



City of Bloomington Common Council

Legislative Packet

Containing legislation and materials related to:

Wednesday, 10 November 2021

Committee of the Whole

6:30 pm

**Please see the notes on the [Agenda](#) addressing public meetings during the public health emergency. For a schedule of upcoming meetings of the Council and the City's boards and commissions, please consult the City's [Calendar](#).*



CITY OF BLOOMINGTON COMMON COUNCIL

AGENDA AND NOTICE:
COMMITTEE OF THE WHOLE
WEDNESDAY | 6:30 PM
10 NOVEMBER 2021

Per IC 5-14-1.5-3.7, this meeting will be conducted electronically.

The public may access the meeting at the following link:

<https://bloomington.zoom.us/j/82585880856?pwd=ROFYVTJ3d2VQOWlBd2hINVAcXdwZz09>

Chair: Matt Flaherty

- I. Ordinance 21-41 - An Ordinance Authorizing the Refunding of Certain Outstanding Sewage Works Revenue Bonds of the City; Authorizing the Issuance of the City of Bloomington, Indiana Sewage Works Refunding Revenue Bonds of 2021 to Provide Funds for Such Refunding and the Payment of the Costs Thereof; and Addressing Other Matters Connected Therewith

Asked to Attend: Jeff Underwood, Controller
Bond Council and Municipal Advisor

- II. Ordinance 21-42 - An Ordinance Authorizing the Refinancing of a Certain Equipment Lease-Purchase Agreement of the City; Authorizing the Issuance of the City Of Bloomington, Indiana General Revenue Annual Appropriation Refunding Bonds of 2021 to Provide Funds for Such Refinancing and the Payment of the Costs Thereof; Appropriating the Proceeds Derived from the Sale of Such Refunding Bonds, and Addressing Other Matters Connected Therewith

Asked to Attend: Jeff Underwood, Controller
Bond Council and Municipal Advisor

- III. Ordinance 21-43 - To Amend Title 15 of the Bloomington Municipal Code Entitled "Vehicles and Traffic" - Re: Amending Section 15.32.090 to adjust the time of a limited parking zone on Second Street; Sections 15.12.010, 15.12.030, 15.16.010, 15.20.020, 15.32.080, 15.32.100 and 15.37.020 to reflect the changing of the name of Jordan Avenue to Eagleson Avenue; Sections 15.32.030 and 15.32.080 to add angle parking and no parking zones to Illinois Court; Section 15.32.100, and Schedule O, "Loading Zones," to add one loading zone to E. Seventh Street

Asked to Attend: Amir Farshchi, Long Range Planner

- IV. Ordinance 21-44 - To Amend Title 15 of the Bloomington Municipal Code Entitled "Vehicles and Traffic" - Re: Amending Chapter 15.32 to add a new schedule for reserved motorcycle parking; Section 15.37.210 to clarify that the parking services director or designee may sell up to 80 employee parking permits, total, in zones 4 and 5; Section 15.40.019, to provide that vehicles with accessible decals, placards or plates may park in accessible parking spaces designated for electric vehicles, whether or not the vehicle is electric or is being charged; and Section 15.48.070, to delete the administrative fee for towed vehicles

Asked to Attend: Amir Farshchi, Long Range Planner
Michelle Wahl, Parking Services Director

STATEMENT ON PUBLIC MEETINGS DURING THE PUBLIC HEALTH EMERGENCY

Under Indiana Code 5-14-1.5-3.7, during a declared public health emergency, the Council and its committees may meet by electronic means. The public may simultaneously attend and observe this meeting at the link provided above. Please check [the Council Website at https://bloomington.in.gov/council](https://bloomington.in.gov/council) for the most up-to-date information on how the public can access Council meetings during the public health emergency.



**City of Bloomington
Office of the Common Council**

NOTICE

Wednesday, 10 November 2021

Committee of the Whole at 6:30 pm

Per IC 5-14-1.5-3.7, this meeting will be conducted electronically.

The public may access the meeting at the following link:

<https://bloomington.zoom.us/j/82585880856?pwd=R0FYVTJ3d2VQOWIBd2hINVAcXdwZz09>

As a quorum of the Council or its committees may be present, this gathering constitutes a meeting under the Indiana Open Door Law (I.C. § 5-14-1.5). For that reason, this statement provides notice that this meeting will occur and is open for the public to attend, observe, and record what transpires.

STATEMENT ON PUBLIC MEETINGS DURING THE PUBLIC HEALTH EMERGENCY

Under Indiana Code 5-14-1.5-3.7, during a declared public health emergency, the Council and its committees may meet by electronic means. The public may simultaneously attend and observe this meeting at the link provided above. Please check <https://bloomington.in.gov/council> for the most up-to-date information on how the public can access Council meetings during the public health emergency.



MEMO FROM COUNCIL OFFICE ON:

Ordinance 21-41 – An Ordinance Authorizing the Refunding of Certain Outstanding Sewage Works Revenue Bonds of the City; Authorizing the Issuance of the City of Bloomington, Indiana Sewage Works Refunding Revenue Bonds of 2021 to Provide Funds for Such Refunding and the Payment of the Costs Thereof; and Addressing Other Matters Connected Therewith

Synopsis

This ordinance authorizes the City of Bloomington to issue its Sewage Works Refunding Revenue Bonds of 2021, in one or more series, in the aggregate principal amount not to exceed \$8,500,000. The 2021 bonds will be issued to refund the City's currently outstanding Sewage Works Refunding Revenue Bonds, Series 2012A and its currently outstanding Sewage Works Revenue Bonds, Series 2012C, all for the purpose of obtaining lower interest costs and a reduction of debt service payments on such outstanding bonds, thereby achieving significant savings for the City.

Relevant Materials

- Ordinance 21-41
 - Exhibit A – Form of Registered Bond
- Memo from Otto "Buzz" Krohn, O.W. Krohn & Associates, LLP, Municipal Advisor

Summary

Ordinance 21-41 authorizes the refunding of two outstanding sewage works revenue bonds: 1) the Sewage Works Refunding Revenue Bonds, Series 2012A, dated April 10, 2012, and 2) the Sewage Works Revenue Bonds, Series 2012C, dated May 15, 2012. The combined outstanding aggregate principal on these bonds is approximately \$6.9 million. These bonds were previously authorized by [Ordinance 11-14](#), which was adopted by the Council on December 21, 2011. By adopting Ordinance 21-41, the Council would approve the issuance of refunding bonds in an amount not to exceed \$8.5 million at an interest rate not to exceed 5% in order to provide funding to refund the current bonds and save the City money on its debt service (estimated by the Municipal Advisor to produce a combined net present value savings of approximately \$558,000).

General Overview of Bond Ordinances

Bond ordinances are long and very technical documents that set forth the procedures and the assurances necessary for the relevant financial interests to engage in these transactions. The following paragraphs categorize and highlight the provisions of the ordinance. In brief, the ordinance:



Amount and Purpose of the Bonds

- Authorizes the City to refund the 2012A and 2012C bonds; and
- Authorizes the City to issue Sewage Works Refunding Revenue Bonds of 2021 to effect the refunding in an amount not to exceed \$8.5 million at a rate not to exceed 5% with a maturity no later than January 1, 2033.

Form of Refunding Bonds, Source and Security of Payment, Relationship with Outstanding Bonds, Use of Proceeds

- States that the form and tenor of the refunding bonds shall be substantially similar to Exhibit A – Form of Registered Bond;
- Sets forth the manner of execution, sale, and delivery of the bonds;
- Provides that the bonds shall be payable from and secured by the net revenues of the sewage works;
- Acknowledges outstanding bonds (See the table below) and provides for the new bonds to be issued in parity with the outstanding ones;
- Specifies that proceeds shall first be used to refund the 2012 bonds and specifies where remaining proceeds are to be transferred.

Outstanding Sewage Works Parity Bonds

Name	Original Date	Amended	Current aggregate principal amount outstanding (Feb 2021)
Amended Sewage Works Revenue Bonds of 2006, Series A-1	May 4, 2006	March 26, 2015	\$2,891,000
Sewage Works Refunding Revenue Bonds, Series 2013	May 17, 2013	N/A	\$4,535,000
Sewage Works Revenue Bonds of 2017	August 8, 2017	N/A	\$5,955,000
Sewage Works Refunding Revenue Bonds, Series 2019	November 6, 2019	N/A	\$5,090,000
Sewage Works Revenue Bonds of 2020	December 23, 2020	N/A	\$24,445,000



City of Bloomington Indiana

City Hall | 401 N. Morton St. | Post Office Box 100 | Bloomington, Indiana 47402

Office of the Common Council | (812) 349-3409 | Fax: (812) 349-3570 | email: council@bloomington.in.gov

Safeguarding Bondholders

- Requires the separation of funds into various accounts and prescribes the uses and minimum balances of these accounts;
- Requires the utility to set reasonable, just, and equitable rates and charges sufficient to cover its operations as well as reserve amounts slightly in excess of annual debt service and related obligations;
- Prohibits the City from amending the ordinance in a manner that adversely affects bond holders without obtaining consent of owners of at least 66 2/3% of the principle; and
- Repeals portions of any previous ordinances that are inconsistent with these provisions.

Contact

Vic Kelson, Utilities Director, kelsonv@bloomington.in.gov, 812-349-3650

Chris Wheeler, Assistant City Attorney, wheelech@bloomington.in.gov, 812-349-3426

Jeff Underwood, Controller, underwoj@bloomington.in.gov, 812-349-3416

ORDINANCE 21-41

AN ORDINANCE AUTHORIZING THE REFUNDING OF CERTAIN OUTSTANDING SEWAGE WORKS REVENUE BONDS OF THE CITY; AUTHORIZING THE ISSUANCE OF THE CITY OF BLOOMINGTON, INDIANA SEWAGE WORKS REFUNDING REVENUE BONDS OF 2021 TO PROVIDE FUNDS FOR SUCH REFUNDING AND THE PAYMENT OF THE COSTS THEREOF; AND ADDRESSING OTHER MATTERS CONNECTED THEREWITH

WHEREAS, the City of Bloomington, Indiana (the “City”), has heretofore established, acquired, constructed and financed its sewage works and currently owns and operates such sewage works (the “Sewage Works”) pursuant to the provisions of Indiana Code 36-9-23, as amended; and

WHEREAS, the Common Council of the City (the “Common Council”) hereby finds that certain hereinafter described outstanding bonds of the Sewage Works should be refunded to obtain a reduction in interest payments and effect a savings to the City, that the refunding of those outstanding bonds, together with any redemption premiums and accrued interest thereon and including all costs related to the refunding cannot be provided for out of funds of the Sewage Works now on hand and the refunding should be accomplished by the issuance of refunding revenue bonds of the Sewage Works; and

WHEREAS, the City has previously issued its (a) Sewage Works Refunding Revenue Bonds, Series 2012A, dated April 10, 2012, currently outstanding in the aggregate principal amount of \$3,505,000 (the “2012A Bonds”), pursuant to Ordinance No. 11-14 (the “2012 Ordinance”) and (b) Sewage Works Revenue Bonds, Series 2012C, dated May 15, 2012, currently outstanding in the aggregate principal amount of \$3,395,000 (the “2012C Bonds” and, together with the 2012A Bonds, the “Refunded Bonds”), pursuant to the 2012 Ordinance, which Refunded Bonds constitute a first charge on the Net Revenues (as hereinafter defined) of the Sewage Works; and

WHEREAS, the Refunded Bonds may be redeemed, at the option of the City, in whole or in part at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption; and

