

ORDINANCE NO. 2011-2

An Ordinance concerning the construction of additions and improvements to the sewage works of the Town of Westport, Indiana, the issuance of revenue bonds to apply on 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 Town of Westport, Indiana ("Town") has heretofore established, constructed and financed a sewage works, and now owns and operates said sewage works pursuant to IC 36-9-23; and

WHEREAS, the Town Council finds that certain improvements and extensions to said works are necessary; that plans, specifications and estimates have been prepared and filed by the engineers employed by the Town for the construction of said improvements and extensions as more fully set forth in summary fashion in Exhibit A attached hereto and made a part hereof ("Project"), which plans and specifications have been submitted to all governmental authorities having jurisdiction, particularly the Indiana Department of Environmental Management, and have been or will be approved by the aforesaid governmental authorities and are incorporated herein by reference and open for inspection at the office of the Clerk-Treasurer as required by law; and

WHEREAS, the Town has obtained engineers' estimates of the costs for the construction of the Project and has advertised for and received bids for the Project, which bids are subject to the Town's obtaining funds to pay for the Project; that on the basis of said estimates and construction bids, the maximum estimated cost of the Project, as defined in IC 36-9-23 and IC 36-9-1, including incidental expenses, is in the amount of \$6,248,325; and

WHEREAS, the Town Council finds that the Town has funds on hand in the amount of \$1,000 and has been awarded an Office of Community and Rural Affairs grant in the amount of

\$3,801,325 to apply on the cost of the Project, and that the balance of the cost of the Project is to be financed by the issuance of revenue bonds, in one or more series, and, if necessary, bond anticipation notes ("BANs"), in the aggregate maximum principal amount of \$2,446,000; and

WHEREAS, the Town Council has been advised that the United States of America, U.S. Department of Agriculture, acting through Rural Development ("USDA") will purchase the bonds, in one or more series, in the aggregate principal amount not to exceed \$2,446,000; and

WHEREAS, the Town Council finds that there are outstanding bonds payable out of the revenues of the Town's sewage works, designated "Sewage Works Refunding Revenue Bonds of 1994" ("1994 Bonds"), dated August 1, 1994, originally issued in the amount of \$375,000, now outstanding in the amount of \$205,000 and maturing annually over a period ending November 1, 2019, which 1994 Bonds constitute a first charge upon the Net Revenues (as hereinafter defined) of the sewage works; and

WHEREAS, the ordinance authorizing the issuance of the 1994 Bonds (hereinafter, "Outstanding Bonds") permits the issuance of additional bonds ranking on a parity with the Outstanding Bonds if certain conditions can be met, and the Town finds that the finances of the sewage works will enable the Town to meet the conditions for the issuance of additional parity bonds and that, accordingly, the revenue bonds authorized by this ordinance shall rank on a parity with the Outstanding Bonds; and

WHEREAS, 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 Outstanding Bonds, and are to be issued subject to the provisions of the laws of the State of Indiana, including, without limitation, IC 36-9-23 as in effect on the date of issuance of the bonds ("Act"), and the terms and restrictions of this ordinance; and

WHEREAS, the Town desires to authorize the issuance of BANs hereunder, if necessary, and to authorize the refunding of the BANs, if issued; and

WHEREAS, all conditions precedent to the adoption of an ordinance authorizing the issuance of the revenue bonds and BANs to apply on the cost of the Project have been complied with in accordance with the provisions of the Act hereinbefore referred to;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WESTPORT, INDIANA THAT:

Section 1. The Town proceed with the Project in accordance with the plans and specifications heretofore prepared by the consulting engineers employed by the Town, which plans and specifications are now on file in the office of the Clerk-Treasurer of the Town, and are hereby adopted and approved, and by reference made a part of this ordinance as fully as if the same were attached hereto and incorporated herein; that the cost of construction of the Project shall not exceed the sum of \$6,248,325 plus investment earnings on the BAN and bond proceeds, without further authorization from the Town Council, and the Project shall be constructed and the bonds and BANs herein authorized shall be issued pursuant to and in accordance with the provisions of the Act. The terms "sewage works," "sewage works system," "works," "system," and other like terms 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, including the Project authorized herein, and all extensions, additions and improvements thereto and replacements thereof now or at any time hereafter acquired.

Section 2. The Town shall issue, if necessary, its BANs for the purpose of procuring interim financing to apply on the cost of the Project and the payment of costs of issuance. The Town shall issue its BANs in an amount not to exceed Two Million Four Hundred Forty-six

Thousand Dollars (\$2,446,000) to be designated "Sewage Works Bond Anticipation Notes." The BANs shall be sold at a price not less than 99% of the par value thereof, shall be numbered consecutively from 1 upward, shall be in denominations of \$1,000 as designated in the Purchase Agreement therefor, shall be dated as of the date of delivery thereof, and shall bear interest at a rate not to exceed 5% per annum (the exact rate or rates to be determined through negotiation). The BANs will mature no later than five (5) years from their date of delivery. The BANs are subject to renewal or extension at an interest rate or rates not to exceed 5% 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 initial BANs. The BANs shall be registered in the name of the purchasers thereof.

