

City of Bloomington Common Council

Legislative Packet

Wednesday, 04 February 2015

Regular Session

All legislation and background material contained herein.

Office of the Common Council
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Bloomington, Indiana 47402
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<http://www.bloomington.in.gov/council>



Packet Related Material

Memo

Agenda

Calendar

Notices and Agendas:

None

Legislation for Second Reading:

None

Legislation and Background Material for First Reading:

Material Regarding Ord 15-02 and Ord 15-03 which Authorize Amending of 2006 City of Bloomington Utilities Water and Wastewater Bonds via the Indiana Bond Bank

- Memo from Bradley Bingham, Barnes and Thornburg, LLP, Bond Counsel
Contacts and Resources:
 - Greg Small, Assistant City Attorney at 349-3426 or smallg@bloomington.in.gov*
 - Bradley Bingham, Barnes & Thornburg, LLP, Bond Counsel at 317-236-1313*
 - Representative from Crowe Horwath, LLP, Financial Advisor*
- **Ord 15-02** A Supplemental Bond Ordinance of the City of Bloomington, Indiana, Supplementing and Amending Ordinance 05-35, Adopted on December 21, 2005, as Previously Amended by Ordinance 06-05, Adopted on March 2, 2006, All for the Purpose of Authorizing the Modification of Certain Contractual Rights of the City of Bloomington, Indiana, the Execution and Delivery of Its Amended Sewage Works Revenue Bonds of 2006, Series A-1, and Approving Certain Related Matters in Connection Therewith
 - Exhibit A Form of Amended Purchase Agreement

- **Ord 15-03** A Supplemental Bond Ordinance of the City of Bloomington, Indiana, Supplementing and Amending Ordinance 05-12, Adopted on April 20, 2005, as Previously Amended by Ordinance 06-04, Adopted on March 2, 2006, All for the Purpose of Authorizing the Modification of Certain Contractual Rights of the City of Bloomington, Indiana, the Execution and Delivery of Its Amended Waterworks Revenue Bonds of 2006, Series A, and Approving Certain Related Matters in Connection Therewith
 - Exhibit A Form of Amended Purchase Agreement

Minutes from Regular and Special Sessions:

- November 19, 2014 (Special Session)
- December 3, 2014 (Regular Session)
- January 14, 2015 (Regular Session)

Council Schedule

Consideration of Motion to Take from the Table

- **Ord 15-01** To Designate an Economic Development Target Area (EDTA) - Re: Property Located at 338 S. Walnut Street and Identified by the Monroe County Parcel ID Number 015-47810-00 (Big O Properties, LLC, Petitioner)

Memo

No Items under Second Reading, Two Ordinances under First Reading, and One Ordinance under Council Schedule at the Regular Session on Wednesday, February 4th

While the agenda for the Regular Session next Wednesday has no items ready for Second Reading, it offers two ordinances for introduction and an anticipated motion under the Council Schedule to take an ordinance from the table and refer it to the Committee of the Whole. The two ordinances for introduction are related to utility bonds which are included in this packet and explained later in this summary. The one ordinance that is ready to be taken from the table relates to the Big O Properties tax abatement and the proposed action is explained below.

Council Schedule

Ord 15-01, which designates the property at 338 South Walnut as a Economic Development Target Area (EDTA), was tabled by the Council on January 14th due to changes in the underlying application for the tax abatement filed by Big O Properties. It is now ready to be taken from the table and discussed along with the tax abatement resolution during this legislative cycle (Committee of the Whole discussion on the 11th and Second Reading on the 18th). In order to make that happen, the ordinance will appear under the Council Schedule where a Motion to Take from the Table and Refer to the Committee of the Whole would be appropriate. The motion requires a second, is neither debatable nor amendable, and requires a simple majority to pass.

**Items One and Two under First Readings –
Two Ordinances Supplementing and Amending Previous Ordinances
to Realize a Savings on Sewer Revenue Bonds (Ord 15-02)
and Waterworks Revenue Bond (Ord15-03)
Issued through the Indiana Bond Bank in 2006**

This summary covers the two bond ordinances being introduced under First Readings at the Regular Session next Wednesday. These ordinances supplement and amend previous utility bond ordinances at the initiation of the Indiana Bond Bank in order to realize savings for the City.

Given the thorough memo provided by Bradley Bingham of Barnes & Thornburg, Bond Counsel (who will be present at our meetings), this summary will highlight, but not detail the proposal. Other than references to the different bonds and their respective legislative histories, the two ordinances are nearly identical.

The following chart sets forth the ordinance numbers, existing bonds, aggregate principal amounts (both original and outstanding), anticipated net present value of savings, call date, and maturity date:

<u>Ordinance</u>	<u>Bond</u>	<u>Aggregate Principle Amount – Original / Outstanding</u>	<u>Anticipated Net Present Value Savings¹</u>	<u>Call Date / Maturity Date</u>
Ord 15-02 ²	Sewage Works Revenue Bonds of 2006, Series A-1 (2006 Sewer Bonds)	\$5,240,000 / \$5,240,000	~ \$700,000	January 1, 2016/ January 1, 2027
Ord 15-03 ³	Waterworks Revenue B Series A (2006 Water Bonds)	\$5,320,000 / \$3,720,000	~ \$400,000	Same

Indiana Bond Bank and this Refunding Program

According to its webpage, the Indiana Bond Bank’s “primary mission ... is to assist local government in obtaining low-cost financing for their operations” and “has developed several programs tailored to specific financing needs” to achieve this mission.” In 2006, as part of one of its programs, it purchased the two aforementioned City bonds along with bonds from other qualified entities with the proceeds from the issuance of Indiana Bond Bank Special Program Bonds. The Indiana Bond Bank now wants to take advantage of lower interest rates to refund their bonds to reduce the debt service on those obligations and pass on the savings to these qualified entities.

Savings Passed on as a Credit to be Applied by Controller

This savings will be passed on in the form of a credit to be applied to debt service payments on these two utility bonds. The Controller will apply the credit and may do so in one of three ways: 1) “up front” in order to use the money as soon as possible; 2) over all of the debt service payments in order to level those payments; or 3) at the end of the payments in order to shorten the maturity date. According to Greg Small, Assistant City Attorney, the Controller will work with Crowe Horwath, LLP, Financial Advisor, to determine which is most advantageous to the City.

¹ As the memo from Bond Counsel indicates “savings are net of all costs and fees, such as bond counsel and financial advisor.” The term “present value” assigns a value today on a stream of income or expenditures made in the future.

² Ord 15-02 amends Ord 05-35 and Ord 06-05.

³ Ord 15-03 amends Ord 05-12 and Ord 06-04.

Additional Limitation on Right to Call the Bonds

One important condition for the City participating in this refunding program and using this credit is an agreement to restrict its ability to call or, in essence, pay-off and redeem, the bonds earlier than the maturity date (which will remain January 1, 2027). With this program, the City would defer its rights to call these bonds for ten years - from January 1, 2016 to January 1, 2025. After speaking with Mr. Small and Mr. Bingham, it's my understanding, that a deferral of call rights is key to finding purchasers for new bonds and that ten years is a standard period imposed on entities wishing to refund bonds.

Given this standard ten-year, no-call period and the twelve years remaining until maturity of the bonds, the City would be in about a two-year window to pursue refunding, absent this proposal. Mr. Bingham noted in a phone call that it is typically more advantageous for cities to obtain bonding through the Indiana Bond Bank than through the private sector for two reasons. First, the Indiana Bond Bank can assert the "State moral obligation" to pay the debt and achieve higher ratings and lower interest rates than the City would on its own. Second, it will have economies of scale associated with one large issuance rather than many small issuances that will lower those costs.

Bond Proceedings

In order to reflect the manner in which the City will apply the credit and the limitation on call rights, the ordinances authorizing the existing bonds and the bonds themselves will need to be amended. That will require action by the Utilities Services Board (USB) as well as the Council.

The USB is scheduled to take action February 9th to adopt a resolution which will:

- recommend that the Council adopt a form of a supplemental bond ordinance which:
 - authorizes the issuance of the amended bonds; and
 - includes a form of the Amended Purchase Agreement as Exhibit A (which will be executed once a closing date on the bonds is set).

The Council is scheduled to act on the "supplemental" bond ordinances during the first legislative cycle in February, which concludes with Second Reading on February 18th.

These ordinances primarily authorize and approve the:

- modification of call rights;
- execution and delivery of the Amended Purchase Agreement; and
- execution and delivery of "any necessary closing certificates."

Once the City and all the other qualified entities take these steps, then the Indiana Bond Bank will be in a position to “price the bonds.” When doing so, it will strive to “produce savings ... at least equal to the levels described above.” At that point, City officials will finalize and execute the Amended Purchase Agreement and, upon closing, they “will deliver the Amended Bonds to the Bond Bank in exchange for the Bond Bank’s cancellation and return of the Original Bonds.”

**NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL REGULAR SESSION
7:30 P.M., WEDNESDAY, FEBRUARY 04, 2015
COUNCIL CHAMBERS
SHOWERS BUILDING, 401 N. MORTON ST.**

I. ROLL CALL

II. AGENDA SUMMATION

III. APPROVAL OF MINUTES FOR:	November 19, 2014	Special Session
	December 03, 2014	Regular Session
	January 14, 2015	Regular Session

IV. REPORTS (A maximum of twenty minutes is set aside for each part of this section.)

- 1. Councilmembers**
- 2. The Mayor and City Offices**
- 3. Council Committees**
- 4. Public***

V. APPOINTMENTS TO BOARDS AND COMMISSIONS

VI. LEGISLATION FOR SECOND READING AND RESOLUTIONS

None

VII. LEGISLATION FOR FIRST READING

1. Ordinance 15-02 - A Supplemental Bond Ordinance of the City of Bloomington, Indiana, Supplementing and Amending Ordinance 05-35, Adopted on December 21, 2005, as Previously Amended by Ordinance 06-05, Adopted on March 2, 2006, All for the Purpose of Authorizing the Modification of Certain Contractual Rights of the City of Bloomington, Indiana, the Execution and Delivery of its Amended Sewage Works Revenue Bonds of 2006, Series A-1, and Approving Certain Related Matters in Connection Therewith
2. Ordinance 15-03 - A Supplemental Bond Ordinance of the City of Bloomington, Indiana, Supplementing and Amending Ordinance 05-12, Adopted on April 20, 2005, as Previously Amended by Ordinance 06-04, Adopted on March 2, 2006, All for the Purpose of Authorizing the Modification of Certain Contractual Rights of the City of Bloomington, Indiana, the Execution and Delivery of its Amended Waterworks Revenue Bonds of 2006, Series A, and Approving Certain Related Matters in Connection Therewith

VIII. ADDITIONAL PUBLIC COMMENT* (A maximum of twenty-five minutes is set aside for this section.)

IX. COUNCIL SCHEDULE

1. Ordinance 15-01 - To Designate an Economic Development Target Area (EDTA) – Re: Property Located at 338 S. Walnut Street and Identified by the Monroe County Parcel ID Number 015-47812-00 (Big O Properties, LLC, Petitioner)

Legislative Actions:

Regular Session (January 14, 2015)

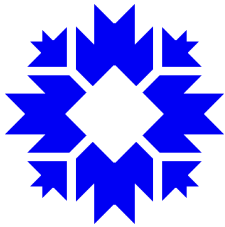
Anticipated Motion this Evening:

Introduced and Tabled

Take from the Table and Refer to Committee of the Whole
(on February 11, 2015)

X. ADJOURNMENT

* Members of the public may speak on matters of community concern not listed on the agenda at one of the two *Reports from the Public* opportunities. Citizens may speak at one of these periods, but not both. Speakers are allowed five minutes; this time allotment may be reduced by the presiding officer if numerous people wish to speak.



City of Bloomington
Office of the Common Council

To Council Members
From Council Office
Re Weekly Calendar – 02-06 February 2015

Monday, 02 February

5:00 pm Redevelopment Commission, McCloskey

Tuesday, 03 February

5:30 pm Resource Workshop for Community-Powered Art, Chambers

Wednesday, 04 February

12:00 pm Bloomington Urban Enterprise Association, McCloskey

2:00 pm Housing Officer, Kelly

5:30 pm Commission on Hispanic and Latino Affairs, McCloskey

7:00 pm Arts Alliance of Greater Bloomington, Hooker Room

7:30 pm Common Council – Regular Session, Chambers

Thursday, 05 February

4:00 pm Bloomington Digital Underground Advisory Council, McCloskey

6:00 pm Black History Month Kick-Off Reception (Program at 7:00pm), Chambers

5:30 pm Commission on the Status of Women, McCloskey

Friday, 06 February

12:00 pm Common Council – Internal Work Session, Council Library

Posted and Distributed: Friday, 30 January 2015

Material Regarding Ord 15-02 and Ord 15-03 which Authorize Amending of 2006 City of Bloomington Utilities Water and Wastewater Bonds via the Indiana Bond Bank

Memo from Bond Counsel

Bradley Bingham, Barnes and Thornburg, LLP

Legislation

- **Ord 15-02** A Supplemental Bond Ordinance of the City of Bloomington, Indiana, Supplementing and Amending Ordinance 05-35, Adopted on December 21, 2005, as Previously Amended by Ordinance 06-05, Adopted on March 2, 2006, All for the Purpose of Authorizing the Modification of Certain Contractual Rights of the City of Bloomington, Indiana, the Execution and Delivery of Its Amended Sewage Works Revenue Bonds of 2006, Series A-1, and Approving Certain Related Matters in Connection Therewith
 - Exhibit A Form of Amended Purchase Agreement

- **Ord 15-03** A Supplemental Bond Ordinance of the City of Bloomington, Indiana, Supplementing and Amending Ordinance 05-12, Adopted on April 20, 2005, as Previously Amended by Ordinance 06-04, Adopted on March 2, 2006, All for the Purpose of Authorizing the Modification of Certain Contractual Rights of the City of Bloomington, Indiana, the Execution and Delivery of Its Amended Waterworks Revenue Bonds of 2006, Series A, and Approving Certain Related Matters in Connection Therewith
 - Exhibit A Form of Amended Purchase Agreement

TO: Greg Small, Assistant City Attorney
FROM: Bradley Bingham, Barnes & Thornburg LLP, as Bond Counsel
DATE: January 26, 2015
RE: City of Bloomington Utilities - Indiana Bond Bank Bond Refunding Program

This memorandum provides a summary of (i) the Indiana Bond Bank's refunding program (the "Refunding Program") which is available to the City of Bloomington Utilities (the "City") and will result in a net present value savings in debt service to the City for certain outstanding bonds of the City's utilities, and (ii) the steps necessary for the City to participate in the Refunding Program.

Summary of the Refunding Program

In order to participate in the Refunding Program and receive a net present value savings in debt service, the City would need to modify its existing redemption rights with respect to the following outstanding bond issues of the City's utilities:

1. City of Bloomington, Indiana, Sewage Works Revenue Bonds of 2006, Series A-1, issued in the original aggregate principal amount of \$5,240,000 and currently outstanding in the aggregate principal amount of \$5,240,000 (the "2006 Sewer Bonds"), and
2. City of Bloomington, Indiana, Waterworks Revenue Bonds of 2006, Series A, issued in the original aggregate principal amount of \$5,320,000 and currently outstanding in the aggregate principal amount of \$3,720,000 (the "2006 Water Bonds")

The 2006 Sewer Bonds and the 2006 Water Bonds (collectively, the "Original Bonds"), were purchased on May 4, 2006 by the Indiana Bond Bank ("Bond Bank") pursuant to the terms of a purchase agreement, dated April 26, 2006, between the City and the Bond Bank. On May 4, 2006, the Bond Bank issued its Indiana Bond Bank Special Program Bonds, Series 2006 B-1 (the "Prior Bond Bank Bonds"), and used a portion of the proceeds thereof to purchase the Original Bonds from the City, together with other bonds from other qualified entities participating in the same pool transaction.

Due to the current lower interest rate environment, the Bond Bank intends to issue its Indiana Bond Bank Special Program Refunding Bonds, Series 2015 A (the "Refunding Bond Bank Bonds") for the purpose of refunding the Prior Bond Bank Bonds and reducing interest costs. The total debt service on the Refunding Bond Bank Bonds will be less than the total debt

service on the Prior Bond Bank Bonds¹ and, consequently, a savings will be realized. The Bond Bank will pass on the savings to the qualified entities participating in the Refunding Program, which would include the City, through a “credit” that will reduce one or more future debt service payments of participating qualified entities. By lowering future debt services payments on the 2006 Sewer Bonds and the 2006 Water Bonds, the City will realize a savings in sewage and water works revenues which have been pledged to the 2006 Sewer Bonds and 2006 Water Bonds, respectively.