WHEREAS, pursuant to separate prior bond ordinances adopted by the Common Council (collectively, the “Prior Ordinances”), the City has previously issued its (a) Amended Sewage Works Revenue of 2006, Series A-1, originally dated May 4, 2006 and amended on March 26, 2015, currently outstanding in the aggregate principal amount of \$2,891,000, (b) Sewage Works Refunding Revenue Bonds, Series 2013, dated May 17, 2013, currently outstanding in the aggregate principal amount of \$4,535,000, (c) Sewage Works Revenue Bonds of 2017, dated August 8, 2017, currently outstanding in the aggregate principal amount of \$5,955,000, (d) Sewage Works Refunding Revenue Bonds, Series 2019, dated November 6, 2019, currently outstanding in the aggregate principal amount of \$5,090,000, and (e) Sewage Works Revenue Bonds of 2020, dated December 23, 2020, currently outstanding in the aggregate principal amount of \$24,445,000 (clauses (a) through (e), collectively, the “Outstanding Parity Bonds”), which Outstanding Parity Bonds constitute a first charge upon the Net Revenues of the sewage works; and

WHEREAS, each of the Prior Ordinances allow for the issuance of additional bonds payable from the Net Revenues of the City’s Sewage Works ranking on parity with the pledge thereof to the Outstanding Parity Bonds provided certain financial conditions can be met (such financial conditions, the “Parity Tests”); and

WHEREAS, the Common Council has found that it is beneficial to refund all of the outstanding Refunded Bonds pursuant to the provisions of Indiana Code 5-1-5 to enable the City to obtain a reduction in interest payments and effect a savings to the City and hereby authorizes the same by issuance of refunding revenue bonds (the “Refunding Bonds”); and

WHEREAS, the Common Council finds that the Parity Tests can be met with respect to the Refunding Bonds, and, accordingly, such Refunding Bonds will constitute a first charge against the Net Revenues (as hereinafter defined) of the Sewage Works on a parity with the Outstanding Parity Bonds and are to be issued subject to the provisions of the Act (as hereinafter defined), and the terms and restrictions of this Ordinance; and

WHEREAS, this Common Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of the Refunding Bonds have been complied with in accordance with the provisions of Indiana Code 36-9-23 and Indiana Code 5-1-5, each as in effect on the date of delivery of the Refunding Bonds authorized herein (collectively, the “Act”).

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, INDIANA, THAT:

SECTION 1. Authorization of Refunding the Refunded Bonds. The City, being the owner of and engaged in operating an unencumbered Sewage Works supplying the City, its inhabitants, and the residents adjacent thereto, with sewage treatment and collection services, now finds it necessary to provide funds for refunding the Refunded Bonds thereby reducing its interest payments and effecting a savings, as will be reported after the sale of the Refunding Bonds issued hereunder by the City’s municipal advisor, O.W. Krohn & Associates, LLP (the “Municipal Advisor”). Where used in this Ordinance, the term “City” shall be construed also to include any department, board, commission or officer or officers of the City or of any City department, board or commission. The terms “Sewage Works”, “sewage works”, “works”, “system” and similar terms used in this Ordinance shall be construed to mean the City’s existing sewage works system together with all the real estate, equipment and appurtenances thereto used in connection therewith, and all improvements, extensions and additions thereto, and replacements thereof, now or subsequently constructed or acquired as well as the drainage of storm and surface water to relieve the sewage works system of such water.

SECTION 2. The Refunding Bonds. In accordance with the Act, the City shall issue, in one or more series, its sewage works refunding revenue bonds designated “City of Bloomington, Indiana Sewage Works Refunding Revenue Bonds of 2021”, with any such further or different series designation as determined by the Controller (as defined herein) to be necessary or appropriate, in the aggregate principal amount not to exceed Eight Million Five Hundred Thousand Dollars (\$8,500,000) (the “Refunding Bonds”), for the purpose of providing funds to (i) effect a current refunding of the Refunded Bonds for the purpose of achieving interest cost savings, (ii) fund a debt service reserve fund or pay the premium for a debt service reserve surety policy, if necessary, and (iii) pay the costs incurred on account of the issuance and sale of the Refunding Bonds, including any premiums for any municipal bond insurance policies, if any. The principal of, redemption premium, if any, and interest on the Refunding Bonds shall be payable solely out of the Net Revenues deposited into the Sinking Fund, as defined and described herein. The Refunding Bonds shall rank on parity with the Outstanding Parity Bonds.

The Refunding Bonds shall be issued in one or more series as fully registered bonds in denominations of: (i) Five Thousand Dollars (\$5,000) or any integral multiple thereof, or (ii) if sold through a private placement, in denominations of One Hundred Thousand Dollars (\$100,000), plus any integral multiple of Five Thousand Dollars (\$5,000) in excess thereof, or the aggregate principal amount of such Refunding Bonds maturing in any year if less than \$100,000; in either case not exceeding the aggregate principal amount of the Refunding Bonds maturing in any one year. The Refunding Bonds shall be numbered consecutively from R-1 upward, and shall bear interest at a rate not to exceed five percent (5.0%) per annum (the exact rate or rates to be determined by bidding or through negotiations, as determined by the Controller). Interest on the Refunding Bonds shall be payable semiannually on January 1 and July 1 of each year (each an “Interest Payment Date”), commencing not earlier than January 1, 2022. The principal of the Refunding Bonds shall mature annually on January 1 of each year, or be subject to mandatory sinking fund redemption on January 1 of each year, commencing not earlier than January 1, 2022, and ending no later than January 1, 2033, until the principal is fully paid. Interest on the Refunding Bonds shall be calculated according to a 360-day calendar year containing twelve 30-day months. Subject to the terms and conditions herein, the Refunding Bonds shall mature on such dates and amounts as determined by the Controller prior to the sale of the Refunding Bonds with the advice of the Municipal Advisor.

The Refunding Bonds shall bear an original issue date which shall be the date of delivery and each Refunding Bond shall also bear the date of its authentication. Any Refunding Bond authenticated on or before the fifteenth (15th) day of the month immediately preceding the first Interest Payment Date, shall pay interest from its original date. Any Refunding Bond authenticated thereafter shall pay interest from the Interest Payment Date next preceding the date of authentication of such Refunding Bond to which interest thereon has been paid or duly provided for, unless such Refunding Bond is authenticated after the fifteenth (15th) day of the month immediately preceding an Interest Payment Date and on or before such Interest Payment Date, in which case interest thereon shall be paid from such Interest Payment Date.

The Controller of the City (the "Controller") is authorized to serve as, or the Mayor of the City (the "Mayor") and Controller are authorized to appoint a qualified financial institution to serve as, the Registrar and Paying Agent for the Refunding Bonds (the "Registrar and Paying Agent") as will enable and facilitate the performance of its duties and responsibilities, and are authorized and directed to pay such fees as the Registrar and Paying Agent may reasonably charge for its services in such capacity, with such fees to be paid from the Sinking Fund as described in this Ordinance. The Registrar and Paying Agent is hereby charged with the performance of all of the duties and responsibilities customarily associated with each such position, including without limitation the authentication of the Refunding Bonds.

If wire transfer payment for the Refunding Bonds is not required, the principal of and any redemption premium on the Refunding Bonds shall be payable at the designated corporate trust operations office of the Paying Agent. Interest on the Refunding Bonds shall be paid by check or draft mailed or delivered by the Paying Agent to the registered owner thereof at the address as it appears on the registration books kept by the Registrar as of the fifteenth (15th) day of the month immediately preceding an Interest Payment Date or at such other address as may be provided to the Paying Agent in writing by such registered owner. All payments on the Refunding Bonds shall be made in any coin or currency of the United States of America which, on the dates of such payments, shall be legal tender for the payment of public or private debt.

Each Refunding Bond shall be transferable or exchangeable only on the books of the City maintained for such purpose at the designated corporate trust operations office of the Registrar, by the registered owner thereof in person, or by his or her attorney duly authorized in writing, upon surrender of such Refunding Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new fully registered Refunding Bond or Refunding Bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. Each Refunding Bond may be transferred or exchanged without cost to the registered owner or his or her attorney duly authorized in writing, except for any tax or other governmental charge which may be required to be paid with respect to such transfer or exchange. The Registrar shall not be obligated to make any transfer or exchange of any Refunding Bond (i) during the fifteen (15) days immediately preceding an Interest Payment Date or (ii) after the mailing of notice calling such Refunding Bond for redemption. The City, the Registrar and the Paying Agent may treat and consider the person in whose name any Refunding Bond is registered as the absolute owner thereof for all purposes including the purpose of receiving payment of, or on account of, the principal thereof and redemption premium, if any, and interest thereon.

In the event any Refunding Bond is mutilated, lost, stolen or destroyed, the City may cause to be executed and the Registrar may authenticate a new Refunding Bond of like date, maturity and denomination as the mutilated, lost, stolen or destroyed Refunding Bond, which new Refunding Bond shall be marked in a manner to distinguish it from the Refunding Bond for which it was issued; provided, that in the case of any mutilated Refunding Bond, such mutilated Refunding Bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed Refunding Bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. In the event that any such mutilated, lost, stolen or destroyed Refunding Bond shall have matured or been called for redemption, instead of causing to be issued a duplicate Refunding Bond, the Registrar and Paying Agent may pay the same upon surrender of the mutilated Refunding Bond or satisfactory indemnity and proof of loss, theft or destruction in the case of a lost, stolen or destroyed Refunding Bond. The City and the Registrar and Paying Agent may charge the owner of any such Refunding Bond with their reasonable fees and expenses in connection with the above. Every substitute Refunding Bond issued by reason of any Refunding Bond being lost, stolen or

destroyed shall, with respect to such Refunding Bond, constitute a substitute contractual obligation of the City pursuant to this Ordinance, whether or not the lost, stolen or destroyed Refunding Bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other Refunding Bonds duly issued hereunder.

In the event that any Refunding Bond is not presented for payment or redemption on the date established therefor, the City may deposit in trust with the Paying Agent an amount sufficient to pay such Refunding Bond or the redemption price thereof, as appropriate, and thereafter the owner of such Refunding Bond shall look only to the funds so deposited in trust with the Paying Agent for payment and the City shall have no further obligation or liability with respect thereto.

SECTION 3. Redemption of Refunding Bonds. The Mayor and the Controller, upon consultation with the Municipal Advisor, may designate maturities of Refunding Bonds (or portion thereof in integral multiples of \$5,000 principal amount each) that shall be subject to optional redemption and/or maturity sinking fund redemption, and the corresponding redemption dates, amounts and prices (including premium, if any). Except as otherwise set forth in this Ordinance, the Mayor and the Controller, upon consultation with the Municipal Advisor, are hereby authorized and directed to determine the terms governing any such redemption, as evidenced by the delivery of the Refunding Bonds.

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

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

Notice of such redemption shall be mailed by certified or registered mail at least thirty (30) days and not more than sixty (60) days prior to the scheduled redemption date to each of the registered owners of the Refunding Bonds called for redemption (unless waived by such registered owner), at the address shown on the books of the Registrar. The notice shall specify date and place of redemption, the registration numbers of the Refunding Bonds called for redemption, and any conditions precedent to such redemption. The place of redemption may be at the designated corporate trust operations office of the Paying Agent or as otherwise determined by the City. Interest on the Refunding Bonds so called for redemption shall cease to accrue on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price on the redemption date and when such Refunding Bonds are presented for payment.

In addition to the foregoing notice, the City may also direct that further notice of redemption of the Refunding Bonds be given, including without limitation and at the option of the City, notice described in paragraph (a) below given by the Registrar to the parties described in paragraph (b) below. No defect in any such further notice and no failure to give all or any portion of any such further notice shall in any manner defeat the effectiveness of any call for redemption of Refunding Bonds so long as notice thereof is mailed as prescribed above.