The BANs shall be issued pursuant to IC 5-1.5-8-6.1 if sold to the Indiana Bond Bank or pursuant to IC 5-1-14-5 if sold to a financial institution or another purchaser. The BANs shall be payable solely from the issuance of revenue bonds pursuant to and in the manner prescribed by the Act. The revenue bonds will be payable solely out of and constitute a first charge against the Net Revenues of the sewage works of the Town, on a parity with the Outstanding Bonds.

The Town shall issue its sewage works revenue bonds, in one or more series, designated "Sewage Works Revenue Bonds of 2011, Series __", to be completed with the appropriate series designation, for the purpose of procuring funds to apply on the cost of the Project, costs of issuance and refunding the BANs, if issued. The Town shall issue the bonds in the aggregate principal amount not to exceed Two Million Four Hundred Forty-six Thousand Dollars (\$2,446,000) ("Bonds"). The Bonds shall be sold at not less than par value. The Bonds shall be issued in fully registered form in the denomination of One Thousand Dollars (\$1,000) each, or any integral multiple thereof, numbered consecutively from 1 up, and dated as of the date of

initial delivery of the Bonds. The Bonds shall bear interest at a rate or rates not exceeding 4% per annum, payable semiannually on May 1 and November 1 in each year, beginning on May 1, 2012. Installments of principal and interest shall be payable in such coin or currency as at the time of payment shall be legally acceptable for payment of debts due the United States of America.

The Bonds shall mature annually on November 1 over a period not to exceed forty (40) years after the date of issuance of the Bonds, and in such amounts which will produce as level debt service as practicable with \$1,000 denominations.

The BANs and the Bonds shall be registered in the name of the owner in a book maintained for that purpose by the Clerk-Treasurer of the Town, and such registration shall be noted thereon by the Clerk-Treasurer as bond registrar, after which no transfer shall be valid except by transfer duly acknowledged by the registered owner or its attorney, such transfer to be made in said book and similarly noted on the BAN or the Bond, respectively. No charge shall be made for registration. Principal of the fully registered Bonds, subject to prior prepayment as hereinafter provided, shall be payable on November 1, in the years and installments as correspond to the years and amounts to be set in accordance with Section 2 hereof. Both interest on and principal of the fully registered BANs and Bonds are payable in lawful money of the United States of America by check mailed to the registered owner one business day prior to the payment date, at the address of said owner as it appears on the registration records of the Town; provided that at the time of final payment, said fully registered BAN, BANs, Bond or Bonds must be delivered to the Town. The party in whose name the BANs and Bonds shall be registered shall be deemed the absolute owner for all purposes and payments to such owner shall completely discharge the Town's obligations.

Section 3. Each of the Bonds and BANs shall be issued in the name of the Town and shall be executed by the President of the Town Council, and attested by the Clerk-Treasurer who shall affix the seal of the Town thereto. The Bonds shall not be the general obligation of the Town, and the Bonds shall state on their face that the Town shall not be obligated to pay the same or the interest thereon except from the special revenue fund provided from the Net Revenues (defined as the gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works, including all additions and improvements thereto and replacements thereof subsequently constructed or acquired, on a parity with the Outstanding Bonds. Subject to the provisions for registration hereof, the Bonds and BANs shall have all the qualities and incidents of a negotiable instrument under the laws of the State of Indiana.

Section 4. The form and tenor of the fully registered Bonds and the transfer registry thereon shall be substantially as follows, all blanks to be filled in properly prior to delivery thereof:

(Form of Fully Registered Bond)

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF DECATUR

TOWN OF WESTPORT
SEWAGE WORKS REVENUE BOND OF 2011, SERIES ____

The Town of Westport, in Decatur County, State of Indiana, for value received, hereby promises to pay to the registered owner solely out of the special revenue fund hereinafter referred to, the principal amount of _____
DOLLARS (\$_____)

on November 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>
	\$

(subject to any prepayments of principal as hereinafter provided) and to pay interest on the unpaid balance hereof from the dates of payment as recorded hereon until the principal is paid, at the rate of ___% per annum, payable semiannually on May 1 and November 1, beginning May 1, 2012.

Both principal and interest of this bond are payable in lawful money of the United States of America, by check mailed to the registered owner one business day prior to the payment date at the address of said owner as it appears on the registration records of the Town. Upon final payment, this bond shall be delivered to the Town and cancelled.

This bond is the one of an authorized issue of the Town, issued in series, in the aggregate principal amount of _____ Dollars (\$_____) for this series, issued for the purpose of providing funds to be applied to the cost of the construction of improvements and additions to the Town's sewage works[, and refunding notes issued in anticipation of this bond,] as authorized by an ordinance adopted by the Town Council of the Town on _____, 2011, entitled "An Ordinance concerning the construction of additions and improvements to the sewage works of the Town of Westport, Indiana, the issuance of revenue bonds to apply on 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" ("Ordinance"), and in strict compliance with the provisions of IC 36-9-23 as in effect on the date of delivery of this bond ("Act").

