

not later than 3:30 p.m. (Lebanon Time) on the next business day following the award. If such good faith deposit is not received by that time, the financial surety bond shall be drawn by the City to satisfy the good faith deposit requirement. In the event the successful bidder shall fail or refuse 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 said 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 said bonds will be required to name the rate or rates if interest which the bonds are to bear, not exceeding the maximum rate hereinbefore affixed, and that such interest rate or rates shall be in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%). The rate bid on a maturity shall be equal to or greater than the rate bid on the immediately preceding maturity. No conditional bid or bid for less than 98.5% of the par amount of the bonds will be considered. The opinion of Ice Miller Donadio & Ryan, bond counsel of Indianapolis, Indiana, approving the legality of said bonds, will be furnished to the purchaser at the expense of the City.

The bonds shall be awarded by the Clerk-Treasurer to the best bidder who has submitted his bid in accordance with the terms of this ordinance, I.C. 5-1-11 and the notice of sale. The best bidder will be the one who offers the lowest net interest cost to the City, to be determined by computing the total interest on all of the bonds to their maturities and adding hereto the discount bid, if any, and deducting the premium bid, if any. The right to reject any and all bids shall be reserved. If an acceptable bid is not received on the date of sale, the sale may be continued from day to day thereafter without further advertisement for a period of thirty (30) days, during which time no bid which is lower than the best bid received at the time of their advertised sale will be considered.

As an alternative to public sale, the Clerk-Treasurer may negotiate the sale of said bonds to the Bond Bank at an interest rate not exceeding eight percent (8%) per annum. The Mayor and the Clerk-Treasurer are hereby authorized to (i) submit an application to the Bond Bank, (ii) execute a Purchase Agreement with the Bond Bank with terms conforming to this ordinance, and (iii) sell such bonds upon such terms as are acceptable to the Mayor and the Clerk-Treasurer consistent with the terms of this ordinance.

Sec. 8. Any accrued interest or premium received at the time of the delivery of the bonds shall be deposited in the Sewage Works Sinking Fund (the "Sinking Fund"). The remaining proceeds from the sale of said bonds, to the extent used to refund BANs and the remaining BAN proceeds 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 Lebanon, Sewage Works Construction Account" (the "Construction Account"). All funds deposited to the credit of said Sinking Fund or Construction Account shall be deposited, held secured or invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including particularly I.C. 5-13, and the acts amendatory thereof and supplemental thereto. The funds in said Construction Account shall be expended only for the purpose of paying the cost of the Project, refunding the BANs, if issued, or as otherwise required by said Act or for the expenses of issuance of the bonds. The cost of obtaining the legal services of Ice Miller Donadio & Ryan shall be considered as a part of the cost of the project on account of which the bonds and BANs are issued.

Any balance or balances remaining unexpended in such special account or accounts after completion of the Project, which are not required to meet unpaid obligations incurred in connection with such Project, shall either (1) be paid into the Sinking Fund and used solely for the purposes of said Sinking Fund or (2) be used for the same purpose or type of project for which the bonds were originally issued, all in accordance with E.C. 5-1-13, as amended and supplemented.

Sec. 9. There is hereby created a fund to be known as the Sewage Works Revenue Fund (the "Revenue Fund") into which there shall be deposited upon receipt, all income and revenues of the sewage works. This fund shall be maintained separate and apart from all other bank accounts of the City. All moneys deposited in the Revenue Fund may be invested in accordance with I.C. 5-13.

Sec. 10. An Operation and Maintenance Fund (the "Operation and Maintenance Fund") is hereby created. 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 of the revenues of the sewage works so that the balance in this Fund shall be sufficient to pay the expenses of operation, repair and maintenance for the then next succeeding two calendar months. The moneys credited to this 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 money in such Fund shall be used for depreciation, replacements, improvements, extensions or additions. Any balance in said 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 or interest on the outstanding bonds of the sewage works.

Sec. 11. A special fund designated "Sewage Works Sinking Fund" is hereby created for the payment of the principal or interest on the revenue bonds, herein authorized, 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. There shall be set aside and deposited in said Sinking Fund, as available, and as hereinafter provided, a sufficient amount of the Net Revenues of said sewage works to meet the requirements of the Bond and Interest Account and of the Debt Service Reserve Account hereby created in said Sinking Fund. Such payments shall continue until the balance in the Bond and Interest Account, plus the balance in the Debt Service Reserve Account hereinafter described, equals the amount needed to redeem all of the then outstanding bonds of the City.

(a) Bond and Interest Account. There shall be transferred, on the last day of each calendar month, from the Revenue Fund and credited to the Bond and Interest Account an amount of the Net Revenues equal to the sum of one-twelfth (1/12) of the principal and one-sixth (1/6) of the interest on all then outstanding bonds payable from Net Revenues on the next succeeding