Total savings are approximately \$700,000 for the 2006 Sewer Bonds and \$480,000 for the 2006 Water Bonds. The savings are net of all costs and fees, such as bond counsel and financial advisor. The Controller will be able to determine how to apply the credit to reduce future debt service payments (thereby realizing a savings) through one of three options: (i) apply the credit “upfront” in order to use the credit as soon as possible, (ii) apply the credit over all remaining debt service payments (often referred to as “level savings”), or (iii) apply the credit at the end of the amortization schedule in order to shorten the final maturity date of the bonds.

The Refunding Bond Bank Bonds will be secured in the same manner as the Prior Bond Bank Bonds (i.e., there are no new pledges of additional security necessary to issue the Refunding Bond Bank Bonds). As a condition to participating in the Refunding Program and receiving the credit to reduce future debt service payments, the Bond Bank requires that the City modify the call rights on the Original Bonds. Currently, the City has the option to redeem its Original Bonds beginning on January 1, 2016. However, in order to participate in the Refunding Program and receive savings, the City will need to agree that the Original Bonds may not be redeemed until on or after the first optional redemption date for the Refunding Bond Bank Bonds (currently estimated to be February 15, 2025).

In order to reflect how the City has chosen to apply the credit against future debt service payments and to evidence the City’s modification of its redemption rights with respect to the Original Bonds, the City will be required to execute and deliver its “City of Bloomington, Indiana, Amended Waterworks Revenue Bonds of 2006, Series A-1” and its “City of Bloomington, Indiana, Amended Sewer Works Revenue Bonds of 2006, Series A” (collectively, the “Amended Bonds”), in an original aggregate principal amount not to exceed the current outstanding principal amount of the Original Bonds. In exchange for delivering the Amended Bonds, the Bond Bank will cancel and return the Original Bonds to the City. The final maturity date for both the 2006 Sewer Bonds and the 2006 Water Bonds (i.e., January 1, 2027) will remain unchanged.

Steps to Participate in the Refunding Program

Bond Proceedings

In order to participate in the Refunding Program, certain resolutions and ordinances will need to be adopted by the Common Council of the City (the “Council”), and the Utilities Service Board of the City (the “USB”). Based upon the Bond Bank’s current timetable for the

¹ This is accomplished through the sale of the Refunding Bond Bank Bonds in the current financial market which allows pricing of the Refunding Bonds at a lower overall interest rate/yield than the Prior Bond Bank Bonds.

Refunding Program, all of the resolutions and ordinances by participating qualified entities (collectively, the "Bond Proceedings") are expected to be adopted by the end of February, 2015.

Pricing the Refunding Bonds

Once all Bond Proceedings have been adopted by participating qualified entities, the Bond Bank will be in a position to price the Refunding Bond Bank Bonds. The Bond Bank will monitor current market conditions to assure that the Refunding Bond Bank Bonds will be priced at a time that will produce savings to the City in amounts at least equal to the levels described above. The current timetable anticipates a pricing of the Refunding Bonds in late February, but the actual pricing will be subject to the then market conditions.

Amending the Original Bonds

Once the Refunding Bond Bank Bonds have been priced, the purchase agreement for each of the Amended Bonds (in substantially the form attached to the supplemental bond ordinances) will be executed and a closing date will be established, which is normally 2-3 weeks after pricing. At closing, the City will deliver the Amended Bonds to the Bond Bank in exchange for the Bond Bank's cancellation and return of the Original Bonds.

Summary of Bond Proceedings

The following is a summary of the Bond Proceedings that will need to be approved by the USB and the Council.

USB

The USB will be required to adopt a resolution approving the City's participation in the transaction, including the form of the supplemental bond ordinances and the purchase agreements and the execution and delivery of the Amended Bonds. In its resolution, the USB will formally recommend to the Council that it adopt a form of a supplemental bond ordinance authorizing the issuance of the Amended Bonds. This form of supplemental bond ordinance also includes a form of the Amended Purchase Agreement as an exhibit thereto. The Amended Purchase Agreement will be executed in final form once the Bond Bank prices its Refunding Bond Bank Bonds and a closing date has been determined.

Council

The Council will be required to adopt the supplemental bond ordinances which authorize and approve the modification of call rights, the execution and delivery of the Amended Bonds, the execution of the Amended Purchase Agreement and the execution and delivery of any necessary closing certificates. The Amended Purchase Agreement will be executed in final form once the Bond Bank prices its Refunding Bond Bank Bonds and a closing date has been determined which is usually 2-3 weeks thereafter. The Amended Bonds and the closing certificates will be executed and delivered prior to the closing date.

Conclusion

Assuming the Bond Proceedings for all participating qualified entities (including the City) are completed in February and the market conditions remain favorable, the Bond Bank anticipates pricing its Refunding Bond Bank Bonds in late February and establishing a closing date approximately 2-3 weeks later. Upon closing of the transaction, the City will have locked-in its savings levels as part of its participation in the Refunding Program.

ORDINANCE 15-02

**A SUPPLEMENTAL BOND ORDINANCE
OF THE CITY OF BLOOMINGTON, INDIANA,
SUPPLEMENTING AND AMENDING ORDINANCE 05-35,
ADOPTED ON DECEMBER 21, 2005, AS PREVIOUSLY AMENDED BY
ORDINANCE 06-05, ADOPTED ON MARCH 2, 2006,
ALL FOR THE PURPOSE OF AUTHORIZING THE MODIFICATION OF CERTAIN
CONTRACTUAL RIGHTS OF THE CITY OF BLOOMINGTON, INDIANA,
THE EXECUTION AND DELIVERY OF ITS AMENDED SEWAGE WORKS REVENUE
BONDS OF 2006, SERIES A-1, AND APPROVING CERTAIN RELATED MATTERS IN
CONNECTION THEREWITH**

- WHEREAS, the City of Bloomington, Indiana (the “Issuer”), has heretofore established and constructed and currently owns and operates a sewage works system (the “Utility”), pursuant to the provisions of Indiana Code 36-9-23, as amended; and
- WHEREAS, on May 4, 2006, the Issuer issued its bonds designated as the “City of Bloomington, Indiana, Sewage Works Revenue Bonds of 2006, Series A-1” in the original aggregate principal amount of \$5,240,000 (the “Original Bonds”), which are payable from the net revenues of the Utility, in order to provide funds to finance the costs incurred to pay the acquisition and construction of certain extensions and improvements to the Utility and to pay incidental charges in connection therewith, all pursuant to Ordinance 05-35, adopted by the Common Council of the Issuer (the “Common Council”) on December 21, 2005, as previously amended by Ordinance 06-05, adopted by the Common Council of the Issuer on March 2, 2006 (collectively, the “Original Bond Ordinance”); and
- WHEREAS, as of the date hereof, the Original Bonds are outstanding in the aggregate principal amount of approximately \$5,240,000; and
- WHEREAS, pursuant to the terms of the Original Bonds and the Qualified Entity Purchase Agreement, dated April 26, 2006 (the “Original Purchase Agreement”), by and between the Issuer and the Indiana Bond Bank (the “Bond Bank”), the Original Bonds maturing on or after January 1, 2017, are subject to redemption prior to maturity, at the option of the Issuer, on any date on or after January 1, 2016 (such rights hereinafter referred to as the “Call Rights”); and
- WHEREAS, the Bond Bank previously issued its Indiana Bond Bank Special Program Bonds, Series 2006 B-1, dated May 4, 2006, in the aggregate principal amount of \$12,400,000 (the “Prior Bond Bank Bonds”), for the purpose, in part, of providing funds to purchase the Original Bonds from the Issuer; and
- WHEREAS, the Bond Bank has authorized and intends to issue its Indiana Bond Bank Special Program Refunding Bonds, Series 2015 A (the “Refunding Bond Bank Bonds”), for the purpose of refunding all or a portion of the Prior Bond Bank Bonds, together with one or more series of other bonds of the Bond Bank, which are outstanding on the date hereof (the “Refunding Program”); and
- WHEREAS, as a condition to sharing a portion of the economic benefits associated with the Refunding Program with the Issuer, the Bond Bank has requested that (a) the Issuer modify the Call Rights and evidence the modification of such Call Rights and receipt of such Call Rights Modification Credit (as hereinafter defined) (all in exchange for receiving a portion of the economic benefits associated with the Refunding Program) by executing and delivering its Amended Bonds (as hereinafter defined), and (b) following the undertaking of the Refunding Program and satisfaction of the other terms and conditions set forth herein, exchanging the Amended Bonds for the outstanding Original Bonds; and
- WHEREAS, pursuant to the terms of the Original Bond Ordinance, the Issuer may grant or confer upon the owners of the Original Bonds any additional benefits, rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Original Bonds, or to make any change which, in the judgment of the Issuer, is not to the prejudice of the owners of the Original Bonds; and

WHEREAS, pursuant to the terms of the Original Bond Ordinance, the Issuer may, from time to time and at any time, without consent of, or notice to, any of the owners of the Original Bonds, amend the Original Bond Ordinance for any purpose if in the judgment of the Issuer such amendment does not adversely affect the interests of the owners of the outstanding Original Bonds; and

WHEREAS, on the date hereof, the Bond Bank is the registered owner of all of the outstanding Original Bonds; and

WHEREAS, the Issuer desires to adopt this supplemental ordinance (the “Supplemental Ordinance”) in order to supplement and amend the Original Bond Ordinance (the Original Bond Ordinance, as supplemented and amended by this Supplemental Ordinance, collectively, the “Ordinance”) for the purpose of authorizing the modification of the Call Rights (as described in Section 3 herein) and the execution and delivery of the Amended Bonds (in order to evidence the modification of such Call Rights), all in consideration for the Bond Bank (a) crediting to the Issuer a portion of the economic benefits associated with the Refunding Program in an amount estimated to be, based upon current market conditions, at least equal to \$700,000 (the “Call Rights Modification Credit”), with such Call Rights Modification Credit being in the form of a reduction in one or more payments of debt service on the Original Bonds (which will be evidenced by the Amended Bonds), and (b) returning all of the outstanding Original Bonds to the Issuer; and

WHEREAS, the Common Council has determined that a significant benefit to the Issuer in the amount of the Call Rights Modification Credit will be effected by assisting the Bond Bank in the undertaking of the Refunding Program; and

WHEREAS, the Common Council now finds that all conditions precedent to the adoption of this Supplemental Ordinance have been complied with in accordance with the provisions of Indiana Code 5-1-5 and Indiana Code 36-9-23, each as amended (collectively, the “Act”), to the extent each is applicable hereto;

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

Section 1. Authorization of 2015 Transaction; Modification of Call Rights. The Common Council hereby determines that (a) the receipt of the Call Rights Modification Credit (in the form described in the recitals hereof) in exchange for the modification of the Call Rights by the Issuer, and (b) the execution and delivery by the Issuer of the Amended Bonds to the Bond Bank in exchange for the outstanding Original Bonds now held by the Bond Bank, in order to evidence the modification of such Call Rights and the receipt of the Call Rights Modification Credit (clauses (a) and (b), collectively, the “2015 Transaction”), is in the best interests of the Issuer and is consistent with and in furtherance of the purposes for which the Issuer was created and exists. The Issuer is hereby authorized to modify the Call Rights and to execute and deliver the Amended Bonds, all in accordance with the terms and conditions of this Supplemental Ordinance.

Section 2. The Amended Bonds. In accordance with the Act and for the purpose of the 2015 Transaction, the Issuer shall execute and deliver its amended bonds designated as the “City of Bloomington, Indiana, Amended Sewage Works Revenue Bonds of 2006, Series A-1”, in an original aggregate principal amount not to exceed the aggregate principal amount of the Original Bonds which are currently outstanding (the “Amended Bonds”), and exchange the Amended Bonds for all of the outstanding Original Bonds. Except where inconsistent with the provisions of this Supplemental Ordinance, the terms and conditions of the Amended Bonds shall be the same as those of the outstanding Original Bonds as provided in the Original Bond Ordinance. The form of the Amended Bonds shall be substantially in the form set forth in the Original Bond Ordinance, with such conforming changes as shall be necessary to reflect the terms and conditions set forth in this Supplemental Ordinance and in the Amended Purchase Agreement (as defined herein), including the modification of the Call Rights. The Amended Bonds shall be executed and delivered in the same manner and in accordance with the terms and conditions of the Original Bond Ordinance and the Act.

Section 3. Redemption Provisions of Amended Bonds. Notwithstanding anything in the Original Bond Ordinance, the Original Purchase Agreement or the Original Bonds to the contrary, the Call Rights may be modified so that the Amended Bonds shall be subject to redemption at the option of the Issuer on any date on or after the first optional redemption date on the Refunding Bond Bank Bonds (currently estimated to be February 15, 2025, provided such date may be modified as determined by the Bond Bank in order to effectuate the Refunding Program), at a redemption price equal to the principal amount thereof so called for redemption plus accrued interest to the date fixed for redemption.

Section 4. Application of Call Rights Modification Credit. The Common Council hereby agrees that the Call Rights Modification Credit shall be applied to reduce one or more semi-annual debt service payments on the Original Bonds, and that such reductions of one or more semi-annual debt service payments shall be evidenced by the Amended Bonds. Prior to the undertaking of the Refunding Program, the fiscal officer of the Issuer (the "Controller"), or the Controller's designee, is authorized to select the manner by which the Issuer desires to apply the Call Rights Modification Credit to the debt service payment(s) on the Amended Bonds, and to notify the Bond Bank, in writing, of such determination. The determination of the manner for applying the Call Rights Modification Credit shall be set forth in a schedule to be attached to the Amended Purchase Agreement (as defined herein). The Common Council of the Issuer hereby further authorizes the Controller, or the Controller's designee, to execute all such documents and take such actions as may be necessary or appropriate to effectuate the option selected by the Controller.

Section 5. Authorized Denominations of Amended Bonds. Notwithstanding anything in the Original Bond Ordinance, the Original Purchase Agreement or the Original Bonds to the contrary, the Amended Bonds shall be executed and delivered in minimum denominations of \$0.01 or any integral multiple in excess thereof, or such other denominations as shall be requested by the Bond Bank and acceptable to the Controller.

Section 6. The Amended Purchase Agreement. The Qualified Entity Purchase Agreement, in substantially the form attached as Exhibit A hereto and made a part hereof (the "Amended Purchase Agreement"), is hereby approved. The Mayor and the Controller of the Issuer are each hereby authorized and directed to execute the Amended Purchase Agreement with any and all such changes and revisions as they deem necessary, desirable or appropriate to carry out the intent of this Supplemental Ordinance and the purpose of the 2015 Transaction, and to deliver the Amended Purchase Agreement and the Amended Bonds to the Bond Bank.

Section 7. Offering Document / Continuing Disclosure Agreement. Use of information concerning the Issuer in any offering materials, including a preliminary official statement or a private placement memorandum of the Bond Bank (collectively, the "Offering Document") and distributed in connection with the undertaking of the Refunding Program, is hereby authorized, ratified and approved. The Mayor and the Controller of the Issuer, or their authorized designees, are each hereby authorized and directed to have prepared and delivered to the Bond Bank, an underwriter or a purchaser any information required for such use and further to deem and determine, if necessary, those portions of the Offering Document, if any, relating to the Issuer as near final for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended (the "SEC Rule"). Further, if necessary, the Mayor and the Controller of the Issuer, or their authorized designees, are each hereby authorized and directed to execute a continuing disclosure agreement, in a form and substance acceptable to the Mayor and the Controller of the Issuer, in order to allow the underwriters, if any, of the Refunding Bond Bank Bonds to comply with the SEC Rule if necessary.

Section 8. Further Actions. The Mayor, the Controller and the Clerk of the Issuer, are each hereby authorized and directed, for and on behalf of the Issuer, to execute, attest and seal all such documents, instruments, certificates, closing papers and other papers and do all such acts and things as may be necessary, desirable or appropriate to effect the 2015 Transaction and to carry out the purposes of this Supplemental Ordinance and the execution and delivery of the Amended Bonds in accordance with the Ordinance, including, but not limited to, the execution of any certificates, purchase agreements, continuing disclosure agreements or other documents necessary to effect the 2015 Transaction, and any and all actions, documents, agreements and certificates heretofore taken or executed in connection with the 2015 Transaction or this Supplemental Ordinance, be, and hereby are, ratified and approved.

Section 9. Construction with Other Ordinances. This Supplemental Ordinance is hereby intended to amend and supplement the Original Bond Ordinance, and to the extent of any inconsistencies or conflicts, if any, between any provision or provisions of this Supplemental Ordinance and the Original Bond Ordinance, the provisions of this Supplemental Ordinance shall be controlling and binding. All ordinances or parts of ordinances, except the Original Bond Ordinance as supplemented and amended by this Supplemental Ordinance, in conflict with the Ordinance are hereby repealed. Unless the context otherwise requires and except as supplemented herein, any references in the Original Bond Ordinance to the Original Bonds shall mean the Amended Bonds and any accounts created and maintained by the Issuer for the benefit of holders of the Original Bonds shall now be maintained, and the funds therein shall now be held, for the benefit of the holders of the Amended Bonds.