Pursuant to the provisions of the Act and the Ordinance, the principal and interest of this bond, and any bonds ranking on a parity therewith, including the Sewage Works Revenue Bonds of 2011, Series __ issued under the Ordinance ("Series __ Bonds") and the Outstanding Bonds (as defined in the Ordinance), are payable solely from the Sewage Works Sinking Fund ("Sinking Fund"), to be provided from the Net Revenues (defined as the gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works of the Town, including all additions and improvements thereto and replacements thereof subsequently constructed or acquired. This bond shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana, and the Town shall not be obligated to pay this bond or the interest hereon except from the special fund provided from the Net Revenues. This bond and the issue of which it is a part constitute a first charge upon the Net Revenues, on a parity with the Series __ Bonds and the Outstanding Bonds.

The Town 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 the Ordinance, and any bonds ranking on a parity therewith, including the Series __ Bonds and the Outstanding Bonds, 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 reasonable expenses of operation, repair and maintenance of said works, and for the payment of the sums required to be paid into the Sinking Fund under the provisions of the Ordinance and the Act. In the event the Town, or the proper officers thereof, shall fail or refuse to so fix, maintain and collect such rates or charges, or if there be a default in the payment of the interest on or principal of this bond, the owner of this bond shall have all of the rights and remedies provided

for in the Act, including the right to have a receiver appointed to administer the works and to charge and collect rates sufficient to provide for the payment of this bond and the interest hereon.

The Town further covenants that it will set aside and pay into its Sinking Fund a sufficient amount of the Net Revenues of said works to pay (a) the interest on this bond and all other bonds which, by their terms, are payable from the revenues of said sewage works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying the bonds and interest, (c) the principal of this bond and all other bonds which, by their terms, are payable from the revenues of said sewage works, as such principal shall fall due, and (d) an additional amount as a margin of safety 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 Series ___ Bonds and the Outstanding Bonds.

This bond may be transferred upon presentation of the bond and an executed assignment to the Clerk-Treasurer of the Town for notation of the same upon this bond and the registration record of the Town kept for that purpose or may be exchanged as provided in the Ordinance.

Installments of principal of this bond may, at the option of the Town, be prepaid in whole or in part on any date after issuance, in any multiple of One Thousand Dollars (\$1,000), upon thirty (30) days' notice to the registered owner, at par and accrued interest to the date of prepayment. Interest on the installments of principal so prepaid shall cease on such date of prepayment. This bond must be presented at the office of the Clerk-Treasurer for any such prepayments.

If this bond shall not be presented for payment or redemption on the date fixed therefor, the Town 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 Town shall have no further obligation or liability in respect thereto.

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 if the Town Council determines, in its sole discretion, that the amendment shall not adversely affect the rights of any of the owners of the bonds.

The Town has designated this bond as a "qualified tax-exempt obligation" to qualify this bond for the \$10,000,000 exception from the provisions of Section 265(b) of the Internal Revenue Code of 1986 relating to the disallowance of 100% of interest expense allocable to qualified tax-exempt obligations acquired by financial institutions.

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

IN WITNESS WHEREOF, the Town of Westport, in Decatur County, State of Indiana, has caused this bond to be executed in its corporate name by the President of the Town Council

and its corporate seal to be hereunto affixed and manually attested by its Clerk-Treasurer, as of _____, 2011.

TOWN OF WESTPORT, INDIANA

By _____
President, Town Council

(SEAL)

Attest:

Clerk-Treasurer

(Form of Registration)

REGISTRATION ENDORSEMENT

This bond can be transferred and registered only at the office of the Clerk-Treasurer in the Town of Westport. No writing hereon except by the Clerk-Treasurer.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Employer I.D. # or Social Security #, if applicable</u>	<u>Clerk-Treasurer</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

RECORD OF PAYMENT FOR BOND

<u>Date of Payment</u>	<u>Amount</u>	<u>Acknowledgement of Receipt by Clerk-Treasurer</u>	<u>Guarantee of Clerk-Treasurer's Signature</u>
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(NOTE: This should be a separate sheet)

PREPAYMENT RECORD

Principal Installments on Which Payments
Have Been Made Prior to Maturity

<u>Principal Date</u>	<u>Principal Amount</u>	<u>Payment</u>	<u>Balance</u>	<u>Date Paid</u>	<u>Name of Authorized Official and Title</u>
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(NOTE: This should be a separate sheet)

Section 5. The BANs are prepayable by the Town, in whole or in part, at any time upon twenty days' notice to the owners of the BANs without any premium. Any one or more installments of principal of the Bonds shall be redeemable or prepayable at the option of the Town from any funds regardless of source, in whole or in part, in any multiple of One Thousand Dollars (\$1,000), on any date, at the principal amount thereof and accrued interest to the date fixed for redemption, without any premium. Prepayments of installments of principal of the fully registered Bonds shall be made in inverse order of maturities outstanding at the time of prepayment, and in inverse numerical order of Bonds if less than an entire maturity is called. Notice of prepayment of principal on a Bond shall be given by registered mail at least thirty (30) days prior to the date of such redemption or prepayment to the registered owner at its address as shown on the registration record of the Town. The notice of prepayment shall specify the date and place of prepayment, the dates of maturity of the Bonds subject to prepayment, and identification of installments of principal to be prepaid. The place of prepayment of installments of principal shall be the office of the Clerk-Treasurer of the Town who shall record the prepayments on the Bonds. Interest on the installments of principal to be prepaid shall cease on the date fixed in such notice if sufficient funds are available at the place of prepayment to pay the

price on the date so named, including interest to said date. If any Bond called for prepayment shall not be presented on the date and at the place designated, the Town shall hold in trust in the Town's depository bank sufficient funds to effect such prepayment in full, and thereafter the owner of such Bond shall be entitled to payment only from such trust funds and the prepayment thereof shall be deemed to have been effected and the Bonds no longer outstanding.