(a) If so directed by the City, each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Refunding Bonds being redeemed; (ii) the date of issue of the Refunding Bonds as originally issued; (iii) the rate of interest borne by each Refunding Bond being redeemed; (iv) the

maturity date of each Refunding Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Refunding Bond being redeemed.

(b) If so directed by the City, each further notice of redemption shall be sent at least thirty (30) days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Refunding Bonds (such depositories as the Depository Trust Company of New York, New York) and to one or more national information services that disseminate notices of redemption of obligations such as the Refunding Bonds.

Upon the payment of the redemption price of the Refunding Bonds being redeemed and if so directed by the City, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Refunding Bonds being redeemed with the proceeds of such check or other transfer.

SECTION 4. Authorization for Book-Entry System. The Refunding Bonds may, in compliance with all applicable laws and as determined by the Controller based upon the advice of the Municipal Advisor, initially be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the City from time to time (the "Clearing Agency"), without physical distribution of bonds to the purchasers. The following provisions of this Section apply in such event.

One definitive Refunding Bond of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The City and Registrar may, in connection herewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Refunding Bonds as are necessary or appropriate to accomplish or recognize such book-entry form Refunding Bonds.

During any time that the Refunding Bonds are held in book-entry form on the books of a Clearing Agency, (1) any such Refunding Bond may be registered upon Registration Record in the name of such Clearing Agency, or any nominee thereof, including Cede & Co.; (2) the Clearing Agency in whose name such Refunding Bond is so registered shall be, and the City and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Refunding Bond for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest and premium, if any, on such Refunding Bond, the receiving of notice and the giving of consent; (3) neither the City nor the Registrar or Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Refunding Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Refunding Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any Refunding Bond, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not required to present any Refunding Bond called for partial redemption, if any, prior to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption.

If either the City receives notice from the Clearing Agency which is currently the registered owner of the Refunding Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the Refunding Bonds, or the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the Refunding Bonds, then the City and the Registrar and Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Refunding Bonds, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the Refunding Bonds and to transfer the ownership of each of the Refunding Bonds to such person or persons, including any other Clearing Agency, as the holder of the Refunding Bonds may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the Refunding Bonds, shall be paid by the City.

During any time that the Refunding Bonds are held in book-entry form on the books of a Clearing Agency, the Registrar shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owner of the Refunding Bonds as of a record date selected by the Registrar. For purposes of determining whether the consent, advice, direction or demand of a registered owner of a Refunding Bond has been obtained, the Registrar shall be entitled to treat the beneficial owners of the Refunding Bonds as the bondholders and any consent, request, direction, approval, objection or other instrument of such beneficial owner may be obtained in the fashion described in this Ordinance.

During any time that the Refunding Bonds are held in book-entry form on the books of a Clearing Agency, the Mayor, the Controller and/or the Registrar are authorized to execute and deliver a Letter of Representations agreement with the Clearing Agency, or a Blanket Issuer Letter of Representations, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth therein. The Registrar, by accepting the duties of Registrar under this Ordinance, agrees that it will (i) undertake the duties of agent required thereby and that those duties to be undertaken by either the agent or the issuer shall be the responsibility of the Registrar, and (ii) comply with all requirements of the Clearing Agency, including without limitation same day funds settlement payment procedures. Further, during any time that the Refunding Bonds are held in book-entry form, the provisions of this Section 4 of this Ordinance shall control over conflicting provisions in any other section of this Ordinance.

SECTION 5. Execution and Authentication of the Refunding Bonds. In accordance with the terms hereof and the provisions of Indiana Code 5-1-3 and Indiana Code 5-1-14-18, the Refunding Bonds shall be executed in the name of the City by the manual, facsimile or electronic signature (as defined in Indiana Code 26-2-8-102(10), as amended) of the Mayor, and attested by the manual, facsimile or electronic signature of the Controller, with the seal of the City, if any, or a facsimile thereof to be affixed to each of the Refunding Bonds. The Refunding Bonds shall be authenticated by the manual, facsimile or electronic signature of the Registrar, and no Refunding Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed. In case any official whose signature appears on any Refunding Bond shall cease to be such official before the delivery of such Refunding Bond, the signature of such official shall nevertheless be valid and sufficient for all purposes, the same as if such official had been in office at the time of such delivery. Subject to the provisions of this Ordinance regarding the registration of the Refunding Bonds, the Refunding Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

SECTION 6. Security and Sources of Payment; Pledge of Net Revenues. The Refunding Bonds, together with the Outstanding Parity Bonds, and any bonds hereafter issued on a parity therewith, as to both principal and interest, shall be payable from and secured by, and shall constitute a first charge upon, all of the Net Revenues (herein defined as gross revenues of the Sewage Works after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) derived from the Sewage Works, including all such Net Revenues from the existing works and all additions and improvements thereto and replacements thereof subsequently constructed or acquired, to be set aside in the Sinking Fund, which are hereby irrevocably pledged to the payment of the Refunding Bonds, to the extent necessary for that purpose. The City shall not be obligated to pay the Refunding Bonds or the interest thereon except from the Net Revenues of the Sewage Works, and the Refunding Bonds shall not constitute an indebtedness of the City within the meaning of the provisions and limitations of the constitution of the State of Indiana. The Refunding Bonds shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Indiana, subject to the provisions for registration herein.

SECTION 7. Form of the Refunding Bonds. The form and tenor of the Refunding Bonds shall be substantially as set forth in Exhibit A, attached hereto and incorporated herein as if set forth at this place (with all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof).

SECTION 8. Issuance, Sale and Delivery of the Refunding Bonds. The Controller is hereby authorized and directed to have the Refunding Bonds prepared, and the Mayor and the Controller are hereby authorized and directed to execute or to cause the execution of the Refunding Bonds in the form and manner herein provided. The Controller is hereby authorized and directed to deliver the Refunding Bonds to the purchaser or purchasers thereof upon compliance with the requirements established hereunder and under the Act for the sale thereof, and to collect the full

amount which the purchaser or respective purchasers have agreed to pay therefor, which shall not be less than 99.0% of the par amount of the Refunding Bonds, plus accrued interest thereon to the date of delivery. The Refunding Bonds, when fully paid for and delivered to the purchaser or purchasers shall be the binding special revenue obligations of the City, payable out of the Net Revenues of the Sewage Works to be set aside and paid into the Sinking Fund as herein provided, and the proceeds derived from the sale of the Refunding Bonds shall be and are hereby set aside for the application to the costs of refunding the Refunded Bonds and the expenses necessarily incurred in connection therewith including the expenses incurred in the issuance of the Refunding Bonds on account of the financing thereof. The authorized officers of the City are hereby authorized and directed to draw all proper and necessary warrants and to do whatever other acts and things that may be necessary or appropriate to carry out the provisions of this Ordinance.

If the Refunding Bonds are sold by competitive bid, the Controller shall cause to be published either (i) a notice of such sale two (2) times, at least one (1) week apart, with the first publication made at least fifteen (15) days before the date of such sale and the second publication at least three (3) days before the date of the sale in accordance with Indiana Code 5-3-1-2 in one (1) newspaper, as defined in and in accordance with Indiana Code 5-3-1-4, or (ii) a notice of intent to sell bonds once each week for two (2) weeks in accordance with Indiana Code 5-1-11-2 and Indiana Code 5-3-1-4 and in a newspaper of general circulation published in the State capital, in which case bids may not be received more than ninety (90) days after the first publication. Such notice, or a summary thereof, may also be published in any other publications deemed appropriate in the discretion of the Controller. The bond sale notice shall state the time and place of sale, the purpose for which the Refunding Bonds are being issued, the total amount and maturities thereof, the maximum rate of interest thereon and any limitations as to the number of interest rates and the setting of such rates, the terms and conditions upon which bids will be received and the sale made, and such other information as the Controller and the attorneys employed by the City shall deem necessary or advisable. Such notice shall provide, among other things, that each bid shall be accompanied by a certified or cashier's check or wire transfer in the amount of one percent of the par amount of the Refunding Bonds to guarantee performance on the part of the bidder, and that in the event the successful bidder shall fail or refuse to accept delivery of and pay for the Refunding Bonds as soon as the Refunding Bonds are ready for delivery, or at the time fixed in the notice of sale, then such check and the proceeds thereof shall become the property of the City and shall be considered as the City's liquidated damages on account of such default.

All bids for the Refunding Bonds shall be sealed and shall be presented to the Controller or his or designee at the physical or electronic address identified in the notice. Bidders for the Refunding Bonds shall be required to name the rate or rates of interest which the Refunding Bonds are to bear, not exceeding five percent (5.0%) per annum. Such interest rate or rates shall be in multiples of one-eighth (1/8) or one-hundredth (1/100) of one percent. Bids specifying more than one interest rate shall also specify the amount and maturities of the Refunding Bonds bearing each rate, and all Refunding Bonds maturing on the same date shall bear the same rate. The rate on any maturity shall be equal to or greater than the rate on the immediately preceding maturity. The Refunding Bonds shall be awarded by the Controller to the best bidder who has submitted a bid in accordance with the terms of this Ordinance and the notice of sale. The best bidder will be the bidder who offers the lowest net interest cost to the City, to be determined by computing the total interest on all of the Refunding Bonds from the date thereof to their respective maturities and deducting therefrom the premium bid, if any. No bid for less than all of the Refunding Bonds, plus accrued interest to the date of delivery, shall be considered. The City shall have the right to reject any and all bids. In the event an acceptable bid is not received on the date fixed in the notice, the Controller shall be authorized to continue the sale from day to day for a period of not to exceed thirty (30) days without readvertising. During the continuation of the sale, no bid shall be accepted which offers an interest cost which is equal to or higher than the best bid received at the time originally fixed for the sale of the Refunding Bonds in the bond sale notice.

As an alternative to competitive bid, the Controller may negotiate the sale of said Refunding Bonds at an interest rate or rates not exceeding five percent (5.0%) per annum. The Mayor and the Controller are hereby authorized to (i) execute a purchase agreement with the purchaser, and (ii) sell such Refunding Bonds upon such terms as are acceptable to the Mayor and the Controller consistent with the terms of this Ordinance. The final form of the purchase agreement shall be approved by the Mayor and Controller, upon the advice of the City's bond counsel and Municipal Advisor, and the Mayor and Controller are hereby authorized and directed to complete, execute and attest the same on behalf of the City so long as its provisions are consistent with the Ordinance.

The Controller is hereby authorized to appoint a financial institution to serve as escrow agent (the “Escrow Agent”) for the Refunded Bonds in accordance with the terms of an Escrow Agreement between the City and the Escrow Agent (the “Escrow Agreement”). The final form of the Escrow Agreement shall be approved by the Mayor and Controller, upon the advice of the City’s bond counsel and Municipal Advisor, and the Mayor and the Controller are hereby authorized and directed to complete, execute and attest the same on behalf of the City so long as its provisions are consistent with this Ordinance and the purchase agreement.

The execution, by either the Mayor, Controller, or the purchaser of the Refunding Bonds of a subscription for investments of proceeds of the Refunding Bonds to be held under the Escrow Agreement in a manner consistent with this Ordinance is hereby authorized and approved.

Prior to the delivery of the Refunding Bonds, the Controller (i) shall be authorized, but not required, to investigate and to obtain insurance, surety bonds and/or credit ratings on the Refunding Bonds and (ii) shall obtain a legal opinion as to the validity of the Refunding Bonds from Barnes & Thornburg LLP, Indianapolis, Indiana, bond counsel for the City, and such opinion shall be furnished to the purchasers of the Refunding Bonds at the expense of the City. The costs of obtaining any such insurance, surety bonds and/or credit ratings, together with bond counsel’s fee in preparing and delivering such opinion and in the performance of related services in connection with the issuance, sale and delivery of the Refunding Bonds, shall be considered as a part of the cost of issuance of the Refunding Bonds and shall be paid out of the proceeds of the sale of the Refunding Bonds.