Section 10. Effective Date. This Supplemental Ordinance shall be in full force and effect from and after its having been passed by the Common Council and signed by the presiding officer.

The foregoing was PASSED AND ADOPTED by the Common Council of the City of Bloomington, Indiana, this ___ day of _____, 2015, by a vote of _____ ayes and _____ nays.

DAVE ROLLO, PRESIDENT
City of Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED BY ME to the Mayor this _____ day of _____, 2015.

REGINA MOORE, Clerk
City of Bloomington

APPROVED AND SIGNED BY ME this _____ day of _____, 2015.

MARK KRUZAN, Mayor
City of Bloomington

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

SYNOPSIS

This is a bond ordinance that supplements and amends previous ordinances of the City regarding Sewage Works Revenue Bonds of 2006, Series A-1, in order to realize a savings in concert with the Indiana Bond Bank.

EXHIBIT A
FORM OF AMENDED PURCHASE AGREEMENT

(attached hereto)

QUALIFIED ENTITY PURCHASE AGREEMENT

This QUALIFIED ENTITY PURCHASE AGREEMENT (the “Purchase Agreement”), dated as of the ___ day of February, 2015, is being entered into by and between the INDIANA BOND BANK, a body corporate and politic (the “Bond Bank”), created pursuant to the provisions of Indiana Code 5-1.5, as amended (the “Act”), having its principal place of business in the City of Indianapolis, Indiana, and the CITY OF BLOOMINGTON, INDIANA, a political subdivision located in Monroe County, Indiana (the “Qualified Entity”).

WITNESSETH:

WHEREAS, on May 4, 2006, the Qualified Entity issued its bonds designated as the “City of Bloomington, Indiana, Sewage Works Revenue Bonds of 2006, Series A-1” in the original aggregate principal amount of \$5,240,000 (the “Original Qualified Obligations”), which are payable from the net revenues of the sewage works system owned and operated by the Qualified Entity (the “Utility”), in order to provide funds to finance the acquisition and construction of certain extensions and improvements to the Utility, all pursuant to Ordinance No. 05-35, adopted by the Qualified Entity on December 21, 2005, as previously amended by Ordinance No. 06-05, adopted by the Qualified Entity on March 2, 2006 (collectively, the “Original Ordinance”); and

WHEREAS, as of the date hereof, the Original Qualified Obligations are outstanding in the aggregate principal amount of approximately \$5,240,000; and

WHEREAS, pursuant to the terms of the Original Ordinance, the Original Qualified Obligations and the Qualified Entity Purchase Agreement, dated as of April 26, 2006 (the “Original Purchase Agreement”), by and between the Bond Bank and the Qualified Entity, the Original Qualified Obligations maturing on or after January 1, 2017, are subject to redemption prior to maturity, at the option of the Qualified Entity, in whole or in part, on any date on or after January 1, 2016 (such rights hereinafter, the “Call Rights”); and

WHEREAS, the Bond Bank previously issued its Indiana Bond Bank Special Program Bonds, Series 2006 B-1, dated May 4, 2006, in the aggregate principal amount of \$12,400,000 (the “Prior Bond Bank Bonds”), for the purpose, in part, of providing funds to purchase the Original Qualified Obligations from the Qualified Entity; and

WHEREAS, the Bond Bank has authorized and intends to issue its Indiana Bond Bank Special Program Refunding Bonds, Series 2015 A (the “Refunding Bonds”), pursuant to a Trust Indenture, to be dated as of February 1, 2015 (the “Bond Bank Indenture”), between the Bond Bank and The Huntington National Bank, as trustee (the “Trustee”), for the purpose of refunding all or a portion of the Prior Bond Bank Bonds (the “Refunding Program”); and

WHEREAS, as a condition to sharing a portion of the economic benefits associated with the Refunding Program with the Qualified Entity, the Bond Bank has requested that (a) the Qualified Entity modify its Call Rights and evidence the modification of the Call Rights and receipt of such Call Rights Modification Credit (as defined herein)(all in exchange for receiving a portion of the economic benefits associated with the Refunding Program) by executing and

delivering its Amended Qualified Obligations (as hereinafter defined), and (b) following the undertaking of the Refunding Program and satisfaction of the other terms and conditions set forth herein, exchanging the Amended Qualified Obligations for the outstanding Original Qualified Obligations; and

WHEREAS, the Qualified Entity has duly authorized, pursuant to the Original Ordinance, as supplemented and amended by an ordinance adopted by the Qualified Entity on _____, 2015 (the “Supplemental Ordinance”)(the Original Ordinance and the Supplemental Ordinance, collectively, the “Ordinance”), the modification of the Call Rights and, in order to evidence the modification of the Call Rights and receipt of the Call Rights Modification Credit, the execution and delivery of its amended bonds designated as the “City of Bloomington, Indiana, Amended Sewage Works Revenue Bonds of 2006, Series A-1”, in the original aggregate principal amount not to exceed the aggregate outstanding principal amount of the Original Qualified Obligations (as so amended, the “Amended Qualified Obligations”).

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the Bond Bank and the Qualified Entity agree as follows:

Section 1. (a) In exchange for modifying the Call Rights with respect to the Original Qualified Obligations, the Bond Bank hereby agrees to provide the Qualified Entity with a credit, in an aggregate amount equal to \$_____ **[final amount to be determined following pricing on Bond Bank’s refunding bonds]** (the “Call Rights Modification Credit”), in the form of a reduction of one or more semi-annual debt service payments on the Original Qualified Obligations (as evidenced by the Amended Qualified Obligations), all in accordance with the schedule attached as Exhibit A hereto and made a part hereof.

(b) In order to evidence such modification of the Call Rights and receipt of such Call Rights Modification Credit, the Qualified Entity hereby agrees to execute and deliver the Amended Qualified Obligations and to exchange the Amended Qualified Obligations for all of the Original Qualified Obligations, respectively, which are outstanding on the date hereof. Upon the execution and delivery of the Amended Qualified Obligations, the Bond Bank hereby agrees that it shall cancel and return all of the Original Qualified Obligations to the Qualified Entity which are outstanding on the date hereof.

(c) The parties hereby expressly agree and acknowledge that the execution and delivery of the Amended Qualified Obligations in exchange for the return of all of the Original Qualified Obligations outstanding on the date hereof shall not constitute, nor shall this Purchase Agreement or the transaction hereby contemplated ever be construed to constitute, a re-issuance of the Original Qualified Obligations, in whole or in part, for purposes of the laws of the State.

(d) Notwithstanding anything in the Original Ordinance, the Original Purchase Agreement or the Original Qualified Obligations to the contrary, the Amended Qualified Obligations shall be subject to redemption at the option of the Issuer on any date on or after _____ 15, 2025 **[final date to be determined following pricing on Bond Bank’s refunding bonds]**, at a redemption price equal to the principal amount thereof so called for redemption plus accrued interest to the date fixed for redemption.

(e) Except as otherwise provided in this Purchase Agreement and the Supplemental Ordinance, the terms, conditions and characteristics of the Amended Qualified Obligations shall be the same as those of the Original Qualified Obligations and shall be executed and delivered in the same manner and in accordance with the terms and conditions of the Ordinance and the Act.

Section 2. If the Qualified Entity fails to pay the principal of and interest on the Amended Qualified Obligations when due, the Qualified Entity agrees to reimburse the Bond Bank for the costs of collecting the payments on such Amended Qualified Obligations.

Section 3. The Qualified Entity has taken, or will take, all proceedings required by law to enable it to modify the Call Rights and to execute and deliver the Amended Qualified Obligations and all other documents to the Bond Bank which are necessary for the Bond Bank to undertake its Refunding Program. The parties to this Agreement acknowledge that the Qualified Entity's obligation to modify the Call Rights and to execute and deliver the Amended Qualified Obligations and the Bond Bank's obligation to accept the Amended Qualified Obligations and to cancel and return the Original Qualified Obligations, all as described herein, are expressly contingent upon the Qualified Entity taking all steps and receiving all approvals required by laws of the State, if any, to modify the Call Rights, to execute and deliver the Amended Qualified Obligations, and to execute all other documents which are necessary for the Bond Bank to undertake its Refunding Program.

Section 4. Subject to Section 8, the Qualified Entity agrees to pay the Bond Bank, on each interest payment date for the Amended Qualified Obligations, reasonable fees and charges attributable to the administration of the Amended Qualified Obligations acquired by the Bond Bank. To the extent the Amended Qualified Obligations are subject to rebate, the Qualified Entity agrees to pay the Bond Bank for prompt payment to, or to evidence to the Bond Bank the payment to, the United States of the rebate determined by the Qualified Entity to result from the investment of moneys held by the Qualified Entity that constitute gross proceeds of the Original Qualified Obligations or the Amended Qualified Obligations. The Qualified Entity agrees to provide documentation to the Bond Bank relative to the computation of the rebate and payment of such rebate when required.

Section 5. Simultaneously with the delivery to the Bond Bank of the Amended Qualified Obligations, which shall be substantially in the form set forth in the Original Ordinance with such conforming changes as shall be necessary to reflect the terms and conditions set forth in the Supplemental Ordinance and in this Purchase Agreement, and registered in the name of the Bond Bank, the Qualified Entity shall furnish to the Bond Bank: (a) transcripts of the proceedings related to the respective Amended Qualified Obligations; and (b) the approving opinion of Barnes & Thornburg LLP, bond counsel to the Qualified Entity, in form satisfactory to the Bond Bank, which shall set forth, among other things, that (i) the Qualified Entity is duly organized and validly existing under the laws of the State with the right and power to execute and deliver and to perform its obligations under the Purchase Agreement and its Amended Qualified Obligations; (ii) the Purchase Agreement and the Amended Qualified Obligations, together with the performance by the Qualified Entity of its respective obligations thereunder, have been duly authorized, executed and delivered by the Qualified Entity and, assuming the due authorization, execution and delivery thereof by the other parties thereto, each constitutes the legal, valid and binding agreement of the Qualified Entity, enforceable in

accordance with its respective terms; and (iii) the interest on the Amended Qualified Obligations is excludable from gross income for federal income tax purposes under Section 103 of the Code (under existing law); subject to such enforcement limitations customarily contained in such opinions. The Bond Bank shall arrange for and bear the cost of such opinions from the Qualified Entity's bond counsel.

Section 6. The Qualified Entity and the Bond Bank agree that the Amended Qualified Obligations and the payments to be made thereon may be pledged or assigned by the Bond Bank to the Trustee under and pursuant to the Bond Bank Indenture.

Section 7. (a) As long as any of the Amended Qualified Obligations remain outstanding, the Qualified Entity agrees to furnish to the Bond Bank the following information and reports:

(1) Within one hundred eighty (180) days after the close of each twelve-month period ending December 31 (each, a "Fiscal Year"), beginning with the Fiscal Year ending on December 31, 2014, (A) if available, a copy of the Qualified Entity's budget adopted for the then-current Fiscal Year, and (B) unaudited annual financial statements or reports which are customarily prepared by or for the Qualified Entity;

(2) When and if available, the audited financial statements of the Qualified Entity as prepared and examined by the State Board of Accounts for each Fiscal Year, beginning with the Fiscal Year ending on December 31, 2014, together with the opinion of such accountants and all notes thereto, within sixty (60) days of receipt from the State Board of Accounts;

(3) When and if available, a copy of any financial information, operating data or event notices filed by, or on behalf of the Qualified Entity, with the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access System ("EMMA"), pursuant to any obligations of the Qualified Entity to provide such information to EMMA under one or more continuing disclosure undertaking agreements entered into by the Qualified Entity pursuant to Section (b)(5) of the Securities and Exchange Commission Rule 15c2-12, as amended, simultaneously with such filing through EMMA;

(4) When and if available, a copy of any study of rates and charges for the Utility as may be commissioned by the Qualified Entity from time to time, together with all schedules and exhibits thereto, within sixty (60) days of receipt from the consultant(s) engaged to perform such study; and

(5) Such other financial information as is reasonably requested by the Bond Bank, including information which evidences their compliance with certain covenants which they have made regarding various actions and conditions necessary to preserve the tax-exempt status of interest paid on the Amended Qualified Obligations.

(b) The Qualified Entity certifies and agrees that it will monitor: (i) the yield on the investment of proceeds of the Amended Qualified Obligations (including compliance with any yield restrictions or temporary periods); (ii) the timely expenditure of the proceeds of the

Amended Qualified Obligations; (iii) the proper use of the proceeds of the Amended Qualified Obligations and any facilities financed thereby; and (iv) the investment, expenditure and use of proceeds of the Amended Qualified Obligations to ensure timely identification of any violations of federal tax requirements and timely correction of any identified violations through remedial actions described in Section 1.141-12 of the Regulations or through the Tax Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31.

(c) The Qualified Entity certifies and agrees that it will, on or before each anniversary of the date of the execution and delivery of the Amended Qualified Obligations, determine: (i) whether the Qualified Entity has paid all amounts required to be rebated to the United States under Section 148(f) of the Code and Section 1.148-3 of the Regulations; and (ii) whether the Qualified Entity has made all yield reduction payments required to be made to the United States under Section 1.148-5(c) of the Regulations.

(d) The Qualified Entity certifies and agrees that it will, on or before each anniversary of the date of the execution and delivery of the Amended Qualified Obligations, provide a report to the Bond Bank as to: (i) whether the Qualified Entity has paid all amounts required to be rebated to the United States under Section 148(f) of the Code and Section 1.148-3 of the Regulations; (ii) whether the Qualified Entity has made all yield reduction payments required to be made to the United States under Section 1.148-5(c) of the Regulations; and (iii) whether the Qualified Entity has identified any violations of federal tax requirements with respect to the expenditure and use of proceeds of the Qualified Obligations and timely corrected any identified violations through remedial actions described in Section 1.141-12 of the Regulations or through the Tax Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31.

(e) The Qualified Entity certifies and agrees that it will monitor the use of the proceeds of such Amended Qualified Obligations, and any facilities financed thereby, to ensure that not more than five percent (5%) of the proceeds of the Amended Qualified Obligations, or any facilities financed thereby, are: (i) owned by any nongovernmental person; (ii) leased to any nongovernmental person; (iii) subject to any management, service or incentive payment contract with any nongovernmental person, under which such nongovernmental person provides services involving all, any portion or any function of such facilities, unless such contract satisfies the conditions under which it would not result in private business use set forth in Revenue Procedure 97-13 (1997-1 C.B. 623), as amended from time to time; (iv) subject to any agreement by any nongovernmental person to sponsor research, unless such agreement satisfies the conditions under which it would not result in private business use set forth in Revenue Procedure 2007-47 (2007-29 I.R.B. 108), as amended from time to time; or (v) subject to any other arrangement that conveys special legal entitlements for beneficial use thereof that are comparable to special legal entitlements described in subsection (i), (ii), (iii) or (iv) hereof.

Section 8. If the Bond Bank determines to sell all or part of the Amended Qualified Obligations, it agrees to pay or reimburse the Qualified Entity for all costs associated therewith including the printing of bonds, obtaining ratings therefor and providing services of a registrar and paying agent therefor.

Section 9. If any provision of this Purchase Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not

affect any of the remaining provisions of this Purchase Agreement, and this Purchase Agreement shall be construed and be in force as if such invalid or unenforceable provision had not been contained herein.

Section 10. The parties to this Agreement acknowledge that the Qualified Entity's obligation to modify the Call Rights and execute and deliver the Amended Qualified Obligations, and the Bond Bank's obligation to accept the Amended Qualified Obligations and to cancel and return all of the Original Qualified Obligations outstanding as of the date hereof, is expressly contingent upon the authorization and undertaking of the Refunding Program. In the event the Bond Bank determines not to authorize or undertake its Refunding Program, the provisions of this Purchase Agreement shall terminate upon notice by the Bond Bank to the Qualified Entity of such determination.

Section 11. In the event the Qualified Entity fails to modify the Call Rights and to execute and deliver all of the Amended Qualified Obligations to the Bond Bank in accordance with Section 1 hereof for any reason within the control of the Qualified Entity, the Qualified Entity shall, on demand, pay to the Bond Bank an amount equal to all costs, expenses (including any financial advisory and attorney's fees and expenses) and consequential damages occasioned by the failure of the Qualified Entity to modify the Call Rights and to execute and deliver the Amended Qualified Obligations, all in accordance with Section 1 hereof.