Section 6. The Bonds and BANs shall be signed manually or by facsimile in the name of the President of the Town Council and attested by the Clerk-Treasurer, who shall affix the seal of the Town to each of the Bonds and BANs or cause said seal to be imprinted thereon by any means. Said officials, by the signing of a proper signature identification certificate, shall adopt as and for their own proper signatures their facsimile signatures appearing on the Bonds and BANs.

All Bonds, and any bonds ranking on a parity therewith, including the Outstanding Bonds, as to both principal and interest shall be payable from and secured by an irrevocable pledge of and shall constitute a first charge upon all the Net Revenues of the sewage works of the Town. The Town shall not be obligated to pay the Bonds or the interest thereon except from the Net Revenues of said works, and the Bonds shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana.

Section 7. Upon surrender of a fully registered Bond at the office of the Clerk-Treasurer of the Town, or at such other place as may be agreed upon by and between the Town and the registered owner, together with a request for exchange duly executed by the registered owner, or its attorney, in such form as shall be satisfactory to the Town, such Bond may, at the option of the registered owner thereof, and the expense of the Town except for any tax or governmental charge required to be paid with respect to the transfer which tax or charge shall be

paid by the registered owner requesting the transfer, be exchanged for a new fully registered Bond or Bonds in an aggregate amount equal to the then unpaid principal amount outstanding and with maturities corresponding to the unpaid principal installments outstanding of the fully registered Bond, in the denomination of One Thousand Dollars (\$1,000) each, or integral multiples thereof, bearing the same rate of interest payable semiannually on May 1 and November 1. Upon the surrender of such fully registered Bond and the filing of a request for exchange, the Town shall execute and deliver such fully registered Bonds in accordance with the request for exchange and in the form substantially as set forth in Section 4 hereof. The Bonds shall be issued within sixty (60) days from the date of the filing of the request for such exchange. Any fully registered Bond surrendered for exchange shall, upon delivery of the Bonds in exchange therefor, be forthwith cancelled by the Town.

Section 8. The Clerk-Treasurer is hereby authorized and directed to have the Bonds and BANs prepared, and the President of the Town Council and the Clerk-Treasurer are hereby authorized and directed to execute the Bonds and BANs in the form and manner hereinbefore provided. The Clerk-Treasurer is hereby authorized and directed to deliver the BANs to the purchaser thereof and the Bonds to the USDA. The Town shall receive payment for the BANs in an amount not less than 99% of the par value of the BANs and payment for the Bonds at not less than par value. The Town may receive payment on the BANs and the Bonds in installments. The principal of and interest on the BANs shall be payable from the proceeds of the Bonds herein authorized. The Bonds herein authorized, as and to the extent paid for and delivered, shall be the binding special revenue obligations of the Town, payable out of the Net Revenues of the sewage works to be set aside into the Sewage Works Sinking Fund as herein provided, and the proceeds derived from the sale of the Bonds shall be and are hereby set aside for application on

the cost of the Project, the refunding of the BANs, if issued, and to pay the expenses necessarily incurred in connection therewith. The proper officers of the Town 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.

Section 9. The accrued interest received at the time of the delivery of the Bonds, if any, shall be deposited in the Sewage Works Sinking Fund ("Sinking Fund"). The remaining proceeds from the sale of the Bonds, to the extent not used to refund BANs, and BAN proceeds, shall be deposited in a bank or banks which are legally designated depositories for the funds of the Town, in a special account or accounts to be designated as "Town of Westport, Sewage Works Construction Account" ("Construction Account"). All funds deposited to the credit of the 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 IC 5-13, and the acts amendatory thereof and supplemental thereto. The funds in the Construction Account shall be expended only for the purpose of paying the cost of the Project, or as otherwise required by the Act, refunding the BANs, if issued, and for the expenses of issuance of the Bonds and BANs. The cost of obtaining the legal services of Ice Miller LLP, shall be considered as a part of the cost of the Project on account of which the BANs and the Bonds 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 IC 5-1-13, as amended and supplemented.

Section 10. All revenues derived from the operation of the sewage works and from the collection of sewage rates and charges shall be deposited in the Sewage Works Revenue Fund ("Revenue Fund"), hereby continued, and segregated and deposited as set forth in this ordinance. Said Revenue Fund shall be segregated and kept separate and apart from all other funds and accounts of the Town. Of these revenues, the proper and reasonable expenses of operation, repair and maintenance of the works shall be paid, the requirements of the Sinking Fund shall be met, and the costs of replacements, extensions, additions and improvements shall be paid.

Section 11. 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 Account hereby continued ("O&M Account"). The balance maintained 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 Account 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 such Account shall be used for betterments, extensions or additions. Any balance in said Account in excess of the expected expenses of operation, repair and maintenance for the next succeeding month 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.