SECTION 9. Official Statement. Any series of the Refunding Bonds may be offered and sold pursuant to an Official Statement (preliminary and final) or other offering document with respect to such Refunding Bonds (collectively, the “Official Statement”), to be made available and distributed in such manner, at such times, for such periods and in such number of copies as may be required pursuant to Rule 15c2-12, as amended, promulgated by the United States Securities and Exchange Commission (the “Rule”) and any and all applicable rules and regulations of the Municipal Securities Rulemaking Board, to the extent applicable to the Refunding Bonds. The City hereby authorizes the Mayor or Controller (a) to authorize and approve a Preliminary Official Statement, as the same may be appropriately confirmed, modified and amended for distribution as the Preliminary Official Statement of the City with respect to the Refunding Bonds, (b) on behalf of the City, to designate the Preliminary Official Statement a “final” Official Statement of the City with respect to the Refunding Bonds, and (c) to authorize and approve the Preliminary Official Statement to be placed into final form and enter into such agreements or arrangements as may be necessary or advisable in order to provide for the distribution of a sufficient number of copies of the Official Statement under the Rule.

SECTION 10. Continuing Disclosure. If required under the Rule, the Common Council hereby approves, and authorizes and directs the Mayor and the Controller, for and on behalf of the City, to execute and deliver, and to perform the obligations of the City under, a Continuing Disclosure Contract from the City to each registered owner or holder of any Refunding Bond (the “Continuing Disclosure Contract”). The Mayor and the Controller are authorized to approve the form of the Continuing Disclosure Contract, upon the advice of the City’s bond counsel, with such determination to be conclusively evidenced by such Mayor’s and such Controller’s execution thereof.

SECTION 11. Use of Proceeds of Refunding Bonds. Proceeds of the Refunding Bonds shall be applied as follows and in the following order of priority:

(a) *First*, concurrently with the delivery of the Refunding Bonds, the Controller may acquire (subject to the terms of the 2012 Ordinance), with the proceeds of the Refunding Bonds and cash on hand, direct obligations of, or obligations the principal and interest on which are unconditionally guaranteed by, the United States of America (the “Government Obligations”), to be used, together with certain cash from the proceeds of the Refunding Bonds and cash on hand, if any, as set forth in the Escrow Agreement, to refund and legally defease the Refunded Bonds all as set forth in the Escrow Agreement. In order to refund the Refunded Bonds, the Controller shall deposit the Government Obligations and certain cash, if any, with the Escrow Agent under the Escrow Agreement in an amount sufficient to provide moneys for the payment of the principal of and interest and redemption premium, if any, on the Refunded Bonds until the earliest date upon which the Refunded Bonds may be called for redemption. As an alternative to purchasing Government Obligations, the Controller, with the advice of the Municipal Advisor, may deposit

proceeds of the Refunding Bonds and cash on hand with the Escrow Agent in an amount sufficient to currently refund and legally defease the Refunded Bonds. If required for the legal defeasance of the Refunded Bonds, the Controller shall obtain a verification of an accountant as to the sufficiency of the Government Obligations (if any) and funds deposited in the irrevocable escrow account created under the Escrow Agreement (the “Escrow Account”) to accomplish said refunding and legal defeasance of the Refunded Bonds.

(b) *Second*, if proceeds of the Refunding Bonds will be used to fund all or a portion of the Reserve Account (as defined herein), the Controller shall transfer such proceeds to the Reserve Account of the Sinking Fund, as hereinafter described.

(c) *Third*, the remaining proceeds of the Refunding Bonds shall be applied by the Controller to the cost of issuance of the Refunding Bonds not otherwise paid. When all the costs of issuance of the Refunding Bonds have been paid, the Controller shall then transfer any amount then remaining from the proceeds of the Refunding Bonds to the hereinafter described Sinking Fund.

SECTION 12. Segregation and Application of Sewage Works Revenues. The City shall segregate, deposit and keep in a special fund, separate and apart from all other funds of the City, all gross revenues received on account of the rates and charges of the Sewage Works, which special fund was established and designated as the “City of Bloomington, Sewage Works General Account” (the “General Account”) and is continued hereby. Out of said revenues, the proper and reasonable expenses of operation, repair and maintenance of the sewage works shall be paid, the principal and interest of all bonds and fiscal agency charges of bank paying agents shall be paid, reserves shall be funded, and the costs of replacements, extensions, additions and improvements shall be paid as hereinafter provided.

The balance maintained in the General Account shall be sufficient to pay the expenses of operation, repair and maintenance of the Sewage Works for the then next succeeding two (2) calendar months. The moneys credited to the General Account shall be used for the payment of the reasonable and proper expenses of operation, repair and maintenance of the Sewage Works on a day-to-day basis, including the reasonable legal and professional expenses not taken into account in the definition of Net Revenues, but none of the moneys in the General Account shall be used for depreciation, payments in lieu of taxes, replacements, improvements, extensions or additions. Any moneys in the General Account may be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal of and interest on the outstanding bonds of the Sewage Works, or if necessary to eliminate any deficiencies in credits to, or minimum balance in, the Reserve Account, as defined and described below.

Moneys in the General Account shall be transferred from time to time to meet the requirements of the Sinking Fund. Moneys in excess of those transferred to the Sinking Fund may be transferred to the Improvement Fund or may be retained in the General Account, in the discretion of Utility Services Board of the City (the “Board”), and in a manner consistent with the requirements of this Ordinance. Moneys in excess of those required to be in the General Account and the Sinking Fund may also be used, in the discretion of the Board, for any other lawful purpose related to the Sewage Works. Notwithstanding the foregoing, in the event that any amounts are due to any providers (including their successors and assigns) of any municipal bond insurance policies or debt service reserve surety policies acquired by the City in connection with the Refunding Bonds or any of the Outstanding Parity Bonds, any excess moneys in the General Account after making all required transfers to the Sinking Fund shall be first used to pay any amounts owed under such policies.

SECTION 13. Sewage Works Sinking Fund. (a) There is hereby continued a fund for the payment of the principal of and interest on revenue bonds which by their terms are payable from the Net Revenues of the Sewage Works and the payment of any fiscal agency charges in connection with the payment of the bonds and interest, which fund has been previously designated as the Sewage Works Sinking Fund (“Sinking Fund”). There shall be set aside, transferred and deposited into the Sinking Fund from the General Account, as available and as hereinafter provided, a sufficient amount of the Net Revenues of the Sewage Works to meet the requirements of the Bond and Interest Account and the Reserve Account hereby continued in the Sinking Fund. Such payments shall continue until the balances in the Bond and Interest Account and the Reserve Account equal the principal of and interest on all of the then outstanding bonds of the Sewage Works to their final maturity and provide for payment of all fiscal agency charges.

(b) Bond and Interest Account. The Bond and Interest Account is hereby continued. Any moneys heretofore accumulated in the Bond and Interest Account to pay principal of and interest on the Refunded Bonds shall be either (i) credited to and become a part of the Escrow Account and shall be applied on the earliest payments made from the Escrow Account, or (ii) if applicable, applied to the immediate payment of the Refunded Bonds on the date of issuance of the Refunding Bonds. There shall be credited, on the last day of each calendar month from the General Account to the Bond and Interest Account an amount of the Net Revenues equal to at least one-sixth (1/6) of the principal of and interest on all then outstanding bonds of the Sewage Works payable on the then next succeeding Interest Payment Date and at least one-twelfth (1/12) of the principal on all then outstanding bonds of the Sewage Works payable on the then next succeeding principal payment date, until the amount of interest and principal payable on the then next succeeding interest and principal payment dates shall have been so credited; provided, that such fractional amounts shall be appropriately increased, if necessary, to provide for the first interest and principal payments on the Refunding Bonds. There shall similarly be credited to the account any amount necessary to pay the paying agent or other fiscal agency charges, if any, for paying principal and interest on the bonds as the same become payable. The City shall, from the sums deposited in the Sinking Fund and credited to the Bond and Interest Account, remit promptly to the registered owner or to the paying agent sufficient moneys to pay the interest and principal on the due dates thereof together with the amount of any paying agent or other fiscal agency charges.

(c) Reserve Account. The Reserve Account is hereby continued. On the date of delivery of the Refunding Bonds, the City shall cause funds on hand of the Sewage Works, proceeds of the Refunding Bonds or such other bonds, or a combination thereof to be deposited into the Reserve Account so that the balance therein shall equal, but not exceed, the Reserve Requirement. For purposes hereof, the term “*Reserve Requirement*” shall mean the least of (i) ten percent (10%) of the proceeds of the Refunding Bonds and any bonds ranking on a parity therewith, (ii) the maximum annual debt service on the Refunding Bonds and any bonds ranking on a parity therewith, or (iii) 125% of the average annual debt service on the Refunding Bonds and any bonds ranking on a parity therewith; *provided, however*, so long as any of the Outstanding Parity Bonds remain outstanding, the Reserve Requirement shall mean the maximum annual debt service requirements on the Outstanding Parity Bonds, the Refunding Bonds and any Additional Parity Bonds (as defined herein).

If the initial deposit into the Reserve Account does not equal the Reserve Requirement or if no deposit is made, the City shall deposit a sum of Net Revenues into the Reserve Account on the last day of each calendar month, beginning with the first month after the Refunding Bonds are delivered, until the balance therein equals the Reserve Requirement. The monthly deposits shall be equal in amount and sufficient to accumulate the Reserve Requirement within five (5) years of the date of delivery of the Refunding Bonds.

The Reserve Account shall constitute the margin for safety and protection against default in the payment of principal of and interest on the Outstanding Parity Bonds, the Refunding Bonds and any Additional Parity Bonds, and the moneys in the Reserve Account shall be used to pay current principal and interest on the Outstanding Parity Bonds, the Refunding Bonds and any Additional Parity Bonds to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. Any deficiency in the balance maintained in the Reserve Account shall be promptly made up from the next available Net Revenues remaining after credits into the Bond and Interest Account. If moneys in the Reserve Account are transferred to the Bond and Interest Account to pay principal and interest on outstanding bonds, then such depletion of the balance in the Reserve Account shall be made up from the next available Net Revenues after the credits into the Bond and Interest Account. Any moneys in the Reserve Account in excess of the Reserve Requirement shall, at the direction of the Board, either be transferred to the General Account or be used for the purchase of outstanding bonds or installments of principal of fully registered bonds at a price not exceeding the par plus accrued interest and redemption premium, if any.

Notwithstanding anything herein to the contrary, but subject to the terms of the Prior Ordinances, the City reserves the right to satisfy the Reserve Account at any time with funds on hand of the Sewage Works, proceeds of the Refunding Bonds or other bonds, a debt service reserve surety bond or a combination thereof. Any such surety bond must be issued by an insurance company rated at the time of issuance of such instrument in one of the two highest rating categories by Standard & Poor’s Global Ratings Services, Moody’s Investors Service, Fitch Ratings, Inc., or Kroll Bond Rating Agency, LLC. If such surety bond is purchased, the Mayor and the Controller are hereby authorized to execute and deliver all agreements with the provider of the surety bond

to the extent necessary to comply with the terms of such surety bond and the commitment to issue such surety. Such agreement shall be deemed a part of this Ordinance for all purposes and is hereby incorporated herein by reference.