Section 12. On or prior to the delivery date of the Amended Qualified Obligations pursuant to the Refunding Program, an authorized officer of the Qualified Entity will deliver a certificate, dated as of the delivery date of the Refunding Bonds pursuant to the Refunding Program (the "Closing Date"), to the effect that (a) any statements pertaining to the Qualified Entity, the Original Qualified Obligations (if any) or the Amended Qualified Obligations made in the application or information request form submitted to the Bond Bank (the "Application") (i) as of the date of the Application, did not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and (ii) as of the Closing Date, does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, and (b) that there has been no material adverse change in the financial condition and affairs of the Qualified Entity during the period from the date of submission of the Application to the Closing Date, which was not disclosed in or contemplated by the Application.

Section 13. The Qualified Entity hereby agrees, for so long as any of the Amended Qualified Obligations are outstanding, to execute a continuing disclosure agreement in a form and substance reasonably acceptable to the Bond Bank, as may be reasonably requested by the Bond Bank. No breach or violation by the Qualified Entity of any obligation of the Qualified Entity under Section 7 of this Purchase Agreement shall constitute a breach or violation of or default under the Amended Qualified Obligations or the Ordinance.

Section 14. This Purchase Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. The Bond Bank and the Qualified Entity each agree that they will

execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Purchase Agreement.

Section 15. No waiver by the Bond Bank or the Qualified Entity of any term or condition of this Purchase Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Purchase Agreement.

Section 16. This Purchase Agreement merges and supersedes all prior negotiations, representations and agreements between the Bond Bank and the Qualified Entity relating to the subject matter hereof and, together with the Ordinance and the Amended Qualified Obligations, constitutes the entire agreement between the Bond Bank and the Qualified Entity with respect hereto.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, we have hereunto set our hands as of the day and year first above written.

INDIANA BOND BANK

By: _____
Kelly M. Mitchell, Chairperson Ex Officio

Attest:

Ronald L. Mangus, Executive Director

CITY OF BLOOMINGTON, INDIANA

By: _____
Mark Kruzan, Mayor

Attest:

Jeff Underwood, Controller

[DO NOT EXECUTE AT THIS TIME]

EXHIBIT A

SCHEDULE OF CALL RIGHTS MODIFICATION CREDIT

<u>Payment Date</u>	<u>Debt Service Due on Original Qualified Obligation</u>			<u>(Less Call Rights Modification Credit)</u>	<u>Debt Service Due on Amended Qualified Obligation</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
July 1, 2015	\$ 0.00	\$124,743.25	\$124,743.25				
January 1, 2016	0.00	124,743.25	124,743.25				
July 1, 2016	0.00	124,743.25	124,743.25				
January 1, 2017	330,000.00	124,743.25	454,743.25				
July 1, 2017	0.00	117,169.75	117,169.75				
January 1, 2018	400,000.00	117,169.75	517,169.75				
July 1, 2018	0.00	107,929.75	107,929.75				
January 1, 2019	415,000.00	107,929.75	522,929.75				
July 1, 2019	0.00	98,301.75	98,301.75				
January 1, 2020	435,000.00	98,301.75	533,301.75				
July 1, 2020	0.00	88,014.00	88,014.00				
January 1, 2021	455,000.00	88,014.00	543,014.00				
July 1, 2021	0.00	77,207.75	77,207.75				
January 1, 2022	475,000.00	77,207.75	552,207.75				
July 1, 2022	0.00	65,855.25	65,855.25				
January 1, 2023	495,000.00	65,855.25	560,855.25				
July 1, 2023	0.00	53,975.25	53,975.25				
January 1, 2024	520,000.00	53,975.25	573,975.25				
July 1, 2024	0.00	41,417.25	41,417.25				
January 1, 2025	545,000.00	41,417.25	586,417.25				
July 1, 2025	0.00	28,255.50	28,255.50				
January 1, 2026	570,000.00	28,255.50	598,255.50				
July 1, 2026	0.00	14,490.00	14,490.00				
January 1, 2027	<u>600,000.00</u>	<u>14,490.00</u>	<u>614,490.00</u>				
Totals:	\$5,240,000.00	\$1,884,205.50	\$7,124,205.50				

ORDINANCE 15-03

**A SUPPLEMENTAL BOND ORDINANCE
OF THE CITY OF BLOOMINGTON, INDIANA,
SUPPLEMENTING AND AMENDING ORDINANCE 05-12, ADOPTED ON APRIL 20, 2005, AS
PREVIOUSLY AMENDED BY ORDINANCE 06-04, ADOPTED ON MARCH 2, 2006,
ALL FOR THE PURPOSE OF
AUTHORIZING THE MODIFICATION OF CERTAIN CONTRACTUAL RIGHTS OF THE
CITY OF BLOOMINGTON, INDIANA, THE EXECUTION AND DELIVERY OF ITS
AMENDED WATERWORKS REVENUE BONDS OF 2006, SERIES A, AND
APPROVING CERTAIN RELATED MATTERS IN CONNECTION THEREWITH**

- WHEREAS, the City of Bloomington, Indiana (the “Issuer”), has heretofore established and constructed and currently owns and operates a waterworks system (the “Utility”), pursuant to the provisions of Indiana Code 8-1.5, as amended; and
- WHEREAS, on May 4, 2006, the Issuer issued its bonds designated as the “City of Bloomington, Indiana, Waterworks Revenue Bonds of 2006, Series A” in the original aggregate principal amount of \$5,320,000 (the “Original Bonds”), which are payable from the net revenues of the Utility, in order to provide funds to finance the costs incurred to pay the acquisition and construction of certain extensions and improvements to the Utility and to pay incidental charges in connection therewith, all pursuant to Ordinance 05-12, adopted by the Common Council of the Issuer (the “Common Council”) on April 20, 2006, as previously amended by Ordinance 06-04, adopted by the Common Council of the Issuer on March 2, 2006 (collectively, the “Original Bond Ordinance”); and
- WHEREAS, as of the date hereof, the Original Bonds are outstanding in the aggregate principal amount of approximately \$3,720,000; and
- WHEREAS, pursuant to the terms of the Original Bonds and the Qualified Entity Purchase Agreement, dated April 26, 2006 (the “Original Purchase Agreement”), by and between the Issuer and the Indiana Bond Bank (the “Bond Bank”), the Original Bonds maturing on or after July 1, 2016, are subject to redemption prior to maturity, at the option of the Issuer, on any date on or after January 1, 2016 (such rights hereinafter referred to as the “Call Rights”); and
- WHEREAS, the Bond Bank previously issued its Indiana Bond Bank Special Program Bonds, Series 2006 B-1, dated May 4, 2006, in the aggregate principal amount of \$12,400,000 (the “Prior Bond Bank Bonds”), for the purpose, in part, of providing funds to purchase the Original Bonds from the Issuer; and
- WHEREAS, the Bond Bank has authorized and intends to issue its Indiana Bond Bank Special Program Refunding Bonds, Series 2015 A (the “Refunding Bond Bank Bonds”), for the purpose of refunding all or a portion of the Prior Bond Bank Bonds, together with one or more series of other bonds of the Bond Bank, which are outstanding on the date hereof (the “Refunding Program”); and
- WHEREAS, as a condition to sharing a portion of the economic benefits associated with the Refunding Program with the Issuer, the Bond Bank has requested that (a) the Issuer modify the Call Rights and evidence the modification of such Call Rights and receipt of such Call Rights Modification Credit (as hereinafter defined) (all in exchange for receiving a portion of the economic benefits associated with the Refunding Program) by executing and delivering its Amended Bonds (as hereinafter defined), and (b) following the undertaking of the Refunding Program and satisfaction of the other terms and conditions set forth herein, exchanging the Amended Bonds for the outstanding Original Bonds; and
- WHEREAS, pursuant to the terms of the Original Bond Ordinance, the Issuer may grant or confer upon the owners of the Original Bonds any additional benefits, rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Original Bonds, or to make any change which, in the judgment of the Issuer, is not to the prejudice of the owners of the Original Bonds; and

WHEREAS, pursuant to the terms of the Original Bond Ordinance, the Issuer may, from time to time and at any time, without consent of, or notice to, any of the owners of the Original Bonds, amend the Original Bond Ordinance for any purpose if in the judgment of the Issuer such amendment does not adversely affect the interests of the owners of the outstanding Original Bonds; and

WHEREAS, on the date hereof, the Bond Bank is the registered owner of all of the outstanding Original Bonds; and

WHEREAS, the Issuer desires to adopt this supplemental ordinance (the “Supplemental Ordinance”) in order to supplement and amend the Original Bond Ordinance (the Original Bond Ordinance, as supplemented and amended by this Supplemental Ordinance, collectively, the “Ordinance”) for the purpose of authorizing the modification of the Call Rights (as described in Section 3 herein) and the execution and delivery of the Amended Bonds (in order to evidence the modification of such Call Rights), all in consideration for the Bond Bank a) crediting to the Issuer a portion of the economic benefits associated with the Refunding Program in an amount estimated to be, based upon current market conditions, at least equal to \$480,000 (the “Call Rights Modification Credit”), with such Call Rights Modification Credit being in the form of a reduction in one or more payments of debt service on the Original Bonds (which will be evidenced by the Amended Bonds), and (b) returning all of the outstanding Original Bonds to the Issuer; and

WHEREAS, the Common Council has determined that a significant benefit to the Issuer in the amount of the Call Rights Modification Credit will be effected by assisting the Bond Bank in the undertaking of the Refunding Program; and

WHEREAS, the Common Council now finds that all conditions precedent to the adoption of this Supplemental Ordinance have been complied with in accordance with the provisions of Indiana Code 5-1-5 and Indiana Code 8-1.5, each as amended (collectively, the “Act”), to the extent each is applicable hereto;

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

Section 1. Authorization of 2015 Transaction; Modification of Call Rights. The Common Council hereby determines that (a) the receipt of the Call Rights Modification Credit (in the form described in the recitals hereof) in exchange for the modification of the Call Rights by the Issuer, and (b) the execution and delivery by the Issuer of the Amended Bonds to the Bond Bank in exchange for the outstanding Original Bonds now held by the Bond Bank, in order to evidence the modification of such Call Rights and the receipt of the Call Rights Modification Credit (clauses (a) and (b), collectively, the “2015 Transaction”), is in the best interests of the Issuer and is consistent with and in furtherance of the purposes for which the Issuer was created and exists. The Issuer is hereby authorized to modify the Call Rights and to execute and deliver the Amended Bonds, all in accordance with the terms and conditions of this Supplemental Ordinance.

Section 2. The Amended Bonds. In accordance with the Act and for the purpose of the 2015 Transaction, the Issuer shall execute and deliver its amended bonds designated as the “City of Bloomington, Indiana, Amended Waterworks Revenue Bonds of 2006, Series A,” in an original aggregate principal amount not to exceed the aggregate principal amount of the Original Bonds which are currently outstanding (the “Amended Bonds”), and exchange the Amended Bonds for all of the outstanding Original Bonds. Except where inconsistent with the provisions of this Supplemental Ordinance, the terms and conditions of the Amended Bonds shall be the same as those of the outstanding Original Bonds as provided in the Original Bond Ordinance. The form of the Amended Bonds shall be substantially in the form set forth in the Original Bond Ordinance, with such conforming changes as shall be necessary to reflect the terms and conditions set forth in this Supplemental Ordinance and in the Amended Purchase Agreement (as defined herein), including the modification of the Call Rights. The Amended Bonds shall be executed and delivered in the same manner and in accordance with the terms and conditions of the Original Bond Ordinance and the Act.

Section 3. Redemption Provisions of Amended Bonds. Notwithstanding anything in the Original Bond Ordinance, the Original Purchase Agreement or the Original Bonds to the contrary, the Call Rights may be modified so that the Amended Bonds shall be subject to redemption at the option of the Issuer on any date on or after the first optional redemption date on the Refunding Bond Bank Bonds (currently estimated to be February 15, 2025, provided such date may be modified as determined by the Bond Bank in order to effectuate the Refunding Program), at a redemption price equal to the principal amount thereof so called for redemption plus accrued interest to the date fixed for redemption.

Section 4. Application of Call Rights Modification Credit. The Common Council hereby agrees that the Call Rights Modification Credit shall be applied to reduce one or more semi-annual debt service payments on the Original Bonds, and that such reductions of one or more semi-annual debt service payments shall be evidenced by the Amended Bonds. Prior to the undertaking of the Refunding Program, the fiscal officer of the Issuer (the "Controller"), or the Controller's designee, is authorized to select the manner by which the Issuer desires to apply the Call Rights Modification Credit to the debt service payment(s) on the Amended Bonds, and to notify the Bond Bank, in writing, of such determination. The determination of the manner for applying the Call Rights Modification Credit shall be set forth in a schedule to be attached to the Amended Purchase Agreement (as defined herein). The Common Council of the Issuer hereby further authorizes the Controller, or the Controller's designee, to execute all such documents and take such actions as may be necessary or appropriate to effectuate the option selected by the Controller.

Section 5. Authorized Denominations of Amended Bonds. Notwithstanding anything in the Original Bond Ordinance, the Original Purchase Agreement or the Original Bonds to the contrary, the Amended Bonds shall be executed and delivered in minimum denominations of \$0.01 or any integral multiple in excess thereof, or such other denominations as shall be requested by the Bond Bank and acceptable to the Controller.

Section 6. The Amended Purchase Agreement. The Qualified Entity Purchase Agreement, in substantially the form attached as Exhibit A hereto and made a part hereof (the "Amended Purchase Agreement"), is hereby approved. The Mayor and the Controller of the Issuer are each hereby authorized and directed to execute the Amended Purchase Agreement with any and all such changes and revisions as they deem necessary, desirable or appropriate to carry out the intent of this Supplemental Ordinance and the purpose of the 2015 Transaction, and to deliver the Amended Purchase Agreement and the Amended Bonds to the Bond Bank.

Section 7. Offering Document / Continuing Disclosure Agreement. Use of information concerning the Issuer in any offering materials, including a preliminary official statement or a private placement memorandum of the Bond Bank (collectively, the "Offering Document") and distributed in connection with the undertaking of the Refunding Program, is hereby authorized, ratified and approved. The Mayor and the Controller of the Issuer, or their authorized designees, are each hereby authorized and directed to have prepared and delivered to the Bond Bank, an underwriter or a purchaser any information required for such use and further to deem and determine, if necessary, those portions of the Offering Document, if any, relating to the Issuer as near final for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended (the "SEC Rule"). Further, if necessary, the Mayor and the Controller of the Issuer, or their authorized designees, are each hereby authorized and directed to execute a continuing disclosure agreement, in a form and substance acceptable to the Mayor and the Controller of the Issuer, in order to allow the underwriters, if any, of the Refunding Bond Bank Bonds to comply with the SEC Rule if necessary.

Section 8. Further Actions. The Mayor, the Controller and the Clerk of the Issuer, are each hereby authorized and directed, for and on behalf of the Issuer, to execute, attest and seal all such documents, instruments, certificates, closing papers and other papers and do all such acts and things as may be necessary, desirable or appropriate to effect the 2015 Transaction and to carry out the purposes of this Supplemental Ordinance and the execution and delivery of the Amended Bonds in accordance with the Ordinance, including, but not limited to, the execution of any certificates, purchase agreements, continuing disclosure agreements or other documents necessary to effect the 2015 Transaction, and any and all actions, documents, agreements and certificates heretofore taken or executed in connection with the 2015 Transaction or this Supplemental Ordinance, be, and hereby are, ratified and approved.

Section 9. Construction with Other Ordinances. This Supplemental Ordinance is hereby intended to amend and supplement the Original Bond Ordinance, and to the extent of any inconsistencies or conflicts, if any, between any provision or provisions of this Supplemental Ordinance and the Original Bond Ordinance, the provisions of this Supplemental Ordinance shall be controlling and binding. All ordinances or parts of ordinances, except the Original Bond Ordinance as supplemented and amended by this Supplemental Ordinance, in conflict with the Ordinance are hereby repealed. Unless the context otherwise requires and except as supplemented herein, any references in the Original Bond Ordinance to the Original Bonds shall mean the Amended Bonds and any accounts created and maintained by the Issuer for the benefit of holders of the Original Bonds shall now be maintained, and the funds therein shall now be held, for the benefit of the holders of the Amended Bonds.

Section 10. Effective Date. This Supplemental Ordinance shall be in full force and effect from and after its having been passed by the Common Council and signed by the presiding officer.

The foregoing was PASSED AND ADOPTED by the Common Council of the City of Bloomington, Indiana, this ____ day of _____, 2015, by a vote of _____ ayes and _____ nays.

DAVE ROLLO, PRESIDENT
City of Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED BY ME to the Mayor this _____ day of _____, 2015.