(a) There is hereby continued the "Sewage Works Sinking Fund" ("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. There shall be set aside and deposited in the bond payment portion of the Sinking Fund, as available, and as hereinafter provided, a sufficient amount of the Net Revenues of the sewage works for the payment of (a) the interest on all bonds which by their terms are payable from the revenues of the sewage works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying bonds and interest, (c) the principal of all bonds payable from the revenues of the sewage works, as such principal shall fall due, and (d) an additional amount as a margin of safety to maintain the debt reserve described below. The monthly payments into the bond payment portion of the Sinking Fund shall be in an amount equal to at least one-twelfth (1/12) of the amount required for such payments during the then next succeeding twelve (12) calendar months and shall continue until such time as the fund shall contain an amount sufficient to pay all of the bonds then outstanding, together with the interest thereon to the dates of maturity thereof.

(b) On the date of delivery of the Bonds, funds on hand of the sewage works, Bond proceeds or a combination thereof may be deposited into the reserve portion of the Sinking Fund. The balance to be accumulated in the debt reserve portion of the Sinking Fund shall equal but not exceed the least of: (i) the maximum annual principal and interest requirements on the Outstanding Bonds and the Bonds; (ii) 125% of the average annual debt service on the Outstanding Bonds and the Bonds; or (iii) 10% of the proceeds of the Outstanding Bonds and the Bonds, plus a minor portion as defined in the Internal Revenue Code of 1986, as existing on the date of issuance of the Bonds ("Reserve Requirement"). If the initial deposit into the debt reserve portion of the Sinking Fund 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 debt reserve portion of the Sinking Fund 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 ten years of the date of delivery of the Bonds.

The debt reserve portion of the Sinking Fund shall constitute the margin for safety and protection against default in the payment of principal of and interest on the Bonds and the Outstanding Bonds, and the moneys in the debt reserve portion of the Sinking Fund shall be used to pay current principal and interest on the Bonds and the Outstanding Bonds to the extent that moneys in the bond portion of the Sinking Fund are otherwise insufficient for that purpose. Any deficiencies in credits to the debt reserve shall be promptly made up from the next available Net Revenues remaining after credits into the bond payment portion of the Sinking Fund. In the event moneys in the debt reserve portion of the Sinking Fund are used to pay principal and interest on the Bonds or Outstanding Bonds, then such depletion of the balance in the debt reserve shall be made up from the next available Net Revenues after the credits into the bond payment portion of the Sinking Fund hereinbefore provide for. Moneys maintained in the debt reserve shall not exceed the Reserve Requirement and any excess shall be considered revenues of the sewage works.

Section 12. After meeting the requirements of the O&M Account and the Sinking Fund, any excess revenues may be transferred or credited from the Revenue Fund to the Sewage Works Improvement Account ("Improvement Account"), hereby continued and said Account shall be used for betterments, additions and extensions of the sewage works. All or any portion of the funds accumulated and reserved in the Improvement Account shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the then outstanding bonds payable from the Sinking Fund. Moneys in the Improvement Account

also may be transferred to the O&M Account to meet unforeseen contingencies in the operation, repair and maintenance of the sewage works.

Section 13. The Revenue Fund shall be deposited in and maintained as at least two separate accounts apart from all other accounts of the Town. The Sinking Fund shall consist of at least one such separate account. The O&M Account and the Improvement Account shall consist of at least one such separate account and may be maintained separate and apart from all other accounts of the Town and apart from the Sinking Fund account or accounts. All moneys deposited in the account or 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 and supplemented.

Section 14. The Town 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, and all transactions relating to said works. There shall be prepared and furnished to the original purchasers of the Bonds and, upon written request, to any subsequent owner of the Bonds, not more than ninety (90) days after the close of each fiscal year, complete operating income and expense statements of the works, covering the preceding fiscal year and the balances in the several Funds and Accounts continued by this ordinance. The fiscal year of the sewage works shall be from January 1 to December 31, both inclusive. Copies of all such statements and reports, together with all audits of the sewage works made available to the Town by the Indiana State Board of Accounts or any successor body authorized by law to audit municipal accounts, shall be kept on file in the office of the Clerk-Treasurer. Any owner or owners 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 Town relating to the sewage works. Such inspections may be made by representatives duly authorized by written instrument.

Section 15. The Town 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 works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses said sewage works by or through any part of the sewage system of the Town, or that in any way uses or is served by such works; that such rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the works, and for the payment of the sums required to be paid into the Sinking Fund by the Act and this ordinance. Such rates or charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of operation, repair and maintenance of the sewage works and the requirements of the Sinking Fund. The rates or charges so established shall apply to any and all use of such works by and service rendered to the Town and all departments thereof as the charges accrue.

Section 16. The Town reserves the right to authorize and issue additional BANs at any time ranking on a parity with the BANs. The Town also reserves the right to authorize and issue additional bonds, payable out of the Net Revenues of its sewage works, ranking on a parity with the Bonds authorized by this ordinance, 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.

(b) (1) So long as the Outstanding Bonds remain outstanding, the following shall apply:

The Net Revenues of the sewage works in the fiscal year immediately preceding the issuance of any such bonds ranking on a parity with the Bonds authorized by this ordinance 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 the parity bonds the sewage rates and charges shall be increased sufficiently so that increased rates and charges applied to the previous year's operations would have produced Net Revenues for said year equal to not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of all bonds payable from the revenues of the sewage works, including the additional parity bonds proposed to be issued. For purposes of this subsection, the records of the sewage works shall be analyzed and all showings shall be prepared by a certified public accountant employed by the Town for that purpose.