SECTION 14. Sewage Works Improvement Fund. After meeting the requirements of the Sinking Fund, any excess Net Revenues may be transferred or credited to the fund previously designated as the “Sewage Works Improvement Fund” (the “Improvement Fund”), hereby continued. The Improvement Fund shall be used for improvements, replacements, additions and extensions of the sewage works, and payments in lieu of taxes. Moneys in the Improvement Fund shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal and interest on the then outstanding bonds or, if necessary, to eliminate any deficiencies in credits to, or minimum balance in, the Reserve Account of the Sinking Fund or may be transferred to the General Account to meet unforeseen contingencies in the operation and maintenance of the Sewage Works.

SECTION 15. Maintenance of Funds; Investments. The proceeds from the sale of the Refunding Bonds shall be deposited in a bank or banks which are legally designated depositories for the funds of the City, in a special account or accounts. The Sinking Fund shall be deposited in and maintained as a separate account or accounts from all other accounts of the City. The General Account and the Improvement Fund may be maintained in a single account, or accounts, but such account, or accounts, shall likewise be maintained separate and apart from all other accounts of the City and apart from the Sinking Fund account or accounts. All of the funds and accounts of the Sewage Works created or continued by this Ordinance, and all moneys deposited therein, shall be continuously maintained, deposited, held, secured and invested as public funds in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including, particularly, applicable provisions of Indiana Code 5-13 and the acts amendatory thereof and supplemental thereto. Any interest or income derived from any such investments shall become a part of the moneys in the fund or account so invested and shall be used only as provided in this Ordinance and the Prior Ordinances. In no event shall any of the Net Revenues of the Sewage Works be transferred or used for any purpose not authorized by this Ordinance or the Prior Ordinances, so long as any of the bonds secured by and payable from the Net Revenues shall be outstanding. Upon issuance of the Refunding Bonds, moneys held and on deposit in the existing funds and accounts established under the Prior Ordinances shall remain on deposit therein.

SECTION 16. Books of Records and Accounts. The City shall keep proper record books of account, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues collected on account of the operation of the Sewage Works and all disbursements made therefrom and all transactions relating to the Sewage Works. Copies of all such statements and reports shall be kept on file in the office of the Controller. There shall be prepared and furnished, upon the written request, to any owner of the Refunding Bonds then outstanding, not more than ninety (90) days after the close of each fiscal year, complete financial statements of the Sewage Works, covering the preceding fiscal year. Copies of all such statements and reports shall be kept on file in the office of the Assistant Director of Finance of the Sewage Works. Any owner of the Refunding Bonds then outstanding shall have the right at all reasonable times to inspect the Sewage Works and all records, accounts and data of the City relating thereto. Such inspections may be made by representatives duly authorized by written instrument.

SECTION 17. Rate Covenant. The Common Council has previously adopted Ordinance No. 19-16 (the “Rate Ordinance”), imposing fees and charges for the several classes of users or property to be served by the Sewage Works utility, which Rate Ordinance (as the same may be subsequently amended or modified from time to time) is incorporated herein by reference as if fully included and set forth in this Ordinance. The City covenants and agrees that it will establish and maintain just and equitable rates or charges for the use of and the service rendered by the Sewage Works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses said Sewage Works by or through any part of the sewage system of the City, or that in any way uses or is served by such works, at a level adequate to produce and maintain sufficient revenue (including user and other charges, fees, income or revenues available to the City), to provide for the proper operation, repair and maintenance of the Sewage Works, to comply with and satisfy all covenants contained in this Ordinance and to pay all obligations of the Sewage Works and of the City with respect to the Sewage Works. Such rates and charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be

sufficient to meet the expenses of operation, repair and maintenance of the Sewage Works and the requirements of the Sinking Fund. The rates or charges so established shall apply to any and all use of such Sewage Works by and service rendered to the City and all departments thereof, and shall be paid by the City or the various departments thereof as the charges accrue.

SECTION 18. Defeasance. If, when any of the Refunding Bonds issued hereunder shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Refunding Bonds or any portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Refunding Bonds or any portion thereof and coupons then outstanding shall be paid; or (i) sufficient moneys, (ii) direct obligations of, or obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys, or (iii) any combination thereof, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Refunding Bonds issued hereunder or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the City's sewage works.

SECTION 19. Additional Bond Provisions. The City reserves the right to authorize and issue additional parity bonds, payable out of the Net Revenues of its sewage works, ranking on a parity with the pledge thereof to the Refunding Bonds and the Outstanding Parity Bonds (such bonds, the "Additional Parity Bonds"), for the purpose of financing the cost of future extensions, betterments or improvements to the Sewage Works, or to refund obligations, subject to the following conditions:

(a) All required payments into the Sinking Fund and the accounts thereof shall have been made in accordance with the provisions of this Ordinance, and the interest on and principal of all bonds payable from the Net Revenues of the sewage works shall have been paid to date in accordance with their terms.

(b) (i) The Net Revenues of the sewage works in the fiscal year immediately preceding the issuance of any such proposed Additional Parity Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of all of then outstanding bonds payable from the Net Revenues of the Sewage Works and the Additional Parity Bonds proposed to be issued; or (ii) prior to the issuance of the proposed Additional Parity Bonds, the sewage rates and charges shall be increased sufficiently so that the increased rates and charges, if realized and when applied to the previous fiscal year's operations, would have produced Net Revenues for said year equal to an amount not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of all bonds payable from the Net Revenues of the Sewage Works and the Additional Parity Bonds proposed to be issued. For purposes of this subsection, the records of the Sewage Works shall be analyzed and all showings shall be prepared by an independent certified public accountant or nationally recognized firm of professional consultants experienced in analyzing financial records of municipal utilities employed by the City for that purpose who shall certify the satisfaction of the foregoing conditions for the issuance of parity bonds.

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

(d) The Reserve Requirement shall be satisfied for the Additional Parity Bonds either as of the date of delivery of said Additional Parity Bonds or through equal monthly deposits of Net Revenues sufficient to accumulate the reserve in a manner commensurate with and proportional to the provisions established by Section 13(c) of this Ordinance.

SECTION 20. Additional Covenants of the City. For the purpose of further safeguarding the interests of the owners of the Refunding Bonds, it is hereby specifically provided as follows:

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

(b) So long as any of the Refunding Bonds are outstanding, the City shall acquire and maintain insurance coverage, including fidelity bonds, to protect the sewage works and its operations of a kind and in an amount such as is automatically carried by private companies engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana. All insurance proceeds and condemnation awards shall be used to replace or repair the property destroyed or damaged.

(c) So long as any of the Refunding Bonds are outstanding, the City shall not mortgage, pledge or otherwise encumber the property and plant of its sewage works system, or any part thereof, and shall not sell, lease or otherwise dispose of any part of the same, except to replace equipment which may become worn out or obsolete.

(d) Except as hereinbefore provided in Section 19 hereof, so long as any of the Refunding Bonds are outstanding, no additional bonds or other obligations pledging any portion of the revenues of said sewage works shall be authorized, executed, or issued by the City except such as shall be made subordinate and junior in all respects to the Refunding Bonds, unless all of the Refunding Bonds are redeemed, retired or defeased coincidentally with the delivery of such additional bonds or other obligations or, as provided in Section 18 hereof, funds sufficient to effect such redemption are available and set aside for such purpose at the time of issuance of such additional bonds or obligations.

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

(f) The provisions of this Ordinance shall constitute a contract by and between the City and the owners of the Refunding Bonds herein authorized, all the terms of which shall be enforceable by any bondholder by any and all appropriate proceedings in law or in equity. After the issuance of the Refunding Bonds, this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the owners of the Refunding Bonds, nor shall the Common Council or any other body of the City adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners so long as any of the Refunding Bonds, the interest thereon remain outstanding or unpaid. Except for the changes set forth in Section 24(a)-(g), this Ordinance may be amended, however, without the consent of Refunding Bond owners, if the Common Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the Refunding Bonds.

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

SECTION 21. Investment of Funds. (a) The Controller is hereby authorized pursuant to Indiana Code 5-1-14-3 and the provisions of this Ordinance to invest moneys (subject to applicable requirements of federal law to insure such yield is the then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Refunding Bonds under federal law.

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

preserve the tax exclusion. The Controller may pay any fees as operation expenses of the sewage works.

SECTION 22. Tax Covenants. In order to preserve the excludability of interest on the Refunding Bonds from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as existing on the date of issuance of the Refunding Bonds, as the case may be (“Code”) and as an inducement to purchasers of the Refunding Bonds, the City represents, covenants and agrees that:

(a) The sewage works will be available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. No person or entity other than the City or another state or local governmental unit will use more than 10% of the proceeds of the Refunding Bonds or property financed or refinanced by the proceeds of the Refunding Bonds other than as a member of the general public. No person or entity other than the City or another state or local governmental unit will own property financed or refinanced by proceeds of the Refunding Bonds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates that person’s or entity’s use of such property from use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Refunding Bonds. If the City enters into a management contract for the sewage works, the terms of the contract will comply with IRS Revenue Procedure 2017-13, as it may be amended, supplemented or superseded for time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the Refunding Bonds, as the case may be.

(b) No more than 10% of the principal of or interest on the Refunding Bonds is (under the terms of the Refunding Bonds, this Ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments (whether or not to the City) in respect of such property or borrowed money used or to be used for a private business use.

(c) No more than 5% of the Refunding Bond proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than 5% of the Refunding Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Refunding Bond proceeds.

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

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

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

(g) It shall be not an event of default under this Ordinance if the interest on any Refunding Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Refunding Bonds.

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

(i) The City represents that it will rebate any arbitrage profits to the United States in accordance with the Code.

(j) The Common Council hereby authorizes the Mayor and the Controller to determine whether any series of Refunding Bonds qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax-exempt obligations. Such designation, if made, will be set forth in the arbitrage certificate delivered by the City in connection with the Refunding Bonds.

SECTION 23. Waiver of Tax Covenants. Notwithstanding any other provision of this Ordinance, any of the covenants and authorizations contained in Section 22 of this Ordinance (the "Tax Covenants"), which are designed to preserve the exclusion of interest on the Refunding Bonds from gross income for purposes of federal income taxation, need not be complied with if the City receives an opinion of nationally recognized bond counsel to the effect that compliance with such Tax Covenant is unnecessary to preserve such exclusion of interest.

SECTION 24. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this Section and Section 20(f), and not otherwise, the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Refunding Bonds issued pursuant to this Ordinance and then outstanding shall have the right, from time to time, anything contained in this Ordinance to the contrary notwithstanding, to consent to and approve the adoption by the City of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

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

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

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

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

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

(f) A reduction in the required balance to be held as a reserve for the Refunding Bonds; or

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

If the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Refunding Bonds outstanding at the time of adoption of such supplemental ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Controller of the City, no owner of any Refunding Bond issued pursuant to this Ordinance shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the City or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the City and all owners of Refunding Bonds issued pursuant to the provisions of this Ordinance then outstanding, shall thereafter be determined exercised and enforced in accordance with this Ordinance, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the City and of the owners of the Refunding Bonds authorized by this Ordinance, and the terms and

provisions of the Refunding Bonds and this Ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the Refunding Bonds issued pursuant to this Ordinance then outstanding.

SECTION 25. Non-Business Days. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, is a legal holiday or a day on which banking institutions in the area are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal day.

SECTION 26. Other Actions. Each of the Mayor and the Controller is hereby authorized and directed, for an on behalf of the City, to execute and deliver any agreement, certificate or other instrument or take any other action which such officer determines to be necessary or desirable to carry out the transactions contemplated by this Ordinance, which determination shall be conclusively evidenced by such officer's having executed such agreement, certificate or other instrument or having taken such other action, and any such agreement, certificate or other instrument heretofore executed and delivered and any such other action heretofore taken are hereby ratified and approved. Pursuant to Indiana Code 5-1-14-18, in connection with the issuance of the Refunding Bonds, the execution of the Refunding Bonds and any other contract, certificate or other document executed and delivered by or on behalf of the City in connection with the issuance of the Refunding Bonds, is authorized to be executed and delivered using electronic signatures (as defined in Indiana Code 26-2-8-102(10), as amended), rather than manual signatures, and any such Refunding Bonds or any other contract, certificate or other document executed and delivered by or on behalf of the City in connection with the issuance of the Refunding Bonds using electronic signatures shall be considered fully legal and valid for all purposes and with the same force and effect as if the execution were performed with manual signatures.