REGINA MOORE, Clerk
City of Bloomington

APPROVED AND SIGNED BY ME this _____ day of _____, 2015.

MARK KRUZAN, Mayor
City of Bloomington

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

SYNOPSIS

This is a bond ordinance that supplements and amends previous ordinances of the City regarding Waterworks Revenue Bonds of 2006, Series A, in order to realize a savings in concert with the Indiana Bond Bank.

EXHIBIT A
FORM OF AMENDED PURCHASE AGREEMENT

(attached hereto)

QUALIFIED ENTITY PURCHASE AGREEMENT

This QUALIFIED ENTITY PURCHASE AGREEMENT (the “Purchase Agreement”), dated as of the ___ day of February, 2015, is being entered into by and between the INDIANA BOND BANK, a body corporate and politic (the “Bond Bank”), created pursuant to the provisions of Indiana Code 5-1.5, as amended (the “Act”), having its principal place of business in the City of Indianapolis, Indiana, and the CITY OF BLOOMINGTON, INDIANA, a political subdivision located in Monroe County, Indiana (the “Qualified Entity”).

WITNESSETH:

WHEREAS, on May 4, 2006, the Qualified Entity issued its bonds designated as the “City of Bloomington, Indiana, Waterworks Revenue Bonds of 2006, Series A” in the original aggregate principal amount of \$5,320,000 (the “Original Qualified Obligations”), which are payable from the net revenues of the waterworks system owned and operated by the Qualified Entity (the “Utility”), in order to provide funds to finance the acquisition and construction of certain extensions and improvements to the Utility, all pursuant to Ordinance No. 05-12, adopted by the Qualified Entity on April 20, 2006, as previously amended by Ordinance No. 06-04, adopted by the Qualified Entity on March 2, 2006 (collectively, the “Original Ordinance”); and

WHEREAS, as of the date hereof, the Original Qualified Obligations are outstanding in the aggregate principal amount of approximately \$3,720,000; and

WHEREAS, pursuant to the terms of the Original Ordinance, the Original Qualified Obligations and the Qualified Entity Purchase Agreement, dated as of April 26, 2006 (the “Original Purchase Agreement”), by and between the Bond Bank and the Qualified Entity, the Original Qualified Obligations maturing on or after July 1, 2016, are subject to redemption prior to maturity, at the option of the Qualified Entity, in whole or in part, on any date on or after January 1, 2016 (such rights hereinafter, the “Call Rights”); and

WHEREAS, the Bond Bank previously issued its Indiana Bond Bank Special Program Bonds, Series 2006 B-1, dated May 4, 2006, in the aggregate principal amount of \$12,400,000 (the “Prior Bond Bank Bonds”), for the purpose, in part, of providing funds to purchase the Original Qualified Obligations from the Qualified Entity; and

WHEREAS, the Bond Bank has authorized and intends to issue its Indiana Bond Bank Special Program Refunding Bonds, Series 2015 A (the “Refunding Bonds”), pursuant to a Trust Indenture, to be dated as of February 1, 2015 (the “Bond Bank Indenture”), between the Bond Bank and The Huntington National Bank, as trustee (the “Trustee”), for the purpose of refunding all or a portion of the Prior Bond Bank Bonds (the “Refunding Program”); and

WHEREAS, as a condition to sharing a portion of the economic benefits associated with the Refunding Program with the Qualified Entity, the Bond Bank has requested that (a) the Qualified Entity modify its Call Rights and evidence the modification of the Call Rights and receipt of such Call Rights Modification Credit (as defined herein)(all in exchange for receiving a portion of the economic benefits associated with the Refunding Program) by executing and delivering its Amended Qualified Obligations (as hereinafter defined), and (b) following the

undertaking of the Refunding Program and satisfaction of the other terms and conditions set forth herein, exchanging the Amended Qualified Obligations for the outstanding Original Qualified Obligations; and

WHEREAS, the Qualified Entity has duly authorized, pursuant to the Original Ordinance, as supplemented and amended by an ordinance adopted by the Qualified Entity on _____, 2015 (the “Supplemental Ordinance”)(the Original Ordinance and the Supplemental Ordinance, collectively, the “Ordinance”), the modification of the Call Rights and, in order to evidence the modification of the Call Rights and receipt of the Call Rights Modification Credit, the execution and delivery of its amended bonds designated as the “City of Bloomington, Indiana, Amended Waterworks Revenue Bonds of 2006, Series A,” in the original aggregate principal amount not to exceed the aggregate outstanding principal amount of the Original Qualified Obligations (as so amended, the “Amended Qualified Obligations”).

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the Bond Bank and the Qualified Entity agree as follows:

Section 1. (a) In exchange for modifying the Call Rights with respect to the Original Qualified Obligations, the Bond Bank hereby agrees to provide the Qualified Entity with a credit, in an aggregate amount equal to \$_____ **[final amount to be determined following pricing on Bond Bank’s refunding bonds]** (the “Call Rights Modification Credit”), in the form of a reduction of one or more semi-annual debt service payments on the Original Qualified Obligations (as evidenced by the Amended Qualified Obligations), all in accordance with the schedule attached as Exhibit A hereto and made a part hereof.

(b) In order to evidence such modification of the Call Rights and receipt of such Call Rights Modification Credit, the Qualified Entity hereby agrees to execute and deliver the Amended Qualified Obligations and to exchange the Amended Qualified Obligations for all of the Original Qualified Obligations, respectively, which are outstanding on the date hereof. Upon the execution and delivery of the Amended Qualified Obligations, the Bond Bank hereby agrees that it shall cancel and return all of the Original Qualified Obligations to the Qualified Entity which are outstanding on the date hereof.

(c) The parties hereby expressly agree and acknowledge that the execution and delivery of the Amended Qualified Obligations in exchange for the return of all of the Original Qualified Obligations outstanding on the date hereof shall not constitute, nor shall this Purchase Agreement or the transaction hereby contemplated ever be construed to constitute, a re-issuance of the Original Qualified Obligations, in whole or in part, for purposes of the laws of the State.

(d) Notwithstanding anything in the Original Ordinance, the Original Purchase Agreement or the Original Qualified Obligations to the contrary, the Amended Qualified Obligations shall be subject to redemption at the option of the Issuer on any date on or after _____ 15, 2025 **[final date to be determined following pricing on Bond Bank’s refunding bonds]**, at a redemption price equal to the principal amount thereof so called for redemption plus accrued interest to the date fixed for redemption.

(e) Except as otherwise provided in this Purchase Agreement and the Supplemental Ordinance, the terms, conditions and characteristics of the Amended Qualified Obligations shall be the same as those of the Original Qualified Obligations and shall be executed and delivered in the same manner and in accordance with the terms and conditions of the Ordinance and the Act.

Section 2. If the Qualified Entity fails to pay the principal of and interest on the Amended Qualified Obligations when due, the Qualified Entity agrees to reimburse the Bond Bank for the costs of collecting the payments on such Amended Qualified Obligations.

Section 3. The Qualified Entity has taken, or will take, all proceedings required by law to enable it to modify the Call Rights and to execute and deliver the Amended Qualified Obligations and all other documents to the Bond Bank which are necessary for the Bond Bank to undertake its Refunding Program. The parties to this Agreement acknowledge that the Qualified Entity's obligation to modify the Call Rights and to execute and deliver the Amended Qualified Obligations and the Bond Bank's obligation to accept the Amended Qualified Obligations and to cancel and return the Original Qualified Obligations, all as described herein, are expressly contingent upon the Qualified Entity taking all steps and receiving all approvals required by laws of the State, if any, to modify the Call Rights, to execute and deliver the Amended Qualified Obligations, and to execute all other documents which are necessary for the Bond Bank to undertake its Refunding Program.

Section 4. Subject to Section 8, the Qualified Entity agrees to pay the Bond Bank, on each interest payment date for the Amended Qualified Obligations, reasonable fees and charges attributable to the administration of the Amended Qualified Obligations acquired by the Bond Bank. To the extent the Amended Qualified Obligations are subject to rebate, the Qualified Entity agrees to pay the Bond Bank for prompt payment to, or to evidence to the Bond Bank the payment to, the United States of the rebate determined by the Qualified Entity to result from the investment of moneys held by the Qualified Entity that constitute gross proceeds of the Original Qualified Obligations or the Amended Qualified Obligations. The Qualified Entity agrees to provide documentation to the Bond Bank relative to the computation of the rebate and payment of such rebate when required.

Section 5. Simultaneously with the delivery to the Bond Bank of the Amended Qualified Obligations, which shall be substantially in the form set forth in the Original Ordinance with such conforming changes as shall be necessary to reflect the terms and conditions set forth in the Supplemental Ordinance and in this Purchase Agreement, and registered in the name of the Bond Bank, the Qualified Entity shall furnish to the Bond Bank: (a) transcripts of the proceedings related to the respective Amended Qualified Obligations; and (b) the approving opinion of Barnes & Thornburg LLP, bond counsel to the Qualified Entity, in form satisfactory to the Bond Bank, which shall set forth, among other things, that (i) the Qualified Entity is duly organized and validly existing under the laws of the State with the right and power to execute and deliver and to perform its obligations under the Purchase Agreement and its Amended Qualified Obligations; (ii) the Purchase Agreement and the Amended Qualified Obligations, together with the performance by the Qualified Entity of its respective obligations thereunder, have been duly authorized, executed and delivered by the Qualified Entity and, assuming the due authorization, execution and delivery thereof by the other parties thereto, each constitutes the legal, valid and binding agreement of the Qualified Entity, enforceable in

accordance with its respective terms; and (iii) the interest on the Amended Qualified Obligations is excludable from gross income for federal income tax purposes under Section 103 of the Code (under existing law); subject to such enforcement limitations customarily contained in such opinions. The Bond Bank shall arrange for and bear the cost of such opinions from the Qualified Entity's bond counsel.

Section 6. The Qualified Entity and the Bond Bank agree that the Amended Qualified Obligations and the payments to be made thereon may be pledged or assigned by the Bond Bank to the Trustee under and pursuant to the Bond Bank Indenture.

Section 7. (a) As long as any of the Amended Qualified Obligations remain outstanding, the Qualified Entity agrees to furnish to the Bond Bank the following information and reports:

(1) Within one hundred eighty (180) days after the close of each twelve-month period ending December 31 (each, a "Fiscal Year"), beginning with the Fiscal Year ending on December 31, 2014, (A) if available, a copy of the Qualified Entity's budget adopted for the then-current Fiscal Year, and (B) unaudited annual financial statements or reports which are customarily prepared by or for the Qualified Entity;

(2) When and if available, the audited financial statements of the Qualified Entity as prepared and examined by the State Board of Accounts for each Fiscal Year, beginning with the Fiscal Year ending on December 31, 2014, together with the opinion of such accountants and all notes thereto, within sixty (60) days of receipt from the State Board of Accounts;

(3) When and if available, a copy of any financial information, operating data or event notices filed by, or on behalf of the Qualified Entity, with the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access System ("EMMA"), pursuant to any obligations of the Qualified Entity to provide such information to EMMA under one or more continuing disclosure undertaking agreements entered into by the Qualified Entity pursuant to Section (b)(5) of the Securities and Exchange Commission Rule 15c2-12, as amended, simultaneously with such filing through EMMA;

(4) When and if available, a copy of any study of rates and charges for the Utility as may be commissioned by the Qualified Entity from time to time, together with all schedules and exhibits thereto, within sixty (60) days of receipt from the consultant(s) engaged to perform such study; and

(5) Such other financial information as is reasonably requested by the Bond Bank, including information which evidences their compliance with certain covenants which they have made regarding various actions and conditions necessary to preserve the tax-exempt status of interest paid on the Amended Qualified Obligations.

(b) The Qualified Entity certifies and agrees that it will monitor: (i) the yield on the investment of proceeds of the Amended Qualified Obligations (including compliance with any yield restrictions or temporary periods); (ii) the timely expenditure of the proceeds of the

Amended Qualified Obligations; (iii) the proper use of the proceeds of the Amended Qualified Obligations and any facilities financed thereby; and (iv) the investment, expenditure and use of proceeds of the Amended Qualified Obligations to ensure timely identification of any violations of federal tax requirements and timely correction of any identified violations through remedial actions described in Section 1.141-12 of the Regulations or through the Tax Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31.

(c) The Qualified Entity certifies and agrees that it will, on or before each anniversary of the date of the execution and delivery of the Amended Qualified Obligations, determine: (i) whether the Qualified Entity has paid all amounts required to be rebated to the United States under Section 148(f) of the Code and Section 1.148-3 of the Regulations; and (ii) whether the Qualified Entity has made all yield reduction payments required to be made to the United States under Section 1.148-5(c) of the Regulations.

(d) The Qualified Entity certifies and agrees that it will, on or before each anniversary of the date of the execution and delivery of the Amended Qualified Obligations, provide a report to the Bond Bank as to: (i) whether the Qualified Entity has paid all amounts required to be rebated to the United States under Section 148(f) of the Code and Section 1.148-3 of the Regulations; (ii) whether the Qualified Entity has made all yield reduction payments required to be made to the United States under Section 1.148-5(c) of the Regulations; and (iii) whether the Qualified Entity has identified any violations of federal tax requirements with respect to the expenditure and use of proceeds of the Qualified Obligations and timely corrected any identified violations through remedial actions described in Section 1.141-12 of the Regulations or through the Tax Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31.

(e) The Qualified Entity certifies and agrees that it will monitor the use of the proceeds of such Amended Qualified Obligations, and any facilities financed thereby, to ensure that not more than five percent (5%) of the proceeds of the Amended Qualified Obligations, or any facilities financed thereby, are: (i) owned by any nongovernmental person; (ii) leased to any nongovernmental person; (iii) subject to any management, service or incentive payment contract with any nongovernmental person, under which such nongovernmental person provides services involving all, any portion or any function of such facilities, unless such contract satisfies the conditions under which it would not result in private business use set forth in Revenue Procedure 97-13 (1997-1 C.B. 623), as amended from time to time; (iv) subject to any agreement by any nongovernmental person to sponsor research, unless such agreement satisfies the conditions under which it would not result in private business use set forth in Revenue Procedure 2007-47 (2007-29 I.R.B. 108), as amended from time to time; or (v) subject to any other arrangement that conveys special legal entitlements for beneficial use thereof that are comparable to special legal entitlements described in subsection (i), (ii), (iii) or (iv) hereof.

Section 8. If the Bond Bank determines to sell all or part of the Amended Qualified Obligations, it agrees to pay or reimburse the Qualified Entity for all costs associated therewith including the printing of bonds, obtaining ratings therefor and providing services of a registrar and paying agent therefor.

Section 9. If any provision of this Purchase Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not

affect any of the remaining provisions of this Purchase Agreement, and this Purchase Agreement shall be construed and be in force as if such invalid or unenforceable provision had not been contained herein.

Section 10. The parties to this Agreement acknowledge that the Qualified Entity's obligation to modify the Call Rights and execute and deliver the Amended Qualified Obligations, and the Bond Bank's obligation to accept the Amended Qualified Obligations and to cancel and return all of the Original Qualified Obligations outstanding as of the date hereof, is expressly contingent upon the authorization and undertaking of the Refunding Program. In the event the Bond Bank determines not to authorize or undertake its Refunding Program, the provisions of this Purchase Agreement shall terminate upon notice by the Bond Bank to the Qualified Entity of such determination.

Section 11. In the event the Qualified Entity fails to modify the Call Rights and to execute and deliver all of the Amended Qualified Obligations to the Bond Bank in accordance with Section 1 hereof for any reason within the control of the Qualified Entity, the Qualified Entity shall, on demand, pay to the Bond Bank an amount equal to all costs, expenses (including any financial advisory and attorney's fees and expenses) and consequential damages occasioned by the failure of the Qualified Entity to modify the Call Rights and to execute and deliver the Amended Qualified Obligations, all in accordance with Section 1 hereof.

Section 12. On or prior to the delivery date of the Amended Qualified Obligations pursuant to the Refunding Program, an authorized officer of the Qualified Entity will deliver a certificate, dated as of the delivery date of the Refunding Bonds pursuant to the Refunding Program (the "Closing Date"), to the effect that (a) any statements pertaining to the Qualified Entity, the Original Qualified Obligations (if any) or the Amended Qualified Obligations made in the application or information request form submitted to the Bond Bank (the "Application") (i) as of the date of the Application, did not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and (ii) as of the Closing Date, does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, and (b) that there has been no material adverse change in the financial condition and affairs of the Qualified Entity during the period from the date of submission of the Application to the Closing Date, which was not disclosed in or contemplated by the Application.