(2) After the Outstanding Bonds are no longer outstanding, the following shall apply:

The projected Net Revenues of the sewage works for the fiscal year immediately following the issuance of any such bonds ranking on a parity with the Bonds authorized by this ordinance shall be not less than one hundred twenty percent (120%) of the average annual interest and principal requirements of the then outstanding bonds and the proposed additional parity bonds which are payable from the revenues of the sewage works. For purposes of this

subsection, the records of the sewage works shall be analyzed and all showings shall be prepared by a certified public accountant employed by the Town for that purpose.

(c) The interest on the additional parity bonds shall be payable semiannually on May 1 and November 1 and the principal on, or mandatory sinking fund redemptions for, the additional parity bonds shall be payable annually on November 1.

Section 17. For the purpose of further safeguarding the interests of the owners of the Bonds and BANs herein authorized, it is specifically provided as follows:

(a) All contracts let by the Town in connection with the construction of the Project shall be let after due advertisement as required by the laws of the State of Indiana, and all contractors shall be required to furnish surety bonds in an amount equal to one hundred percent (100%) of the amount of such contracts, to insure the completion of said contracts, in accordance with their terms, and such contractors shall also be required to carry such employers' liability and public liability insurance as are required under the laws of the State of Indiana relating to public contracts.

(b) The Project shall be constructed under the supervision and subject to the approval of such competent engineer as shall be designated by the Town. All estimates for work done or material furnished shall first be checked by the engineer and approved by the Town prior to payment therefor.

(c) The Town shall at all times maintain its sewage works in good condition and operate the same in an efficient manner and at a reasonable cost.

(d) So long as any of the Bonds or BANs herein authorized are outstanding, the Town shall maintain insurance on the insurable parts of said 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. Insurance proceeds shall be used in replacing or repairing the property destroyed or damaged or if not used for that purpose shall be treated and applied as Net Revenues of the works.

(e) So long as any of the Bonds or BANs are outstanding, the Town 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 equipment or property which may become worn out, obsolete or no longer suitable for use in the sewage works.

(f) Except as hereinbefore provided in Section 16 of this ordinance, so long as any of the Bonds or BANs herein authorized 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 Town except such as shall be made subordinate and junior in all respects to the Bonds herein authorized, unless all of the Bonds herein authorized have been duly called for redemption and sufficient funds to effect the redemption and retirement have been deposited at the place of redemption on the date fixed for redemption in accordance with the terms and conditions of the Bonds and this ordinance.

(g) The Town shall take all action or proceedings necessary and proper to require connection of all property where liquid and solid waste, sewage, night soil or industrial waste is produced with available sanitary sewers. The Town shall insofar as possible, cause all such sanitary sewers to be connected with said sewage works.

(h) The provisions of this ordinance shall constitute a contract by and between the Town and the owners of the Bonds and BANs herein authorized, and after issuance of the Bonds or BANs this ordinance shall not be repealed or amended in any respect which will adversely

affect the rights of the owners of the Bonds or BANs, nor shall the Town Council adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners so long as any of the Bonds or BANs or the interest thereon remain unpaid. The Town Council reserves the right, however, excluding the changes set forth in Section 22(a) through (f), to amend this ordinance without the consent of Bond or BAN owners so long as the Town Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the Bonds or BANs.

(i) The provisions of this ordinance shall be construed to create a trust in the proceeds of the sale of the Bonds and BANs herein authorized for the uses and purposes therein set forth, and the owners of the Bonds and BANs shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this ordinance and of the governing Act. The provisions of this ordinance shall also be construed to create a trust in the Net Revenues herein directed to be set apart and paid into the Sinking Fund for the uses and purposes of the Sinking Fund as in this ordinance set forth. The owners of the Bonds shall have all of the rights, remedies and privileges set forth in this ordinance and 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 the Bonds and the interest thereon, in the event the Town shall fail or refuse to fix and collect sufficient rate and charges for said purposes, or shall fail or refuse to operate and maintain said system and to apply properly 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 Act.

Section 18. (a) So long as USDA is the owner of the Bonds, the Bonds will not be defeased without the consent of USDA.

(b) When the condition set out in subsection (a) has been met, or if USDA no longer is the owner of the Bonds, and the Bonds issued hereunder or any portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the 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 then outstanding or any portion thereof shall be paid; or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the 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 Town's sewage works.

Section 19. (a) The Clerk-Treasurer 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 a then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Bonds and BANs under federal law.

(b) The Clerk-Treasurer shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts referenced herein. In order to comply with the provisions of this ordinance, the Clerk-Treasurer is hereby authorized and directed to employ consultants or attorneys from time to time to advise the Town as to the requirements of

federal law to preserve said tax exemption. The Clerk-Treasurer may pay any fees as operation expenses of the sewage works.