SECTION 27. Construction with Other Ordinances. All ordinances, except for the Prior Ordinance, in conflict with this Ordinance are hereby repealed.

SECTION 28. Captions. The captions in this Ordinance are inserted only as a matter of convenience and reference, and such captions are not intended and shall not be construed to define, limit, establish, interpret or describe the scope, intent or effect of any provision of this Ordinance.

SECTION 29. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Indiana, this ____ day of _____, 2021.

JIM SIMS, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Indiana, this ____ day of _____, 2021.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED this ____ day of _____, 2021.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance authorizes the City of Bloomington to issue its Sewage Works Refunding Revenue Bonds of 2021, in one or more series, in the aggregate principal amount not to exceed \$8,500,000. The 2021 bonds will be issued to refund the City's currently outstanding Sewage Works Refunding Revenue Bonds, Series 2012A and its currently outstanding Sewage Works Revenue Bonds, Series 2012C, all for the purpose of obtaining lower interest costs and a reduction of debt service payments on such outstanding bonds, thereby achieving significant savings for the City.

EXHIBIT A

R-__

[FORM OF REGISTERED BOND]

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF MONROE

CITY OF BLOOMINGTON, INDIANA
SEWAGE WORKS REFUNDING REVENUE BOND OF 2021

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Date</u>	<u>Date of Authentication</u>	<u>[CUSIP]</u>
__%	January 1, 20__	_____, 20__	_____, 20__	[_____]

REGISTERED
OWNER: _____

PRINCIPAL AMOUNT: _____ Dollars (\$_____)

The City of Bloomington, in Monroe County, State of Indiana, (the “City”) for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, upon surrender hereof, solely out of the special revenue fund hereinafter referred to, the Principal Amount stated above as evidenced by the records of the registered owner making payments for this bond, or its assigns, on the Maturity Date specified above (unless this bond be subject to and be called for redemption prior to maturity as hereinafter provided), and to pay interest thereon until the Principal Amount is paid upon redemption or at maturity, at the Interest Rate per annum specified above and from the interest payment date to which interest has been paid or duly provided for next preceding the Date of Authentication of this bond as shown above (unless this bond is authenticated after the fifteenth day of the month immediately preceding an interest payment date (the “Record Date”) and on or before the next such interest payment date, in which case it shall bear interest from such interest payment date or unless this bond is authenticated on or before [December/June] 1, 20__, in which case it shall bear interest from the Original Date specified above), with such interest payable semiannually on January 1 and July 1 of each year, commencing [January/July] 1, 20__. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of and premium, if any, on this Refunding Bond are payable upon the surrender thereof at the principal office of _____ (the “Registrar” or the “Paying

DMS 21139138.2

Agent”) in the _____, _____. All payments of interest on this Refunding Bond shall be paid by check mailed one business day prior to the interest payment date to the Registered Owner as of the Record Date at the address as it appears on the registrations books kept by the Registrar. Each Registered Owner of \$1,000,000 or more in principal amount of the Refunding Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the Record Date for any payment. All payments of principal of, and premium, if any, on the Refunding Bonds (as hereinafter defined) shall be made in any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts.

THE CITY SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE INTEREST HEREON EXCEPT FROM THE HEREINAFTER DESCRIBED SPECIAL FUND, AND NEITHER THIS BOND NOR THE ISSUE OF WHICH IT IS A PART SHALL IN ANY RESPECT CONSTITUTE A CORPORATE INDEBTEDNESS OF THE CITY WITHIN THE PROVISIONS AND LIMITATIONS OF THE CONSTITUTION OF THE STATE OF INDIANA.

This bond is one of an authorized series of bonds of like date, tenor and effect, except as to denomination, numbering, rates of interest, redemption terms and dates of maturity, aggregating _____ Dollars (\$ _____), numbered and lettered consecutively from R-1 upward (the “Refunding Bonds”), issued for the purpose of providing funds to effect a current refunding of the Refunded Bonds (as defined in the Ordinance), [fund a debt service reserve fund] and pay the costs of issuance of the Refunding Bonds. This Refunding Bond is issued pursuant to an ordinance adopted by the Common Council of the City on the ____ day of _____, 2021, entitled “An Ordinance Authorizing the Refunding of Certain Outstanding Sewage Works Revenue Bonds of the City; Authorizing the Issuance of the City of Bloomington, Indiana Sewage Works Refunding Revenue Bonds of 2021 to Provide Funds for Such Refunding and the Payment of the Costs Thereof; and Addressing Other Matters Connected Therewith” (the “Ordinance”), and in accordance with the provisions of Indiana law, including, without limitation, Indiana Code 36-9-23 and Indiana Code 5-1-5, as amended (the “Act”).

Pursuant to the provisions of the Act and the Ordinance, the principal of and interest on this Refunding Bond, the Outstanding Parity Bonds (as defined in the Ordinance), and any bonds hereafter issued on a parity therewith are payable solely from the Sewage Works Sinking Fund (the “Sinking Fund”) maintained under the Ordinance to be funded from the Net Revenues (herein defined as the gross revenues of the Sewage Works (defined as the City’s Sewage Works system, including all real estate, equipment and appurtenances thereto used in connection therewith, and all extensions, additions and improvements thereto and replacements thereof, now or at anytime hereafter constructed or acquired, after deduction only for the payment of the reasonable expenses of operation, repair and maintenance of the System).

The City irrevocably pledges the entire Net Revenues of the Sewage Works deposited into the Sinking Fund to the prompt payment of the principal of and interest on the Refunding Bonds, the Outstanding Parity Bonds and any bonds ranking on a parity therewith to the extent necessary for such purposes, and covenants that it will cause to be fixed, maintained and collected such rates and charges for services rendered by the Sewage Works as are sufficient in each year for the payment of the proper and reasonable expenses of operation and maintenance of the Sewage Works

and for the payment of the sums required to be paid into the Sinking Fund under the provisions of the Act and the Ordinance. If the City or the proper officers thereof shall fail or refuse to so fix, maintain and collect such rates or charges, or if there shall be a default in the payment of the interest on or principal of this bond, the owner of this bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the System and to charge and collect rates sufficient to provide for the payment of this bond and the interest hereon.

The City further covenants that for so long as the Refunding Bonds, the Outstanding Parity Bonds and any bonds hereafter issued on a parity therewith (the "Additional Parity Bonds") remain outstanding, it will set aside and pay into the Sinking Fund a sufficient amount of the Net Revenues of the Sewage Works for the payment of (a) the interest on all bonds payable from the revenues of the Sewage Works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying such bonds and interest, (c) the principal of all bonds payable from the revenues of the Sewage Works, and (d) an additional amount as a margin of safety to create the reserve required by the Ordinance. Such required payments shall constitute a first charge upon all the Net Revenues of the System. Reference is made to the Ordinance for a more complete statement of the revenues from which and conditions under which this bond is payable, a statement of the conditions on which obligations may hereafter be issued on a parity with this bond, the manner in which the Ordinance may be amended and the general covenants and provisions pursuant to which this bond has been issued.

[Insert optional redemption terms, if applicable].

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

Date

Amount

*

*Final Maturity]

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

Notice of such redemption shall be mailed to the address of the registered owners of the Refunding Bonds to be redeemed as shown on the registration records of the City, as of the date which is forty-five (45) days prior to such redemption date, not less than thirty (30) and not more than sixty (60) days prior to the date fixed for redemption, unless the notice is waived by the registered owner of the Refunding Bonds to be redeemed. The notice shall specify the date and place of redemption and sufficient identification of the Refunding Bonds called for redemption. The place of redemption may be determined by the City. Interest on the Refunding Bonds called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and

thereafter, such bonds shall no longer be protected by the Ordinance and shall not be deemed to be outstanding thereunder.

If this bond shall not be presented for payment or redemption on the date fixed therefor, the City may deposit in trust with the Paying Agent, an amount sufficient to pay such Refunding Bond or the redemption price, as the case may be, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability with respect thereto.

This bond is transferable or exchangeable only upon the books of the City kept for that purpose at the designated corporate trust operations office of the Registrar by the Registered Owner in person, or by his attorney duly authorized in writing, upon surrender of this Refunding Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the Registered Owner, or his attorney duly authorized in writing, and thereupon a new fully registered Refunding Bond or Refunding Bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or to the Registered Owner, as the case may be, in exchange therefor. This bond may be transferred without cost to the Registered Owner except for any tax or governmental charge required to be paid with respect to the transfer. The City, the Registrar and the Paying Agent may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes, including for the purpose of receiving payment of, or on account of, the principal hereof and interest and premium, if any, due hereon.

This bond is subject to defeasance prior to redemption or payment as provided in the Ordinance referred to herein. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. The Ordinance may be amended without the consent of the owners of the Bonds as provided in the Ordinance if the Common Council determines, in its sole discretion, that the amendment shall not adversely affect the rights of any of the owners of the Bonds.

The Refunding Bonds are issuable only in fully registered form in the denomination of [\$5,000] or any integral multiple thereof.

[A Continuing Disclosure Contract from the City to each registered owner or holder of any Refunding Bond, dated as of the date of initial issuance of the Refunding Bonds (the "Contract"), has been executed by the City, a copy of which is available from the City and the terms of which are incorporated herein by this reference. The Contract contains certain promises of the City to each registered owner or holder of any Refunding Bond, including a promise to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond assents to the Contract and to the exchange of such payment and acceptance for such promises.]

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

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the City of Bloomington, in Monroe County, Indiana, has caused this bond to be executed in its corporate name by the manual or facsimile signature of the Mayor of the City, its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by its Controller.

CITY OF BLOOMINGTON

Mayor

(Seal)

ATTEST:

Controller

CERTIFICATE OF AUTHENTICATION

This bond is one of the Refunding Bonds issued and delivered pursuant to the provisions of the within-mentioned Ordinance.

By _____
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (insert name and address) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises.
Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guarantee:

NOTICE: Signature(s) must be guaranteed by a broker-dealer or a commercial bank or trust company.

**BLOOMINGTON SEWAGE WORKS REFUNDING BONDS OF 2021
MEMORANDUM
OCTOBER 25, 2021**

Description of Bonds to be Refunded:

The proposed refinancing of various outstanding sewage works revenue bonds has been under study for the past year. The refunding of the 2012 Series A & Series C bonds offer the City an opportunity to reduce the overall debt service. The proposed transaction would combine the two outstanding 2012 Bonds into a single Current Refunding bond issue. The objectives set forth by City Controller, Jeff Underwood, and CBU Controller, Laura Pettit, were two-fold: 1. To generate significant savings and 2. To provide a level debt payment schedule. We believe that the timing is right to accomplish both of those financial goals.

Current Market Conditions:

The turmoil in the bond market due to the Corona Virus (COVID-19) has created enormous demand in the municipal bond markets. Which resulted in interest rates dropping to record lows. Over the last 6-10 months the current bond rates have moved up slightly from those record lows. However, rates are still extremely low and as a result have provided an opportunity for the City to capitalize on the opportunity to refinance its current debt and reduce its overall cost of debt. Based upon current market rates, the refunding bonds are anticipated to produce combined net present value savings of about \$558k. (See attached savings schedule)

Comments on Expected Gross & Net Present Value Savings:

At the same time, the proposed restructured debt would be more uniform in amount when combined with the other outstanding bond payments of the Sewage Works; and, the Maximum Annual Debt Service (MADS) is expected to be about \$70k less than the current MADS. The spread between the current annual total debt service payments is nearly \$60k. The proposed payment structure is within a few thousand dollars each year. The reduction in MADS results in enhanced debt service coverage; and, the bar for issuing parity bonds in the future is \$60k less. (MADS is always used in the additional bonds test / parity test).