Section 13. The Qualified Entity hereby agrees, for so long as any of the Amended Qualified Obligations are outstanding, to execute a continuing disclosure agreement in a form and substance reasonably acceptable to the Bond Bank, as may be reasonably requested by the Bond Bank. No breach or violation by the Qualified Entity of any obligation of the Qualified Entity under Section 7 of this Purchase Agreement shall constitute a breach or violation of or default under the Amended Qualified Obligations or the Ordinance.

Section 14. This Purchase Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. The Bond Bank and the Qualified Entity each agree that they will

execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Purchase Agreement.

Section 15. No waiver by the Bond Bank or the Qualified Entity of any term or condition of this Purchase Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Purchase Agreement.

Section 16. This Purchase Agreement merges and supersedes all prior negotiations, representations and agreements between the Bond Bank and the Qualified Entity relating to the subject matter hereof and, together with the Ordinance and the Amended Qualified Obligations, constitutes the entire agreement between the Bond Bank and the Qualified Entity with respect hereto.

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DRAFT

IN WITNESS WHEREOF, we have hereunto set our hands as of the day and year first above written.

INDIANA BOND BANK

By: _____
Kelly M. Mitchell, Chairperson Ex Officio

Attest:

Ronald L. Mangus, Executive Director

CITY OF BLOOMINGTON, INDIANA

By: _____
Mark Kruzan, Mayor

Attest:

Jeff Underwood, Controller

[DO NOT EXECUTE AT THIS TIME]

EXHIBIT A

SCHEDULE OF CALL RIGHTS MODIFICATION CREDIT

<u>Payment Date</u>	<u>Debt Service Due on Original Qualified Obligation</u>			<u>(Less Call Rights Modification Credit)</u>	<u>Debt Service Due on Amended Qualified Obligation</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
July 1, 2015	\$120,000.00	\$87,945.00	\$207,945.00				
January 1, 2016	120,000.00	85,305.00	205,305.00				
July 1, 2016	125,000.00	82,617.00	207,617.00				
January 1, 2017	125,000.00	79,773.25	204,773.25				
July 1, 2017	130,000.00	76,904.50	206,904.50				
January 1, 2018	130,000.00	73,921.00	203,921.00				
July 1, 2018	135,000.00	70,918.00	205,918.00				
January 1, 2019	140,000.00	67,799.50	207,799.50				
July 1, 2019	140,000.00	64,551.50	204,551.50				
January 1, 2020	145,000.00	61,303.50	206,303.50				
July 1, 2020	150,000.00	57,874.25	207,874.25				
January 1, 2021	150,000.00	54,326.75	204,326.75				
July 1, 2021	155,000.00	50,764.25	205,764.25				
January 1, 2022	160,000.00	47,083.00	207,083.00				
July 1, 2022	160,000.00	43,259.00	203,259.00				
January 1, 2023	165,000.00	39,435.00	204,435.00				
July 1, 2023	170,000.00	35,475.00	205,475.00				
January 1, 2024	175,000.00	31,395.00	206,395.00				
July 1, 2024	175,000.00	27,168.75	202,168.75				
January 1, 2025	180,000.00	22,942.50	202,942.50				
July 1, 2025	185,000.00	18,595.50	203,595.50				
January 1, 2026	190,000.00	14,127.75	204,127.75				
July 1, 2026	195,000.00	9,539.25	204,539.25				
January 1, 2027	<u>200,000.00</u>	<u>4,830.00</u>	<u>204,830.00</u>				
Totals:	\$3,720,000.00	\$1,207,854.25	\$4,927,854.25				

In the Council Chambers of the Showers City Hall on Wednesday, November 19, 2014 at 7:30 pm with Council President Darryl Neher presiding over a Special Session of the Common Council.

COMMON COUNCIL
SPECIAL SESSION
November 19, 2014

Roll Call: Ruff, Sandberg, Volan, Granger, Neher, Spechler, Volan, Mayer
Absent: Sturbaum, Rollo

ROLL CALL

Council President Neher gave the Agenda Summation

AGENDA SUMMATION

Appropriation Ordinance 14-06 To Specially Appropriate from the General Fund, Parks General Fund, Fire Capital Fund, Risk Management Fund, and Rental Inspection Program Fund Expenditures Not Otherwise Appropriated (Appropriating Various Transfers of Funds within the General Fund, Fire Pension Fund; and, Appropriating Additional Funds from the Arts Commission Operating Fund, Risk Management Fund, BMFC Showers Bond, 1998 Street Bond II, Golf Course Bond, BMFC 1998 Street Lease and Rental Inspection Program Fund)

LEGISLATION FOR FIRST
READING

Appropriation Ordinance 14-06

Dan Sherman, Council Attorney/Administrator noted that an Internal Work Session was in order for December 5, 2014 with the HAND department.

COUNCIL SCHEDULE

It was moved and seconded to hold the above session. The motion was approved by a voice vote.

The meeting was adjourned at 7:40 pm.

ADJOURNMENT

APPROVE:

ATTEST:

Darryl Neher, PRESIDENT
Bloomington Common Council

Regina Moore, CLERK
City of Bloomington

for approval

In the Council Chambers of the Showers City Hall on Wednesday, December 3, 2014 at 7:30 pm with Council President Darryl Neher presiding over a Regular Session of the Common Council.

Roll Call: Rollo, Ruff, Sandberg, Volan, Granger, Sturbaum, Neher, Spechler, Volan, Mayer (arr. 8:47 pm)
Absent: none

Council President Neher gave the Agenda Summation

There were no minutes for approval at this meeting.

Susan Sandberg welcomed the Commission on Aging and commented on the personal importance of the Commission to her because of her recent experience with her father's aging and health.

Marty Spechler spoke about holiday season consumer spending. He commented that although overall spending was strong, in person retail sales were down because of an increase in online shopping. Online merchants were not required to charge sales tax, but legislation was before Congress that would require sales tax to be applied to the order. He encouraged the community to reach out to Representative Todd Young in support of the legislation.

Steve Volan called attention to the City Administration's choice not to enforce Parking Meters on Saturdays during the holiday shopping season.

Dave Rollo reported that the Earth had lost half of its wildlife over the previous four decades, according to the World Wildlife Fund, the Zoological Society of London and others. He stated that our expansion as a species and appropriation of resources and habitat were the cause. He encouraged the purchase of local, sustainable gifts to reverse the trend.

Andy Ruff noted that the Hoosier Hills Food Bank announced that they distributed more food in November than they had in the twelve months of 2013. He added that the good news was that HHFB could provide the amount of food, and the bad news was that the demand was that high. He spoke about the Right Livelihood Awards that served as a parallel to the Nobel Prize awards. The awards were given to people who achieved in making the world a better place in fields such as ecology and social justice. One of the award winners in 2014 was Edward Snowden and another was Bill McKibbin of 350.org.

Alice Oestreich, Chair of the Commission on Aging presented their 2014 Annual Report. She explained that the Commission's goals were threefold: promote a positive perception of aging, increase older adult participation in creative and civic activities, and enhance the skill sets of the workforce to improve quality of life for the population. In 2015, the Commission intended to put a spotlight on aging related initiatives in Indiana.

Volan asked that the report be reissued with a correct date and a list of the Commission members included.

Molly O'Donnell of the Commission on Sustainability presented their 2014 Annual Report. She said the commission promoted economic development, environmental health, and social equity in the community. It measured and reported the community's progress towards

COMMON COUNCIL
REGULAR SESSION
December 3, 2014
(50 in attendance)
ROLL CALL

AGENDA SUMMATION

APPROVAL OF MINUTES

REPORTS

- COUNCIL MEMBERS

- The MAYOR AND CITY OFFICES

sustainability. The commission focused on energy use and sustainable development for the year 2014 by assessing green infrastructure, water system, ambient noise and light in the community, and access to public transit. Bloomington had more solar energy installations than any other city in Indiana, and members of the Commission were active in the Monroe County Energy Challenge. In 2015, the Commission intended to focus on the Energy Challenge, promote ordinances that would be friendly to environmental agriculture, and to support Bring Your Bag Bloomington.

There were no reports from council committees at this meeting.

Jessica Pillar spoke about Court Appointed Special Advocates (CASA) and asked the public to consider volunteering to advocate for children who were victims of abuse and neglect in Monroe County. She urged that dialogue around child abuse and neglect continue in the community.

Claire Boardman read a statement about the rezoning of properties around Indiana University to Institutional. She spoke about the subsequent lawsuits over the zoning.

Cheryl Underwood continued the discussion of rezoning. She accused the Mayor and Council of being unaware of what was occurring within the city's Planning Department. She called on the Council to reverse the rezoned properties to their prior zoning and explained the reasoning behind the lawsuit she brought against the City.

There were no appointments to Boards or Commissions at this meeting.

It was moved and seconded that Appropriation Ordinance 14-06 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the committee recommendation of Do Pass 7-0-0. She stated that the public comment portion of discussion for the ordinance would serve as the legally advertised public hearing that was advertised in the newspaper.

It was moved and seconded that Appropriation Ordinance 14-06 be adopted.

Controller Jeff Underwood explained that the legislation was the end-of-the-year clean-up ordinance and there would be no impact on the appropriation of tax rates. He laid out the details of the funds which were transferred.

There were no questions from the council. There was no public comment regarding the ordinance.

Appropriation Ordinance 14-06 received a roll call vote of Ayes: 8, Nays: 0 (Mayer was not yet present for this vote)

It was moved and seconded that Ordinance 14-24 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the committee recommendation of do pass 4-1-2. It was moved and seconded that Ordinance 14-24 be adopted.

City Attorney Patty Mulvihill commented that Ordinance 14-24 and Ordinance 14-25 were intertwined, and she spoke about both of them simultaneously. She compared the code as it would be with and without the ordinance. She clarified the intention behind the legislation, saying that it was meant to be less restrictive on mobile food vendors and was not intended to protect brick and mortar restaurants. Staff wanted to

- COUNCIL COMMITTEES
- PUBLIC

APPOINTMENTS TO BOARDS AND COMMISSIONS

LEGISLATION FOR SECOND READING AND RESOLUTIONS

Appropriation Ordinance 14-06 To Specially Appropriate from the General Fund, Parks General Fund, Fire Capital Fund, Risk Management Fund, and Rental Inspection Program Fund Expenditures Not Otherwise Appropriated (Appropriating Various Transfers of Funds within the General Fund, Fire Pension Fund; and, Appropriating Additional Funds from the Arts Commission Operating Fund, Risk Management Fund, BMFC Showers Bond, 1998 Street Bond II, Golf Course Bond, BMFC 1998 Street Lease and Rental Inspection Program Fund)

Ordinance 14-24 To Amend Title 4 of The Bloomington Municipal Code Entitled "Business Licenses and Regulations" - Re: Chapter 4.16 (Itinerant Merchants, Solicitors and Peddlers - *deleted and replaced*); Chapter 4.28 (Mobile Vendors - *added*); and, Chapter 4.30 (Pushcarts - *added*)

Ordinance 14-24 (cont'd)

protect Bloomington's community character. She said that the ordinance was a compromise among interested parties. She laid out the amendments to Ordinance 14-24 that were proposed and stated the staff supported Amendments #3, 4, 5, 6, 7, and 8.

Rollo expressed concern that the public was not given adequate notice of the amendments prior to the meeting.

Volan answered by saying he was not opposed to giving more time for the public to digest the amendments, but he felt it was important to introduce the amendments immediately to begin the discussion. He stated he would not object to postponing final action on the ordinance to another meeting.

Darryl Neher asked that the ordinance be discussed to allow the public to comment before delaying.

Volan asked to introduce the amendments in reverse order with the exception of Amendment #5 which he requested be introduced after Amendment #2.

Chris Sturbaum asked staff if the ordinance was intended to be a procedural correction or a policy change. He asked who was driving the policy change.

Questions from the council on the intention of the ordinance in general

Mulvihill answered that the ordinance served as both. She asserted that the previous policy was not working for the different stakeholders, and staff wanted to find a way to streamline the process.

Sturbaum asked for a summary of the new policy direction.

Mulvihill described the desire of mobile food truck vendors to be able to be in close proximity to one another and operate on private property. To accommodate this, policy needed to be changed.

Sturbaum asked who in the city chose the direction the city would go with the ordinance. Mulvihill said it started with the Economic and Sustainable Development Department, the Legal Department, and the Office of the Mayor. She said they wanted to encourage new business but balance it with the need for community character.

Sturbaum asked if this meant that the city wanted more mobile food truck vendors. Mulvihill said she did not think that that was necessarily the meaning behind the legislation, but the city needed to meet the demand of the public.

Sandberg asked who in the brick and mortar community stepped up to weigh in on the ordinance. She commented on several emails from brick and mortar restaurants the council had received the day of the meeting that stated concern about the ordinance. Mulvihill assured the council that they reached out to brick and mortar establishments. She indicated that the feedback received from the outreach was included in the discussion. She reiterated that the ordinance was a legitimate compromise.

Volan asked to what extent the proposed ordinance was stricter than the current code. Mulvihill stated that the fifty foot requirement could be considered stricter than regulations of a license cap, increased penalties, revocation of permits, and a decibel limit for generators.

Volan asked for clarification on the difference between trailers and food trucks.

Mulvihill stated that staff had not received that complaint during outreach to brick and mortar restaurants and had not considered it.

Questions from council (*cont'd*)

Spechler stated his concern about market fairness. He asserted that mobile food vendors and brick and mortar restaurants should be taxed in the same way. He wanted to know if staff had reached out to other cities to find out how much food trucks paid in taxes in relation to brick and mortar restaurants. Mulvihill explained that the city could not tax mobile food vendors, and they could only charge license fees. State Statute also indicated that these fees had to be related to the program and expenses associated with issuing the licenses.

Spechler asked about business taxes. Mulvihill was not certain if the city had the authority to impose that type of tax.

It was moved and seconded to introduce Amendment #8 for consideration.

Volan noted that he was actually a co-sponsor on all amendments presented for the ordinance. He explained that the amendment corrected the ordinance to require mobile food trucks to be fifteen feet away from a fire hydrant, instead of ten feet, in order to comply with State Code.

Amendment #8 to Ordinance 14-24
Sponsor: Neher
Fixed clerical error to state that mobile food vendors and pushcarts be parked at least fifteen feet away from a fire hydrant according to Indiana Code 9-12-16-5(e).

Mulvihill stated that the law was likely based on the amount of space needed for firefighters to access the hydrant and asked that the council fix the ordinance to ensure compliance.

Sandberg asked if this would further limit the designated spots in which vendors could set up their trucks. Mulvihill stated that staff did not have time to look into the issue but was confident that the map would be updated.

Sandberg asked again whether this would further limit the spots. Mulvihill said she was not prepared to answer the question that evening.

There was no council comment on Amendment #8. There was no public comment on Amendment #8.

Amendment #8 to Ordinance 14-24 received a roll call vote of Ayes: 9, Nays: 0

Vote on Amendment #8

It was moved and seconded to introduce Amendment #7 for consideration.

Volan explained that this amendment added specific examples of the kinds of sound and light that would be prohibited by the ordinance.

Amendment #7 to Ordinance 14-24
Sponsor: Volan
Clarified definitions of amplified sounds and aural devices by giving examples of these attention drawing devices.

Sturbaum asked if the specific part of the ordinance under discussion would ban ice cream trucks from circulating in neighborhoods. Mulvihill said that ice cream trucks were exempt from this regulation.

Public Comment:
Kay Bull commented that there were five parking meters with blinking lights outside of Max's Place that were annoying to patrons inside.

Council Comment:
Dorothy Granger said she appreciated the amendment's clarity.

Volan said he would appreciate support of the amendment.

Amendment #7 to Ordinance 14-24 received a roll call vote of Ayes: 9, Nays: 0

Vote on Amendment #7

It was moved and seconded to introduce Amendment #6 for consideration.

Volan explained that the amendment increased the decibel (dBA) limit on generators from 60dBA to 70dBA, established a specific distance for the measurement, and removed the requirement for the manufacturer's specifications to be submitted with the application for license.

Neher pointed out that 70dBA is actually two times the volume of 60dBA. He stated that some sources indicated that noises of at least 80dBA could cause hearing damage. He cautioned that moving the decibel level higher would make it difficult to lower in the future, and he believed starting at 70dBA would provide a starting benchmark.

Sturbaum asked why the manufacturer's specifications were being removed. Neher explained that it would allow mufflers or other modifications to be added to the generator to lower the decibel level.

Sturbaum asked if there would be testing of the decibel level instead of the submitted specifications. Neher confirmed that there would be.

Sandberg asked what fuel was used to power the generators. Mulvihill indicated that nothing in the ordinance regulated emissions.

Volan said that emissions standards are beyond the regulatory authority of the council and city and remained with the State. Mulvihill said staff could not find any guidance on what the emissions should be for a vehicle that remained idle and not in motion. She said staff remained open to suggestions.