Section 20. In order to preserve the exclusion of interest on the Bonds and BANs 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 or BANs, as the case may be ("Code") and as an inducement to purchasers of the Bonds and BANs, the Town represents, covenants and agrees that:

(a) The sewage works is intended to be and 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 Town or another state or local governmental unit will use more than 10% of the proceeds of the BANs or Bonds or property financed by the BAN or Bond proceeds other than as a member of the general public. No person or entity other than the Town or another state or local governmental unit will own property financed by BAN or Bond proceeds or will have any actual or beneficial use of such property pursuant to a lease, management, service or incentive payment contract, an arrangement including take-or-pay or other type of 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 BANs or Bonds. If the Town enters into a management contract for all or a portion of the sewage works, the terms of the contract will comply with the Regulations and IRS Revenue Procedure 97-13, as amended, supplemented or superseded from 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 the aggregate will not relate to more than 10% of the proceeds of the BANs or Bonds.

(b) No more than 10% of the principal of or interest on the BANs or Bonds is (under the terms of the Bonds, BANs, this ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for private business use or payments in respect of such property, or to be derived from payments (whether or not to the Town) 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 BAN or Bond proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than 5% of the BAN or 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 BAN or Bond proceeds.

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

(e) No more than 5% of the proceeds of the BANs or 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 issues (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(f) The Town will not take any action nor fail to take any action with respect to the BANs or Bonds that would result in the loss of the exclusion from gross income for federal tax

purposes of interest on the BANs or Bonds pursuant to Section 103 of the Code, nor will the Town act in any other manner which would adversely affect such exclusion, and it will not make any investment or do any other act or thing during the period that the BANs or Bonds are outstanding which would cause the BANs or Bonds to be private activity bonds under the meaning of Section 141 of the Code.

(g) It shall be not an event of default under this ordinance if the interest on any BANs or Bonds 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 BANs or Bonds, as the case may be.

(h) The Town represents that:

(1) The BANs and the Bonds are not private activity bonds as defined in Section 141 of the Code;

(2) The Town hereby designates the BANs and the Bonds as qualified tax-exempt obligations for purposes of Section 265(b) of the Code;

(3) The reasonably anticipated amount of qualified tax-exempt obligations (including qualified 501(c)(3) obligations and tax-exempt leases but excluding other private activity bonds) which will be issued by the Town and all entities subordinate to the Town during 2011 does not exceed \$10,000,000;

(4) The Town has not and will not designate more than \$10,000,000 of qualified tax-exempt obligations during 2011.

Therefore, the BANs and the Bonds qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax-exempt obligations.

(i) The Town represents that:

(1) The Town is a governmental unit with general taxing powers, which powers include the power to impose taxes of general applicability that, when collected, may be used for the general purposes of the Town;

(2) The Bonds and BANs are not private activity bonds as defined in Section 141 of the Code;

(3) At least 95% of the net proceeds of the Bonds and BANs will be used for local governmental activities of the Town or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the Town;

(4) The aggregate face amount of all tax-exempt Bonds (other than private activity bonds) issued by the Town and all units subordinate to the Town, including on-behalf-of issuers and subordinate entities as those terms are defined in Regulations Section 1.148-8(c)(2), is not reasonably expected to exceed \$5,000,000 in calendar year 2011; and

(5) The Town has not been formed or availed of to otherwise avoid the purposes of the \$5,000,000 size limitation.

Therefore, the Town meets the requirements of Section 148(f)(4)(D) of the Code and will not have to rebate any arbitrage profits to the United States.

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

Section 21. So long as USDA is the owner of any of the Bonds, the Town covenants that in addition to the other covenants, terms and conditions applicable to the Bonds authorized

by this ordinance, that it will comply with all conditions set forth by USDA in its Letter of Conditions, Loan Resolution, and any Loan Agreement.

Section 22. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than seventy-five percent (75%) 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 Town of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the Town 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, the redemption premium 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.

If the owners of not less than seventy-five percent (75%) 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 Clerk-Treasurer of the Town, 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 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 Town 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 Town 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 Town and the consent of the owners of all the Bonds issued pursuant to this ordinance then outstanding.

Section 23. (a) The Town, having satisfied all the statutory requirements for the issuance of its Bonds, may elect to issue its BAN or BANs pursuant to a Bond Anticipation Note Purchase Agreement ("Purchase Agreement") to be entered into between the Town and the purchaser of the BANs. The Town Council hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing Bonds to provide interim financing for the Project until permanent financing becomes available. It shall not be necessary for the Town to repeat the procedures for the issuance of the Bonds, as the procedures followed before the issuance of the

BAN or BANs are for all purposes sufficient to authorize the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs.

(b) The President of the Town Council and the Clerk-Treasurer are hereby authorized and directed to execute a Purchase Agreement in such form or substance as they shall approve acting upon the advice of counsel. The President of the Town Council and the Clerk-Treasurer may also take such other actions or deliver such other certificates as are necessary or desirable in connection with the issuance of the BANs or the Bonds and the other documents needed for the financing as they deem necessary or desirable in connection therewith.

Section 24. The rates and charges of the sewage works are set forth in Ordinance No. 2011-3 to be adopted on November 21, 2011. The contents of said ordinance are incorporated herein by reference.

