWNERS OF SAID REVENUE BONDS, OTHER MATTERS CONNECTED
THEREWITH, INCLUDING THE ISSUANCE OF NOTES IN ANTICIPATION OF
BONDS, AND REPEALING ORDINANCES INCONSISTENT HERewith

WHEREAS, the City of Lebanon, Indiana (the "City") has heretofore established, and financed a sewage works, and now owns and operates said sewage works in accordance with I.C. 36-9-23; and

WHEREAS, the Common Council of the City of Lebanon, now finds that certain improvements and extensions to said works are necessary in conjunction with the recommendations of the Lebanon Municipal Utility Board; and that plans, specifications, and estimates have been prepared and filed by the engineers employed by the City for the construction of said improvements and extension, which plans and specifications have been or will be approved by said City of Lebanon, its Common Council, and Utility Service Board, and by all other governmental authorities having jurisdiction including, particularly, the Indiana Department of Environmental Management; and

WHEREAS, the City has obtained engineers' estimates of the costs for the construction of said improvements and extensions and has advertised for and received bids therefor which bids are subject to the City's obtaining funds to pay for said sewage works; that on the basis of said estimates and construction bids, the cost of the project, as defined in I.C. 36-9-23 and E.C. 36-9-1, including incidental expenses, is in the amount of \$4,155,000; and

WHEREAS, the Common Council finds that funds on hand of the sewage works in the estimated amount of \$800,00 will be available for application on the cost of said project and to provide funding for a Debt Service Reserve Account, leaving a balance of approximately \$3,710,000 which balance is to be financed by the issuance of sewage works revenue bonds in the amount of \$3,710,000 and if necessary, bond anticipation notes ("BANS"); and

WHEREAS, the bonds to be issued pursuant to this ordinance will constitute a first charge against the Net Revenues of the sewage works (as herein defined), and are to be issued subject to the provisions of the laws of the State of Indiana, including, without limitation, I.C. 36-9-23, and all acts amendatory and supplemental (the "Act"), and the terms and restrictions of this ordinance; and

WHEREAS, the City desires to authorize the issuance of BANS hereunder, if necessary, payable solely from the proceeds of sewage works revenue bonds issued to finance the aforementioned cost of the project and refunding, and to authorize the refunding of said BANS, if issued, and

WHEREAS, the Common Council now finds that all condition precedent to the adoption of an ordinance authorizing the issuance of said revenue bonds and BANS 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 LEBANON, INDIANA:

Sec. 1. That the City proceed with the construction of additions and improvements to its sewage works in accordance with the cost estimates, and the plans and specifications heretofore prepared and filed by Commonwealth Engineers, Inc., Consulting Engineers, employed by the City of Lebanon, which cost estimates, 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-Treasurer of the City of Lebanon and are open for public inspection pursuant to I.C. 36-1-5-4, that the cost of construction of said improvements and extensions shall not exceed the sum of \$4,155,000, plus investment earnings on the BAN and bond proceeds, without further authorization from this Common Council. The terms "sewage treatment works", "works", and other like terms where used in this ordinance shall be construed to mean and include all structures and property of the City's sewer utility, including items defined at I.C. 36-9-1-8. A description of the proposed improvements and extensions is set forth on Exhibit A attached hereto ("Project"), and the Project shall be constructed in accordance with the plans and specification heretofore mentioned, which plans and specifications are hereby approved. Said Project shall be constructed and the bonds herein authorized shall be issued pursuant to and in accordance with the Act.

Sec. 2. The City shall issue, if necessary, its BANS for the purpose of procuring interim financing to apply on the cost of said Project. The City shall issue its BANS in an amount not to exceed Three Million Seven Hundred Ten Thousand Dollars (\$3,710,000) to be designated "Sewage Works Bond Anticipation Notes," Said BANS shall be numbered consecutively from 1 upward, shall be in multiples of \$5,000, shall be dated as of the date of delivery thereof, and shall bear interest at a rate not to exceed % per annum (the exact rate or rates to be determined through negotiations with the purchaser of the BANS payable upon maturity. The BANS will mature three hundred sixty-five (365) days after their date of delivery. The BANS are subject to renewal or extension at an interest rate or rates not to exceed 8% per annum (the exact rate or rates to be negotiated with the purchaser of the BANS. The term of the BANS and all renewal BANS may not exceed five years from the date of delivery of the first