Coupon Rates, Premium Bonds & Yields:

The coupon rates on the 2012 Series A & Series C bonds amount to 2.75% to 5% (mostly in the high 3% coupon rates). The coupon rates on the proposed refunding bonds are anticipated to be 3.0% with a net interest cost (yield) of 1.3% and a true interest cost (factoring in issuance costs) of approximately 1.8%. The proposed refunding structure presented by Stifel for these bonds include a bond premium of \$549k. Issuing premium bonds will drive up the coupon rates on the refunding bonds. The tax-exempt refunding bonds have a weighted average maturity (WAM) of 4.85 years. The final maturity dates are the same for the current and proposed refunding bonds (1/1/2033).

Procedures after Council Authorization to Closing on the proposed Refunding Bonds:

Obviously, the Council's authorization must occur before any other activities can be completed. The Preliminary Official Statement is essentially completed, except for inserting signed documents and the S&P Bond Rating. Therefore, the next step will be to complete the S&P bond rating process. Once the rating has been assigned, a date will be set for the bond sale. We are on track to have a bond sale immediately after the S&P Bond Rating is issued (i.e. within 2 to 3 weeks of authorization by Council).

The actual market conditions on the day of the bond sale is where the "rubber meets the road". All illustrations leading up to the actual bond sale are just that – illustrations. If savings are materially less than anticipated, a decision would need to be made as to whether to proceed with the refunding or not. The City Controller would be the designated person to make that call.

Should anyone receiving this Memorandum have questions or comments in advance of the next City Council meeting, please do not hesitate to contact me, Bruce Donaldson or Jeff Underwood.

Otto "Buzz" Krohn buzz@owkcpa.com 317-626-8822

Bruce Donaldson bruce.donaldson@btlaw.com 317-341-0155

Jeff Underwood underwoj@bloomington.in.gov 812-349-3416

TABLE OF CONTENTS**City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows**

<i>Report</i>	<i>Page</i>
Sources and Uses of Funds	1
Savings	2
Summary of Refunding Results	3
Bond Pricing	4
Bond Summary Statistics	5
Bond Debt Service	6
Prior Bond Debt Service	8
Summary of Bonds Refunded	9
Escrow Requirements	10
Escrow Descriptions	11
Escrow Cost	12
Escrow Cash Flow	13
Escrow Sufficiency	14
Escrow Statistics	15
Proof of Arbitrage Yield	16
Form 8038 Statistics	17

SOURCES AND USES OF FUNDS

City of Bloomington, Indiana Sewage Works Revenue Refunding Bonds, Series 2021 Assumes AA (Insurance)/A+ (Underlying Rating) Preliminary Cash Flows

Dated Date	12/15/2021
Delivery Date	12/15/2021

Sources:

Bond Proceeds:	
Par Amount	6,590,000.00
Premium	549,275.60
	7,139,275.60
Other Sources of Funds:	
Prior DSRF	100,000.00
	7,239,275.60
	7,239,275.60

Uses:

Refunding Escrow Deposits:	
Cash Deposit	1.37
SLGS Purchases	7,029,465.00
	7,029,466.37
Delivery Date Expenses:	
Cost of Issuance	150,000.00
Underwriter's Discount	32,950.00
Bond Insurance (0.35%)	26,259.40
	209,209.40
Other Uses of Funds:	
Additional Proceeds	599.83
	7,239,275.60
	7,239,275.60

SAVINGS

**City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows**

<i>Date</i>	<i>Prior Debt Service</i>	<i>Refunding Debt Service</i>	<i>Savings</i>	<i>Annual Savings</i>	<i>Present Value to 12/15/2021 @ 1.2056207%</i>
01/01/2022	736,605.63	733,786.67	2,818.96	2,818.96	2,817.45
07/01/2022	111,705.63	87,975.00	23,730.63		23,575.84
01/01/2023	746,705.63	707,975.00	38,730.63	62,461.26	38,247.44
07/01/2023	101,474.38	78,675.00	22,799.38		22,380.03
01/01/2024	756,474.38	713,675.00	42,799.38	65,598.76	41,760.44
07/01/2024	87,549.38	69,150.00	18,399.38		17,845.17
01/01/2025	772,549.38	729,150.00	43,399.38	61,798.76	41,839.92
07/01/2025	76,736.88	59,250.00	17,486.88		16,757.51
01/01/2026	786,736.88	739,250.00	47,486.88	64,973.76	45,233.56
07/01/2026	64,961.88	49,050.00	15,911.88		15,066.02
01/01/2027	799,961.88	754,050.00	45,911.88	61,823.76	43,210.76
07/01/2027	52,051.88	38,475.00	13,576.88		12,701.55
01/01/2028	817,051.88	768,475.00	48,576.88	62,153.76	45,172.72
07/01/2028	38,135.63	27,525.00	10,610.63		9,807.94
01/01/2029	823,135.63	767,525.00	55,610.63	66,221.26	51,095.68
07/01/2029	23,640.63	16,425.00	7,215.63		6,590.08
01/01/2030	333,640.63	276,425.00	57,215.63	64,431.26	51,942.26
07/01/2030	18,215.63	12,525.00	5,690.63		5,135.19
01/01/2031	338,215.63	277,525.00	60,690.63	66,381.26	54,438.68
07/01/2031	12,415.63	8,550.00	3,865.63		3,446.64
01/01/2032	347,415.63	288,550.00	58,865.63	62,731.26	52,170.80
07/01/2032	6,343.75	4,350.00	1,993.75		1,756.41
01/01/2033	356,343.75	294,350.00	61,993.75	63,987.50	54,286.70
	8,208,068.23	7,502,686.67	705,381.56	705,381.56	657,278.79

Savings Summary

PV of savings from cash flow	657,278.79
Less: Prior funds on hand	-100,000.00
Plus: Refunding funds on hand	599.83
Net PV Savings	557,878.62

SUMMARY OF REFUNDING RESULTS**City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows**

Dated Date	12/15/2021
Delivery Date	12/15/2021
Arbitrage yield	1.205621%
Escrow yield	0.038348%
Value of Negative Arbitrage	6,277.01
Bond Par Amount	6,590,000.00
True Interest Cost	1.227234%
Net Interest Cost	1.302838%
All-In TIC	1.808575%
Average Coupon	3.000000%
Average Life	4.617
Par amount of refunded bonds	6,900,000.00
Average coupon of refunded bonds	3.577506%
Average life of refunded bonds	4.850
PV of prior debt to 12/15/2021 @ 1.205621%	7,770,294.99
Net PV Savings	557,878.62
Percentage savings of refunded bonds	8.085197%
Percentage savings of refunding bonds	8.465533%

BOND PRICING

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>
Bond Component:					
	01/01/2022	725,000	3.000%	0.250%	100.122
	01/01/2023	620,000	3.000%	0.310%	102.802
	01/01/2024	635,000	3.000%	0.420%	105.246
	01/01/2025	660,000	3.000%	0.540%	107.418
	01/01/2026	680,000	3.000%	0.690%	109.197
	01/01/2027	705,000	3.000%	0.870%	110.489
	01/01/2028	730,000	3.000%	1.070%	111.267
	01/01/2029	740,000	3.000%	1.190%	112.195
	01/01/2030	260,000	3.000%	1.340%	112.618
	01/01/2031	265,000	3.000%	1.500%	112.641
	01/01/2032	280,000	3.000%	1.610%	112.843
	01/01/2033	290,000	3.000%	1.710%	112.932
		6,590,000			

Dated Date	12/15/2021	
Delivery Date	12/15/2021	
First Coupon	01/01/2022	
Par Amount	6,590,000.00	
Premium	549,275.60	
Production	7,139,275.60	108.334986%
Underwriter's Discount	-32,950.00	-0.500000%
Purchase Price	7,106,325.60	107.834986%
Accrued Interest		
Net Proceeds	7,106,325.60	

BOND SUMMARY STATISTICS

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

Dated Date	12/15/2021
Delivery Date	12/15/2021
Last Maturity	01/01/2033
Arbitrage Yield	1.205621%
True Interest Cost (TIC)	1.227234%
Net Interest Cost (NIC)	1.302838%
All-In TIC	1.808575%
Average Coupon	3.000000%
Average Life (years)	4.617
Weighted Average Maturity (years)	4.729
Duration of Issue (years)	4.380
Par Amount	6,590,000.00
Bond Proceeds	7,139,275.60
Total Interest	912,686.67
Net Interest	396,361.07
Total Debt Service	7,502,686.67
Maximum Annual Debt Service	806,950.00
Average Annual Debt Service	679,317.71
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	107.834986

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>	<i>PV of 1 bp change</i>
Bond Component	6,590,000.00	108.335	3.000%	4.617	3,090.90
	6,590,000.00			4.617	3,090.90

	<u>TIC</u>	<u>All-In TIC</u>	<u>Arbitrage Yield</u>
Par Value	6,590,000.00	6,590,000.00	6,590,000.00
+ Accrued Interest			
+ Premium (Discount)	549,275.60	549,275.60	549,275.60
- Underwriter's Discount	-32,950.00	-32,950.00	
- Cost of Issuance Expense		-150,000.00	
- Other Amounts		-26,259.40	-26,259.40
Target Value	7,106,325.60	6,930,066.20	7,113,016.20
Target Date	12/15/2021	12/15/2021	12/15/2021
Yield	1.227234%	1.808575%	1.205621%

BOND DEBT SERVICE

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

Dated Date 12/15/2021
Delivery Date 12/15/2021

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
01/01/2022	725,000	3.000%	8,786.67	733,786.67	733,786.67
07/01/2022			87,975.00	87,975.00	
01/01/2023	620,000	3.000%	87,975.00	707,975.00	795,950.00
07/01/2023			78,675.00	78,675.00	
01/01/2024	635,000	3.000%	78,675.00	713,675.00	792,350.00
07/01/2024			69,150.00	69,150.00	
01/01/2025	660,000	3.000%	69,150.00	729,150.00	798,300.00
07/01/2025			59,250.00	59,250.00	
01/01/2026	680,000	3.000%	59,250.00	739,250.00	798,500.00
07/01/2026			49,050.00	49,050.00	
01/01/2027	705,000	3.000%	49,050.00	754,050.00	803,100.00
07/01/2027			38,475.00	38,475.00	
01/01/2028	730,000	3.000%	38,475.00	768,475.00	806,950.00
07/01/2028			27,525.00	27,525.00	
01/01/2029	740,000	3.000%	27,525.00	767,525.00	795,050.00
07/01/2029			16,425.00	16,425.00	
01/01/2030	260,000	3.000%	16,425.00	276,425.00	292,850.00
07/01/2030			12,525.00	12,525.00	
01/01/2031	265,000	3.000%	12,525.00	277,525.00	290,050.00
07/01/2031			8,550.00	8,550.00	
01/01/2032	280,000	3.000%	8,550.00	288,550.00	297,100.00
07/01/2032			4,350.00	4,350.00	
01/01/2033	290,000	3.000%	4,350.00	294,350.00	298,700.00
	6,590,000		912,686.67	7,502,686.67	7,502,686.67