Sandberg asked if this was taken into consideration for the limit on how many mobile food vendors could be in one place at any given time. Mulvihill stated that the fifty foot distance regulation rather than a number cap could still work to serve this purpose. She said that if there was a vehicle that was a nuisance there were mechanisms within the ordinance to approach that problem.

Rollo asked where the fifty foot limit would be measured from. Mulvihill stated that the unamended ordinance indicated that it would be measured from the facade but cautioned that there would be an amendment that would include outdoor seating areas.

Spechler asked how Home Rule would work if the council wanted to limit vehicle emissions. Mulvihill stated that there would need to be research into the State Code to determine if there was any indication on emission levels because Home Rule only applied if there was no rule in the State Code.

Neher asked how the amendment would reconcile with the city's noise ordinance. Mulvihill said they would work in tandem. The amendment would only take effect if the noise complaint was related to a generator. Other types of noise would be under the purview of the Noise Ordinance, which uses a reasonable standard.

Neher asked why the reasonable standard would not apply to the generator. Mulvihill stated that the more specific provision applied therefore the generator standard would take precedence.

Rollo stated that 70dBA was comparable to a vacuum cleaner. He asked if the 60dBA would prohibit most generators. Mulvihill said that the vendors indicated that they could not meet the 60dBA standard. She indicated that other cities ranged from 60dBA to 100dBA. She said staff

Amendment #6 to Ordinance 14-24

Sponsor: Neher

1) increased the permitted decibel level for generators from 60 dBA to 70 dBA. 2) established a distance of four feet by which the decibel level of the generator is measured. 3) deleted the requirement that the manufacturer's specifications of existing generators be submitted with the application which would allow generators to be modified to meet the new levels.

considered that businesses had already invested money into generators and allowing modification would allow those generators to continue to be used.

Neher said that there was also a distance standard added in the amendment.

Volan stated that his interest in the amendment was the set measurement distance. He commented that both brick and mortar establishments and mobile food vendors had invested heavily in their business, and he wanted to split the difference with noise. He pointed out that the issue could be brought up again to correct details that turned out not to work.

Rollo asked if there were noise complaints about vendors. Mulvihill stated that staff had received feedback that generators were too loud.

Public Comment:

Darlene Gonzalez stated that the National Institute of Health website indicated that hearing loss occurred at volumes greater than 85dBA. She also said that manufacturers measure volume at twenty-three feet instead of four feet. She said that vendors would need to purchase generators that were set at 55dBA to only produce 60dBA at four feet. These generators would not be able to operate a food truck.

Steve Swihart, Director of the Bloomington Independent Restaurant Association (BIRA) stated that the organization did not take a stand on the issue at hand. He said that decibels were not the way this should be measured because ambient traffic noise was 85dBA. He did not have an alternative way to measure.

Chad Sutor, owner of the Big Cheeze, stated that the further away from the source of the noise the measurement was taken, the lower the decibels. He said that fifty feet away from the source, a 70dBA noise dropped down to 48 dBA.

Gregg Rago, Nick's English Hut, stated that 70dBA was a reasonable place to start. He urged the council to start somewhere and revisit the issue if it proved to be a problem.

Darlene Gonzalez spoke again to say that the Amendment was not reasonable and that the limit would damage business.

Sturbaum asked if the methodology of the measurement would work.

Volan stated that they needed to come up with a standard. He said the most important aspect to him was an established distance at which to measure the noise, but he was not set on the distance as it was laid out in the amendment. He said he had experience being annoyed by the noise of food trucks and enjoying the food they provided. He said he was willing to withdraw the amendment.

Spechler stated that he spoke with a noise engineer on the topic. He said that the council would have to revisit the issue when more subjective comments came in during the summer months.

Volan said that the council had the same problem with the Neighborhood Noise Ordinance. He said the previous standard was so hard to enforce that it was useless. He said the standard was changed to work in neighborhoods, but the standard could not apply to the downtown area. He said mixed use areas needed to be more specific.

Amendment #6 (cont'd)

Sandberg said that the issue was about context. She said carnivals should be loud, but the downtown needed to be respectful to everyone using the area. She said she would support the amendment as long as there would be a revisiting of the issue when more comments came in.

Granger said that she was not comfortable with 80dBA, and she was unhappy with 70dBA. She said she did not want to restrict mobile truck vendors out of business. She cautioned people to keep in mind that the decibel requirement was not just made for people walking in the downtown area but also for the customers of the trucks. She said she would vote for the amendment.

Mayer said the discussion about the noise was the wrong direction for the conversation to take. He said the environmental risks of food trucks were more important to discuss. He said the limits should be as low as possible. He said he would not support the amendment.

Sturbaum revisited the comment about 70dBA measured at four feet being more stringent than 60dBA without a clear distance of measurement. He said he could not support the amendment when he did not fully understand the change.

Volan recalled the issue of pornography businesses that were at risk of being restricted out of business. He said that these restrictions were unconstitutional. He said that focusing on environmental issues was outside of the purpose of the council. He said that the council needed to take every issue into consideration. He reiterated that he was willing to withdraw the amendment.

Neher asked staff what condition the ordinance would be in without the amendment. Mulvihill said if the amendment did not pass, the limit would be set at 60dBA without a definitive distance at which to measure. She expressed concern that without a standard, staff would have difficulty with enforcement. She said that the ordinance needed to start somewhere and make modifications if necessary.

Neher said he did not want to put something into place that created a conundrum. He said he would make a motion to withdraw the amendment.

Volan asked that councilmembers be given another opportunity to comment.

Sturbaum said they needed more time on the issue.

Granger said Mayer changed her mind, and she needed more time to think about it. She intended to pass.

Sandberg supported withdrawal of the amendment. She said she was concerned about the environmental and noise effects.

Volan said his goal was to reduce ambiguity to help staff and the public to know the law clearly.

Rollo said that specificity was important. He said council was responsible to set the standard. He supported the stringency of the amendment.

Volan said he wanted to correct the issues as soon as possible. He would be willing to wait until the first cycle of 2015 if necessary.

Mayer said that language should be added to require the least polluting equipment be used.

Amendment #6 (cont'd)

Spechler stated the issue of the amendment was to make the ordinance as strong as possible and then examine if the ordinance was acceptable.

It was moved and seconded to withdraw Amendment #6.

The motion to withdraw Amendment #6 to Ordinance 14-24 received a roll call vote of Ayes: 8, Nays: 1 (Spechler).

Vote on Motion to Withdraw Amendment #6

It was moved and seconded to introduce Amendment #4 for consideration.

Amendment #4 to Ordinance 14-24
Sponsor: Volan

Volan explained that this amendment was to change the regulation on when mobile food vendors could operate. He said it did not make sense to limit operation when any private property owner could be operating within that window. He was concerned about the legality of this restriction. He said preventing them from opening during potential business hours would cause undue strain. He said the goal of this requirement was to prevent food trucks from being able to stay in one place for twenty-four hours. The amendment would give more time to set up for food trucks while still keeping the original intention.

Allowed for mobile food vendors and pushcarts to operate on private property twenty four hours a day. It also changed the hours which they are prohibited from being located on any public property from to 4:30 am to 6:30 am to allow for them to serve breakfast.

Granger asked if this meant that trucks could come in at 5:30am to set up or if they had to come at 6:30am. Volan said that they were allowed to arrive at 6:30am.

Public Comment:

Andrew Weissert, Nowhere Mandrews, said he liked the amendment making it more lenient for food trucks. He did say it would be hard to get off of the street by 4:30am, and the amendment was still too restrictive.

Volan said that the amendment was lenient, and he was open to revisiting the issue if it proved overly restrictive. He asked for support from the council.

Amendment #4 to Ordinance 14-24 received a roll call vote of Ayes: 7, Nays: 1 (Mayer), Abstain: 1 (Sturbaum)

Vote on Amendment #4

It was moved and seconded to introduce Amendment #3 for consideration.

Amendment #3 to Ordinance 14-24
Sponsor: Ruff

Volan explained that this amendment would codify officer discretion to issue a warning. He praised the spirit of cooperation so far in the evening. Sandberg asked if there could only be one warning.

Codified the ability of an enforcement officer to issue a warning instead of having to immediately issue a fine for a violation of any of the three chapters described in this ordinance. The language mirrors language found in the current Noise Ordinance.

Volan indicated that the language of the legislation would provide for only one warning.

Mulvihill said there would be communication between ticketing authorities about which mobile food vendors have received a warning. She clarified that the Economic and Sustainable Development, the Legal Department, and Police Departments would be the ticketing authorities. She said that a second warning could be issued a few years after the previous warning. She explained that the goal of the warnings and tickets were to gain compliance not to raise revenue.

Sandberg asked for staff to confirm that there would be communication among departments. Mulvihill assured the council that she would be the point person for communications.

Amendment #3 (cont'd)

Mayer asked for a 90 day grace period from adoption to be added to the language. Mulvihill said that the request would be reasonable. She said that staff generally tried to have a grace period after any ordinance is adopted.

Volan encouraged discussion on the grace period.

Ruff asked Mulvihill to comment on Volan's statement. Mulvihill suggested that language be added that allowed enforcement authorities to grant as many warnings as necessary in the grace period in order to gain compliance. She said that language could also be added that clarified the interim necessary between warnings.

Volan said he supported the language that would define a clear period between warnings. He requested that the council hear public comment before taking further action.

Sturbaum supported postponing the ordinance to another meeting to allow staff to write the language.

Spechler said that the ordinance had too many issues to be considered for a final vote. He said he believed law enforcement agencies needed to have discretion. He asked why further language was necessary.

Volan said the unamended ordinance would not allow enforcement authorities to issue a warning.

Granger asked if the Economic and Sustainable Development staff would find a grace period beneficial to communicate with all the mobile food vendors. Mulvihill said staff intended to communicate everything.

Public Comment:

Gregg Rago asked that the council consider creating an auxiliary enforcement entity that would be available to enforce the ordinance to prevent it from being a burden on the Police Department.

Council Comment:

Volan said he supported creating a civil enforcement entity. He said it was necessary to create this distinction.

Spechler thanked Ruff for including the amendment. He said the language in the amendment would not prevent an enforcement officer from issuing more than one warning. He said he would support the amendment.

Ruff commented that the wording was not perfect but the intent was clear.

Amendment #3 to Ordinance 14-24 received a roll call votes of Ayes: 6, Nays: 1 (Mayer), Abstain: 2 (Sturbaum, Sandberg)

Vote on Amendment #3

It was moved and seconded that Amendment #2 be introduced for consideration.

Volan explained that the amendment would change the fifty foot restriction measurement from the facade of a brick and mortar establishment to the outdoor seating area.

Neher said the city went to great lengths to determine the viable amount of space that a brick and mortar establishment could use for outdoor seating.

Amendment #2 to Ordinance 14-24
Sponsor: Neher
Clarified the fifty feet will be measured from either the façade of a ground level establishment or from such an establishment's outdoor seating perimeter.

Sturbaum asked why a less stringent policy was necessary. Volan said that the fifty foot rule would cause enough limitation that maintaining a cap on how many vendors could be in one area would be unnecessary.

Neher pointed out that he was not a sponsor of Amendment #5 which created less stringent policy if Amendment #2 was accepted.

Spechler said that the language of the amendment needed to determine where the fifty foot measurement would end on a food truck. He said that no part of the food truck should be within the fifty feet. Mulvihill said the language indicated that no part of the food truck can be within fifty feet of the facade of a restaurant.

Granger asked if the area in front of Foodworks would be restricted. Jason Carnes indicated that it would be. He said the map of restricted areas was a work in progress.

Ruff asked how the ordinance would apply to convenience stores. Volan said that the intent behind the ordinance was to affect institutions that were regulated by the County Board of Health.

Ruff asked if there was a clear definition of which institutes would be regulated within the ordinance. Mulvihill said that the intent was clear even though the language was not.

Ruff asked if staff foresaw a problem with the lack of clarity. Mulvihill said that the complaint may be registered but the code would not apply because convenience stores sell food as an accessory, not a primary use.

Volan suggested that the phrase "and is licensed by the County Board of Health" be added to the amendment.

Granger asked if the Health Department needed to license mobile food vendors. Mulvihill said it would.

Volan asked if the map of restricted areas would be part of the code. Mulvihill said it would not. It would be updated with the opening and closing of businesses. Brick and mortar restaurants and mobile food vendors would be updated when the ordinance passed and with every map update.

Public Comment:

Alison Zook, owner of A.Z. Vintage, spoke about her partnership with mobile food vendors for events. She explained that the ordinance would prevent food vendors from setting up outside of her store. She asked if the restrictions would still apply after a business causing the restriction closed for the evening. She then read statements from Nicci Boroski, co-owner of the Back Door, and Bridgett Divohl, owner of Royale Hair Parlor. Boroski pointed out that having food available allowed patrons to cut their intoxication after attending events. Divohl said mobile food vendors build the business community, draw people downtown, and contribute revenue to the city.

Talia Halliday, Owner of Gathering, spoke in support of mobile food vendors. The annual handmade market that she hosted relied on the presence of food trucks to draw in more patrons. She said that food trucks added to the overall atmosphere and considered them an asset to her business. She said that mobile food vendors were part of the art, music, and theatre scenes for the community. She encouraged the council to postpone a vote on the ordinance.

Amendment #2 (cont'd)

Amber Connor spoke in support of mobile food vendors. She drew attention to the difference between the clientele of mobile foods vendors and brick and mortar businesses. She said she would not choose to go to a food truck instead of a restaurant if she came downtown to go to a restaurant. She read statements from Amy Richardson, Ashley Rutter, Christine Davenport, and Cindy Bradburg in support of mobile food vendors.

Wendy McConnell said having mobile food vending as an option gave more opportunities to start up entrepreneurs. She read the statements of Matt Wickward, Marie Metelnick, Duane Robinson, and Jim Cosi in support of mobile food vendors.

Jackie Howard, owner of Bea's Soda Bar, spoke on her business' use of local ingredients and partnership with local, brick and mortar establishments. The fifty foot restriction would prevent her from participating in festivals that were in the downtown area. She said the ordinance would force her to change the way she did business. She asked the council to change the ordinance to allow owners to leave their vehicles unattended or to reduce the fifty foot rule to thirty foot. She also asked for the ordinance to not apply when a business was closed, for restaurants to be able to give written permission to use the space in front of their business, and for private property owners to be able to provide written permission instead of requiring the business to submit a site plan. She closed by suggesting the creation of a food truck lot.

Volan asked why restaurants should not be allowed to waive the fifty foot rule. Mulvihill said the concern surrounded abutting restaurants and keeping track of written permission. She said that the staff sought consistency.

Volan asked why permission could not be consistent. Mulvihill said that it would change on a day to day basis and per vendor.

Volan compared keeping track of these permissions to keeping track of warnings. Mulvihill said warnings could be tracked by two or three staff members while permissions would need to be tracked by hundreds of officers.

Volan asked why the fifty foot rule needed to be in effect when a restaurant was closed. Mulvihill said staff wanted officers to know, twenty four hours a day, if the location was permitted.

Rollo wanted to distinguish between a truck with a generator and a pushcart. He said he was sympathetic to brick and mortar establishments that had made a considerable investment and were not able to move to another location. He supported the amendment.

Ruff said he was sensitive to preventing too much of a burden on enforcement. He said he was not convinced there was not a way to support enforcement officers while still allowing mobile food vendors to operate in front of a restaurant after hours.

Spechler said he supported the amendment. He expressed concern that allowing permissions for some mobile food vendors would encourage people to assume that the spaces were available for everyone.

Sandberg reminded the council that at the meeting they had heard from mobile food vendors but not from the brick and mortar owners that had reached out via email. She encouraged the council to consider everyone who had reached out in order to come to a compromise between competing interests.

Sturbaum said there should be common sense when a business was closed. He asked for an attempt to add this to the ordinance.

Amendment #2 (cont'd)

Neher said other cities had one hundred foot and two hundred foot restrictions. He appreciated the discussion around the amendment. He emphasized that the ordinance would come down to enforcement and the balance of demands on law enforcement's time.

Volan commented that all bars were required to have food available for patrons. He said the spirit of that law was to provide a way for intoxicated patrons to cut down on drunkenness. He encouraged bar owners to take caution before exporting that duty on to food trucks. He said the amendment was meant to support the reasonable assumption that two restaurants would not take over the space that a brick and mortar restaurant could expect to use. He reiterated that the rule should not apply when the nearby restaurant was closed or if the vendor was given written permission. He said that this was not a simple issue.

Ruff reiterated that he was supportive of the fifty foot rule.

Amendment #2 to Ordinance 14-24 received a roll call votes of Ayes: 9, Nays: 0

Vote on Amendment #2

It was moved and seconded that Amendment #5 be introduced.