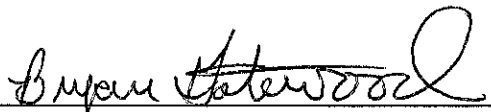
Section 25. Notwithstanding any other provision of this ordinance, the covenants and authorizations contained in this ordinance ("Tax Sections") which are designed to preserve the exclusion of interest on the Bonds and BANs from gross income under federal law ("Tax Exemption") need not be complied with if the Town receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

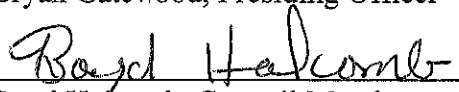
Section 26. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that the adoption of this ordinance shall not be construed as amending or repealing the ordinance authorizing the Outstanding Bonds or as adversely affecting the owners of the Outstanding Bonds.

Section 27. This ordinance shall be in full force and effect from and after its passage.

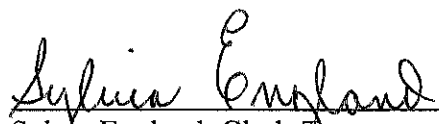
Adopted this 7th day of November, 2011

TOWN COUNCIL, TOWN OF WESTPORT


Bryan Gatewood, Presiding Officer


Boyd Holcomb, Council Member

Attest:


Sylvia England, Clerk-Treasurer

EXCERPTS FROM THE MINUTES OF A
SPECIAL MEETING OF THE TOWN COUNCIL
OF THE TOWN OF WESTPORT

The Town Council ("Council") of the Town of Westport, Indiana ("Town") met in the Town Hall, on the 7th day of November, 2011, at the hour of 7:00 p.m., in a special meeting pursuant to call in accordance with the rules of the Council.

The meeting was called to order by Bryan Gatewood, who presided.

On call of the roll the members of the Council were shown absent as follows:

Present:

Absent:

Bryan Gatewood

Darlene Tobias

Boyd Holcomb

Mr. Thomas D. Bushhorn, Town Attorney, was also present.

Bryan Gatewood moved that Ordinance No. 2011-2, the bond ordinance, be read a second time by title and opportunity be given for the offering of amendments. This motion was seconded by Boyd Holcomb, and on call of the roll was carried by the following vote:

Ayes:

Nays:

Bryan Gatewood

Boyd Holcomb

Ordinance No. 2011-2 was then read a second time by title and the amendments to reflect the cost of the project as bid were offered.

Bryan Gatewood moved that Ordinance No. 2011-2 be adopted as read with the amendments made since the ordinance was passed on first reading. This motion was seconded by Boyd Holcomb, and on call of the roll the vote on said motion was as follows:

Ayes:

Nays:

Bryan Gatewood

Boyd Holcomb

The Presiding Officer announced that the motion for adoption carried and that Ordinance No. 2011-2 had been duly passed and adopted.

Bryan Gatewood, moved that the Clerk-Treasurer publish, or cause to be published, all notices required by statute pertaining to the sewage works project.

This motion was seconded by Boyd Holcomb, and on call of the roll was carried by the following vote:

Ayes:

Nays:

Bryan Gatewood

Boyd Holcomb

Bryan Gatewood then stated that a rate ordinance had been prepared for consideration by the Council in the matter of setting the rates and charges for the use of and service rendered by the sewage works of the Town.

Bryan Gatewood then stated that it would now be in order for the Council to consider said ordinance.

Bryan Gatewood then introduced the rate ordinance, entitled "AN ORDINANCE AMENDING THE SCHEDULE OF RATES AND CHARGES COLLECTED BY THE TOWN OF WESTPORT, INDIANA, FROM THE OWNERS OF PROPERTY SERVED BY THE

SEWAGE WORKS OF SAID TOWN AND OTHER MATTERS CONNECTED THEREWITH" and moved that said ordinance be numbered as Ordinance 2011-3 and placed on first reading, and that the same be read by title at this time.

Said motion was seconded by Boyd Holcomb, and on call of the roll was carried by the following vote:

Ayes:

Nays:

Bryan Gatewood

Boyd Holcomb

Bryan Gatewood moved that a public hearing on said ordinance be held at a meeting of the Council on November 21, 2011, at the hour of 7:00 p.m.

This motion was seconded by Boyd Holcomb, and on call of the roll was carried by the following vote:

Ayes:

Nays:

Bryan Gatewood

Boyd Holcomb

Bryan Gatewood moved that the Clerk-Treasurer, with the advice of counsel, be instructed to publish, post, and mail all notices required by statute pertaining to the hearing on the proposed rate ordinance.

This motion was seconded by Boyd Holcomb, and on call of the roll was carried by the following vote:

Ayes:

Nays:

Bryan Gatewood

Boyd Holcomb

* * * * (Other business) * * * * *

There being no further business presented to the meeting, on motion duly made, seconded and unanimously carried, the meeting thereupon adjourned.

Sylvia England, Clerk-Treasurer

Approved:

Bryan Gatewood, Presiding Officer

EXHIBIT A

Description of Project

Sewer and wastewater collection system rehabilitation of aging related infrastructure via Complete Cured-In-Place Relining of the wastewater and sewer collection system(s) and improvement of existing Waste Stabilization Lagoon(s) to ensure compliance with Indiana Department of Environmental Management (IDEM) and the National Pollutant Discharge Elimination System (NPDES) permit.