Amendment #5 to Ordinance 14-24

Volan said that this amendment would remove the restriction on the number of mobile food vendors that could be in an area and remove the limit on the number of licenses issued. He said the limit on the number of available spaces would serve as a suitable restriction.

Sponsor: Volan

Deleted the creation of the three specialized districts (Kirkwood, Courthouse Square and Restaurant Row) and limitation of the operation of food trucks and pushcarts within them. It also deleted the licensing caps.

Mulvihill said this would give staff the time to see how the ordinance would work and make tweaks as necessary.

Rollo asked how many vendors could be on the Courthouse Square. Volan said that vendors may not be able to conceivably vend from angled spaces. Mulvihill said that were five spaces available on the Square.

Rollo asked how many more food vendors could be in the Kirkwood area without the limit. Mulvihill said there would be twenty-five available spaces.

Rollo asked about Restaurant Row on 4th Street. Mulvihill said there would be more spaces on the south side of the road near Indiana Avenue, one space on the north side near the City Lot and then some spaces near the fire station.

Sturbaum asked if this amendment was meant to clean up the ordinance or send a policy message to say that the city was amenable to getting more vendors on the street. Volan said that it was intended to be both. He said that all the spaces available on Restaurant Row would be a block away from brick and mortar restaurants. He said there would not be harm in having trucks parked together away from residences which would be allowed after this amendment.

Sturbaum asked why the amendment was crucial. Volan said the limits were unnecessary.

Neher asked staff what the impact on Kirkwood Avenue from Indiana Avenue to Grant Street would be. Mulvihill said the amendment would limit spaces to six spaces instead of ten prior to the fifty foot rule and Amendment #5.

Amendment #5 (cont'd)

Ruff asked if eliminating the limits on the number of licenses would create an expectation of a guaranteed spot to vend. Mulvihill said that it might limit the areas downtown, but it would open more spots around the city outside of the downtown area.

Spechler asked if a food truck would be allowed to operate near Ballantine Hall on campus. Mulvihill said that would be up to the University. Spechler asked staff to speculate on the University's decision.

Mulvihill said she was not comfortable speaking on the University's decision. Spechler said the University would consider the operation of a food vendor on campus a negative.

Public Comment:

Jeff Mease, owner of One World Enterprises, said he appreciated food truck culture and the entrepreneurship that it represented. He spoke about Portland's food truck culture. He also suggested that the lot on 6th Street would be a viable location for a food truck gathering or pod. He also said providing power could cut down on generator noise.

Spechler said that he supported the amendment because the limit on the number of food trucks in one area was problematic.

Sturbaum said that the amendment would send the wrong message.

Volan asked what the right message would be. He said that the amendment would open options around the city instead of creating more competition in the downtown area.

Sandberg expressed mixed feelings about the amendment. She said she liked the idea of food truck pods, but she was concerned about damaging the special nature of the downtown area's atmosphere. She said she would pass on the amendment.

Amendment #5 to Ordinance 14-24 received a roll call votes of Ayes: 5, Nays: 4 (Mayer, Sturbaum, Sandberg, Rollo) Vote on Amendment #5

It was moved and seconded to postpone Ordinance 14-24 as amended by Amendments 2, 3, 4, 5, 7, 8 until the next available meeting. Ordinance 14-24 as amended

Spechler said that the ordinance was very complicated and would affect sensitive areas of downtown. He said that other stakeholders needed time to be able to weigh in.

Mulvihill indicated that she could not be present if this ordinance was continued to December 17, 2014.

It was moved and seconded to allow public comment before council comment.

The motion was approved by a voice vote.

Public Comment:

Jackie Howard spoke in support of postponing the ordinance. She said that spending more time before the passage of the ordinance would be beneficial to the effort of reaching clarity and consistency.

Andrew Weissert said that postponing the ordinance until after the first of the year would be beneficial.

Rago asked if postponing would mean enforcement would also be postponed. Neher indicated that it would.

Gonzales said that the ordinance should not be taken lightly. She encouraged the council to get it right the first time and reach the best compromise.

Susan Bright, Nick's English Hut, spoke in favor of postponement.

Volan asked when the next available meeting would be. Staff indicated that the ordinance would need to be reintroduced if council waited until after the first of the year.

Sandberg asked if a meeting the next week would be possible.

Mulvihill committed to meeting with more stakeholders prior to a special session on December 10, 2014.

Sturbaum asked what was on the schedule for January. Council Attorney Dan Sherman said that there might be a tax abatement.

Volan encouraged the council to put the ordinance on the agenda for January 14th, 2015

Sandberg said she wanted to work on the ordinance before January to create a benchmark as quickly as possible.

Spechler said his memory would be better served considering the ordinance in December rather than postponing it to January.

Neher said that it was necessary to move the ordinance forward to commit to making the corrected ordinance a priority for the council. Rollo said he was concerned about the noise element of the food trucks. He said that having more food trucks in one area could create more noise.

Volan said there needed to be more than a week to further study the effects of the ordinance.

Mayer said that a decision was needed. He said that delaying the ordinance longer than December 10, 2014 would risk the council losing focus and attention.

Sturbaum acknowledged that there was not consensus on every amendment. He asked the council to consider the message that the ordinance would send.

Granger said she wanted the ordinance moved to December tenth in order to prevent similar questions from being brought up again.

Volan said he would vote against the motion because he wanted the ordinance to be postponed until after December 10th, 2014.

Neher said that moving the ordinance to December 10th, 2014 would not mean that it could not be postponed again to allow further discussion.

Volan said that moving the ordinance to December 17th, 2014 was still an option despite Mulvihill's inability to attend.

The motion to postpone Ordinance 14-24 as amended by Amendments 2, 3, 4, 5, 7, 8 until December tenth received a roll call vote of Ayes: 7, Nays: 2 (Rollo, Volan)

Vote on Postponement of Ordinance 14-24 as Amended

It was moved and seconded to postpone Ordinance 14-25 until the meeting on December tenth.

The motion to postpone Ordinance 14-25 received a roll call vote of Ayes: 8, Nays: 0, Abstain: 1 (Volan)

Ordinance 14-26 To Amend Title Two of The Bloomington Municipal Code Entitled "Administration and Personnel" (Amending Section 2.08.020 which Sets Forth General Provisions for the Establishment, Membership, and Operation of Boards, Commissions, and Councils, and Amending Section 2.23.090(d) to Bring the Expiration Date of the Commission on Aging in Line with Other Such Local Entities)

There was no public comment at this portion of the meeting.

Sherman noted that there was a Work Session Friday, December 5th, 2014. Neher polled the council on their intention to attend and announced that they would keep the Work Session on the schedule.

The meeting was adjourned at 12:05 am.

Ordinance 14-25 To Amend Title 20 of the Bloomington Municipal Code Entitled "Unified Development Ordinance" (Amending Sections 20.05.110 & 20.05.111 Regarding Temporary Uses and Structures)

LEGISLATION FOR FIRST READING

Ordinance 14-26

PUBLIC COMMENT

COUNCIL SCHEDULE

ADJOURNMENT

APPROVE:

ATTEST:

Darryl Neher, PRESIDENT
Bloomington Common Council

Regina Moore, CLERK
City of Bloomington

for approval

In the Council Chambers of the Showers City Hall on Wednesday, January 14, 2015 at 7:30 pm with Council President Darryl Neher presiding over a Regular Session of the Common Council.

COMMON COUNCIL
REGULAR SESSION
January 14, 2015

Roll Call: Rollo, Ruff, Sandberg, Volan, Granger, Sturbaum, Neher, Spechler, Mayer
Absent: None

ROLL CALL

Council President Neher gave the Agenda Summation

AGENDA SUMMATION

It was moved and seconded to suspend the rules to allow for a special statement by Councilmember Tim Mayer on the passing of former Councilmember Anthony Pizzo.
The motion passed by a voice vote.

SUSPENSION OF RULES

Mayer said Tony Pizzo joined the council in May of 1993 after John Fernandez left the council. During the Caucus, Tony was absent because he was serving on a medical mission over seas, but he had many community leaders come to speak on his behalf. Tony won the vote hands down. Tony taught Mayer to say few words with great meaning rather than give a long speech. He said Tony would go against the majority on the council many times and he would say that he needed to act in the best interests of the community. Mayer mentioned the first smoking ban ordinance in Indiana that Tony had created to protect the community from the dangers of smoking even though he knew that it would be a contentious piece of legislation. Mayer said the discussion was rancorous, but Tony persevered and got the legislation passed. Tony argued so effectively that Mayer was convinced to vote against his own amendment to give restaurants a one year transition period before the ordinance took effect. Mayer said that Tony was self effacing, sincere, and very direct. He lived a full and productive life.

Neher called for a minute of silence in honor of Tony Pizzo.

There were no minutes to be approved at this meeting.

APPROVAL OF MINUTES

Marty Spechler spoke on Governor Pence's State of the State address. He said that the Governor spoke against the majority opinion in Monroe County by refusing to address Medicaid expansion in Indiana. Spechler said that Pence's Healthy Indiana Plan would require people with no money to pay for their medical services. This would drive people to go to the Emergency Room at great cost rather than address health problems earlier. He said that Pence was reluctant to expand Medicaid because it would pull money from private and charter schools. He said that this was part of Pence's plan to run for President.

REPORTS

- COUNCIL MEMBERS

Steve Volan said that he did not have the chance to serve with Anthony Pizzo, but he remembered watching the smoking ban ordinance unfold while he was running for office. He remembered other people who had passed away in 2014: Mary Ellen Paris who had dreams of opening a café and book store, Glenn Carter who spoke before the council about the Occupy Movement, and Michael Hodges who was a local musician with songs that had been played on NPR.

Dave Rollo said he was saddened by the loss of Glenn Carter as well. He said Glenn's word always had quite an effect on him. Rollo said that he met Tony Pizzo when he was a child. He said that Pizzo was kind and patient. He recalled the resolution from the council opposed to the Iraq War. He was very nervous that evening, and Tony was there to calm him down. He said that Tony was a force for good.

Andy Ruff thanked Volan for his thoughtful comments. He said that Pizzo was an example for the community on how to lead a meaningful life and be part of the solution. He said that Pizzo was a role model in how to balance family, friends, community, and his profession. He said that Pizzo was the elder statesman of the old guard of civically minded physicians. Ruff said that the current hospital would benefit from having these people helping to make decisions.

Chris Sturbaum commended the members who had spoken about Tony. He said the moment of silence was appropriate because of Tony's quiet approach to meetings. He said Glenn Carter would be on everyone's mind when a detox center would be established in Bloomington. He mentioned Nore Winter who helped guide the design for Bloomington's development. He said that Winter would be in the council chambers the next day to comment on how Bloomington had matched the plan laid out ten years prior.

Susan Sandberg appreciated Ruff's comment on the state of healthcare. She mentioned her father's recent experience with physicians and struggle with the system she called 'Wealthcare'. She said that her family's journey had been difficult but eye opening. She said that she did not have the privilege of serving with Pizzo but said she had worked with him on citizen committees. She praised his humanitarianism, intelligence, and compassion. She also gave her condolences to his wife, Patty.

Neher said Pizzo appeared on Neher's radio show during the smoking ban ordinance. He said that Pizzo did not react rashly to callers that were angry but short on facts. He said that Pizzo said there was no need for anger when you are on the side of principle and fact.

Mayer recognized community members who had passed: Jill Clay who was a special education teacher, Bill Sibbitt who was a personal friend of Mayer, Glenn Carter, and Charlie Thompson who served as the Treasurer of the Hoosier Hills Food Bank.

Alexa Lopez introduced herself as the Communications Director of the City of Bloomington.

- The MAYOR AND CITY OFFICES
- COUNCIL COMMITTEES
- PUBLIC

There were no reports from council committees at this meeting.

President Neher called for public comment.

Daniel McMullen spoke about government and democracy, parking meters, and TIF funding.

Jon Laurence invited the council and public to the Council of Neighborhood Association (CONA) party at the Fountain Square Ballroom on January 26th. He said the event last year brought most of the council and about 150 community members.

There were no appointments to Boards or Commissions at this meeting.

APPOINTMENTS TO BOARDS AND COMMISSIONS

It was moved and seconded that the following slate of officers be elected:

ELECTION OF OFFICERS

- President: Dave Rollo
- Vice President: Andy Ruff
- Parliamentarian: Susan Sandberg

The slate was approved by a voice vote

The council took new seats as assigned by the new president. Council President Rollo presided for the remainder of the meeting and presented outgoing President Neher with a gavel to commemorate his term as president.

Election of Officers (cont'd)

The following council members were appointed to the Jack Hopkins Social Services Funding Committee:
Granger, Mayer, Neher, Sandberg & Spechler

COMMITTEE ASSIGNMENTS

The following council members were appointed to the Council Sidewalk Committee:
Granger, Rollo, Spechler & Volan

Sandberg moved and it was seconded that the following appointments to various council positions be approved.

BOARD AND COMMISSION APPOINTMENTS

Citizens Advisory Committee (Community Development Block Grants)	
-Social Services	Susan Sandberg
-Physical Improvements	Tim Mayer
Commission for Bloomington Downtown	Chris Sturbaum
Economic Development Commission (City)	Darryl Neher
Economic Development Commission (County)	Marty Spechler
Environmental Resource Advisory Committee	Dave Rollo
Metropolitan Planning Organization	Andy Ruff
Plan Commission	Chris Sturbaum
Solid Waste Management District	Steve Volan
Urban Enterprise Association Board	Chris Sturbaum
Utilities Services Board	Tim Mayer
Bloomington Economic Development Corporation	Dorothy Granger
Bloomington Commission on Sustainability	Dave Rollo

The nominations were approved by a voice vote.

Rollo elected to keep the same Boards and Commissions Interview Committee Assignments as the previous year. These assignments are attached to and made part of these minutes.

INTERVIEW COMMITTEE ASSIGNMENTS

This being the organizational session for the year, there was no legislation for second reading or final consideration.

LEGISLATION FOR SECOND READING AND RESOLUTIONS

Ordinance 15-01 To Designate an Economic Development Target Area (EDTA) – Re: Property Located at 338 S. Walnut Street and Identified by the Monroe County Parcel ID Number 015-47812-00 (Big O Properties, LLC, Petitioner)

LEGISLATION FOR FIRST READING
Ordinance 15-01

It was moved and seconded to table Ordinance 15-01. The motion received a roll call vote of Ayes: 9, Nays: 0.

MOTION TO TABLE

There was no public comment for this portion of the meeting.

ADDITIONAL PUBLIC COMMENT

It was moved and seconded to cancel the Committee of the Whole meeting following this meeting. The motion was approved by a voice vote.

Cancellation of the Committee of the Whole following this meeting.

Dan Sherman, Council Attorney/Administrator, noted that there was an Internal Work Session scheduled for January 23, 2015, at noon in the council library. Four council members indicated that they planned to attend.

COUNCIL SCHEDULE

It was moved and seconded to reschedule the regular session of January 21, 2015 to January 28, 2015 immediately before the Committee meeting scheduled for that date.

Volan asked what the benefit would be to hold a meeting on the 21st.

COUNCIL SCHEDULE (cont'd)

Sherman said that there would not be a benefit.

Sturbaum asked what they would do on the 28th.

Sherman said there may be legislation for introduction.

The motion was approved by a voice vote.

The meeting was adjourned at 8:26 pm.

ADJOURNMENT

APPROVE:

ATTEST:

Dave Rollo, PRESIDENT
Bloomington Common Council

Regina Moore, CLERK
City of Bloomington

Attachment: Board and Commission Interview Team Members for 2015

for approval

BOARD AND COMMISSION -- INTERVIEW ASSIGNMENT GRID 2015

PREPARED BY CITY CLERK'S OFFICE

Committee →	A Marty, Tim, Chris	B Dorothy, Steve, Andy	C Darryl, Dave, Susan
↓ Boards and Commissions			
Animal Control	X		
Bloomington Community Arts Commission			X
Bike and Ped Commission		X	
Bloomington Digital Underground		X	
Board of Zoning Appeals	X		
Commission on Aging	X		
Commission on Hispanic and Latino Affairs			X
Commission on the Status of Black Males		X	
Commission on the Status of Women		X	
Commission on Sustainability			X
Commission on the Status of Children and Youth			X
Economic Development Commission	COUNCIL		
Environmental Commission		X	
Historic Preservation	X		
Housing Quality Appeals Board	X		
Housing Trust Fund			X
Human Rights Commission			X
MLK Commission		X	
Public Transportation Corporation	X		
Redevelopment Commission	X		
Telecommunications Council		X	
Traffic Commission		X	
Tree Commission			X
Urban Enterprise Association	X		
Utilities Service Board			X