BOND DEBT SERVICE

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

Dated Date 12/15/2021
Delivery Date 12/15/2021

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>
01/01/2022	725,000	3.000%	8,786.67	733,786.67
01/01/2023	620,000	3.000%	175,950.00	795,950.00
01/01/2024	635,000	3.000%	157,350.00	792,350.00
01/01/2025	660,000	3.000%	138,300.00	798,300.00
01/01/2026	680,000	3.000%	118,500.00	798,500.00
01/01/2027	705,000	3.000%	98,100.00	803,100.00
01/01/2028	730,000	3.000%	76,950.00	806,950.00
01/01/2029	740,000	3.000%	55,050.00	795,050.00
01/01/2030	260,000	3.000%	32,850.00	292,850.00
01/01/2031	265,000	3.000%	25,050.00	290,050.00
01/01/2032	280,000	3.000%	17,100.00	297,100.00
01/01/2033	290,000	3.000%	8,700.00	298,700.00
	6,590,000		912,686.67	7,502,686.67

PRIOR BOND DEBT SERVICE

City of Bloomington, Indiana Sewage Works Revenue Refunding Bonds, Series 2021 Assumes AA (Insurance)/A+ (Underlying Rating) Preliminary Cash Flows

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
01/01/2022	615,000	** %	121,605.63	736,605.63	736,605.63
07/01/2022			111,705.63	111,705.63	
01/01/2023	635,000	** %	111,705.63	746,705.63	858,411.26
07/01/2023			101,474.38	101,474.38	
01/01/2024	655,000	** %	101,474.38	756,474.38	857,948.76
07/01/2024			87,549.38	87,549.38	
01/01/2025	685,000	** %	87,549.38	772,549.38	860,098.76
07/01/2025			76,736.88	76,736.88	
01/01/2026	710,000	** %	76,736.88	786,736.88	863,473.76
07/01/2026			64,961.88	64,961.88	
01/01/2027	735,000	** %	64,961.88	799,961.88	864,923.76
07/01/2027			52,051.88	52,051.88	
01/01/2028	765,000	** %	52,051.88	817,051.88	869,103.76
07/01/2028			38,135.63	38,135.63	
01/01/2029	785,000	** %	38,135.63	823,135.63	861,271.26
07/01/2029			23,640.63	23,640.63	
01/01/2030	310,000	3.500%	23,640.63	333,640.63	357,281.26
07/01/2030			18,215.63	18,215.63	
01/01/2031	320,000	3.625%	18,215.63	338,215.63	356,431.26
07/01/2031			12,415.63	12,415.63	
01/01/2032	335,000	3.625%	12,415.63	347,415.63	359,831.26
07/01/2032			6,343.75	6,343.75	
01/01/2033	350,000	3.625%	6,343.75	356,343.75	362,687.50
	6,900,000		1,308,068.23	8,208,068.23	8,208,068.23

SUMMARY OF BONDS REFUNDED

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

<i>Bond</i>	<i>Maturity Date</i>	<i>Interest Rate</i>	<i>Par Amount</i>	<i>Call Date</i>	<i>Call Price</i>
2012A Sewage Works, 2012A:					
BOND	01/01/2022	3.500%	385,000.00		
	01/01/2023	3.500%	400,000.00	01/14/2022	100.000
	01/01/2024	5.000%	410,000.00	01/14/2022	100.000
	01/01/2025	3.250%	430,000.00	01/14/2022	100.000
	01/01/2026	3.500%	450,000.00	01/14/2022	100.000
	01/01/2027	3.700%	460,000.00	01/14/2022	100.000
	01/01/2028	3.800%	315,000.00	01/14/2022	100.000
	01/01/2029	3.800%	320,000.00	01/14/2022	100.000
TERM29	01/01/2029	4.000%	335,000.00	01/14/2022	100.000
			3,505,000.00		
2012C Sewage Works, 2012C:					
BOND	01/01/2022	2.750%	230,000.00		
	01/01/2023	2.750%	235,000.00	01/14/2022	100.000
	01/01/2024	3.000%	245,000.00	01/14/2022	100.000
	01/01/2025	3.000%	255,000.00	01/14/2022	100.000
	01/01/2026	3.000%	260,000.00	01/14/2022	100.000
	01/01/2027	3.200%	275,000.00	01/14/2022	100.000
	01/01/2028	3.250%	285,000.00	01/14/2022	100.000
	01/01/2029	3.400%	295,000.00	01/14/2022	100.000
	01/01/2030	3.500%	310,000.00	01/14/2022	100.000
	01/01/2031	3.625%	320,000.00	01/14/2022	100.000
	01/01/2032	3.625%	335,000.00	01/14/2022	100.000
	01/01/2033	3.625%	350,000.00	01/14/2022	100.000
			3,395,000.00		
			6,900,000.00		

ESCROW REQUIREMENTS

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

<i>Period Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal Redeemed</i>	<i>Total</i>
01/01/2022	615,000.00	121,605.63		736,605.63
01/14/2022		8,067.63	6,285,000.00	6,293,067.63
	615,000.00	129,673.26	6,285,000.00	7,029,673.26

ESCROW DESCRIPTIONS

**City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows**

<i>Type of Security</i>	<i>Type of SLGS</i>	<i>Maturity Date</i>	<i>First Int Pmt Date</i>	<i>Par Amount</i>	<i>Rate</i>	<i>Max Rate</i>
Dec 15, 2021:						
SLGS	Certificate	01/01/2022	01/01/2022	736,605		
SLGS	Certificate	01/14/2022	01/14/2022	6,292,860	0.040%	0.040%
				7,029,465		

SLGS Summary

SLGS Rates File	07OCT21
Total Certificates of Indebtedness	7,029,465.00

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

<i>Purchase Date</i>	<i>Cost of Securities</i>	<i>Cash Deposit</i>	<i>Total Escrow Cost</i>
12/15/2021	7,029,465	1.37	7,029,466.37
	7,029,465	1.37	7,029,466.37

ESCROW CASH FLOW

**City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows**

<i>Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Net Escrow Receipts</i>
01/01/2022	736,605.00		736,605.00
01/14/2022	6,292,860.00	206.89	6,293,066.89
	7,029,465.00	206.89	7,029,671.89

Escrow Cost Summary

Purchase date	12/15/2021
Purchase cost of securities	7,029,465.00

ESCROW SUFFICIENCY

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

<i>Date</i>	<i>Escrow Requirement</i>	<i>Net Escrow Receipts</i>	<i>Excess Receipts</i>	<i>Excess Balance</i>
12/15/2021		1.37	1.37	1.37
01/01/2022	736,605.63	736,605.00	-0.63	0.74
01/14/2022	6,293,067.63	6,293,066.89	-0.74	
	7,029,673.26	7,029,673.26	0.00	

ESCROW STATISTICS

**City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows**

<i>Escrow</i>	<i>Total Escrow Cost</i>	<i>Modified Duration (years)</i>	<i>Yield to Receipt Date</i>	<i>Yield to Disbursement Date</i>	<i>Perfect Escrow Cost</i>	<i>Value of Negative Arbitrage</i>	<i>Cost of Dead Time</i>
2012A Prior Debt (2012A):							
FOH	100,000.00	0.076	0.037767%	0.037767%	99,911.56	88.44	
BP	3,475,311.39	0.076	0.037804%	0.037804%	3,472,237.89	3,073.50	
Global Proceeds Escrow:							
	3,454,154.98	0.078	0.038885%	0.038885%	3,451,039.91	3,115.07	
	7,029,466.37				7,023,189.36	6,277.01	0.00

Delivery date	12/15/2021
Arbitrage yield	1.205621%

PROOF OF ARBITRAGE YIELD

**City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows**

<i>Date</i>	<i>Debt Service</i>	<i>Present Value to 12/15/2021 @ 1.2056206767%</i>
01/01/2022	733,786.67	733,394.77
07/01/2022	87,975.00	87,401.15
01/01/2023	707,975.00	699,142.47
07/01/2023	78,675.00	77,227.93
01/01/2024	713,675.00	696,350.71
07/01/2024	69,150.00	67,067.11
01/01/2025	729,150.00	702,949.61
07/01/2025	59,250.00	56,778.71
01/01/2026	739,250.00	704,171.46
07/01/2026	49,050.00	46,442.54
01/01/2027	754,050.00	709,687.25
07/01/2027	38,475.00	35,994.44
01/01/2028	768,475.00	714,621.99
07/01/2028	27,525.00	25,442.74
01/01/2029	767,525.00	705,210.78
07/01/2029	16,425.00	15,001.05
01/01/2030	276,425.00	250,947.86
07/01/2030	12,525.00	11,302.48
01/01/2031	277,525.00	248,936.21
07/01/2031	8,550.00	7,623.28
01/01/2032	288,550.00	255,733.02
07/01/2032	4,350.00	3,832.17
01/01/2033	294,350.00	257,756.45
	7,502,686.67	7,113,016.20

Proceeds Summary

Delivery date	12/15/2021
Par Value	6,590,000.00
Premium (Discount)	549,275.60
Arbitrage expenses	-26,259.40
Target for yield calculation	7,113,016.20

FORM 8038 STATISTICS

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

Dated Date 12/15/2021
Delivery Date 12/15/2021

<i>Bond Component</i>	<i>Date</i>	<i>Principal</i>	<i>Coupon</i>	<i>Price</i>	<i>Issue Price</i>	<i>Redemption at Maturity</i>
Bond Component:						
	01/01/2022	725,000.00	3.000%	100.122	725,884.50	725,000.00
	01/01/2023	620,000.00	3.000%	102.802	637,372.40	620,000.00
	01/01/2024	635,000.00	3.000%	105.246	668,312.10	635,000.00
	01/01/2025	660,000.00	3.000%	107.418	708,958.80	660,000.00
	01/01/2026	680,000.00	3.000%	109.197	742,539.60	680,000.00
	01/01/2027	705,000.00	3.000%	110.489	778,947.45	705,000.00
	01/01/2028	730,000.00	3.000%	111.267	812,249.10	730,000.00
	01/01/2029	740,000.00	3.000%	112.195	830,243.00	740,000.00
	01/01/2030	260,000.00	3.000%	112.618	292,806.80	260,000.00
	01/01/2031	265,000.00	3.000%	112.641	298,498.65	265,000.00
	01/01/2032	280,000.00	3.000%	112.843	315,960.40	280,000.00
	01/01/2033	290,000.00	3.000%	112.932	327,502.80	290,000.00
		6,590,000.00			7,139,275.60	6,590,000.00

	<i>Maturity Date</i>	<i>Interest Rate</i>	<i>Issue Price</i>	<i>Stated Redemption at Maturity</i>	<i>Weighted Average Maturity</i>	<i>Yield</i>
Final Maturity	01/01/2033	3.000%	327,502.80	290,000.00		
Entire Issue			7,139,275.60	6,590,000.00	4.7287	1.2056%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	182,950.00
Proceeds used for credit enhancement	26,259.40
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to refund prior tax-exempt bonds	6,929,466.37
Proceeds used to refund prior taxable bonds	0.00
Remaining WAM of prior tax-exempt bonds (years)	4.8123
Remaining WAM of prior taxable bonds (years)	0.0000
Last call date of refunded tax-exempt bonds	01/14/2022

2011 Form 8038 Statistics

Proceeds used to currently refund prior issues	6,929,466.37
Proceeds used to advance refund prior issues	0.00
Remaining weighted average maturity of the bonds to be currently refunded	4.8123
Remaining weighted average maturity of the bonds to be advance refunded	0.0000

FORM 8038 STATISTICS

City of Bloomington, Indiana
Sewage Works Revenue Refunding Bonds, Series 2021
Assumes AA (Insurance)/A+ (Underlying Rating)
Preliminary Cash Flows

Refunded Bonds

<i>Bond Component</i>	<i>Date</i>	<i>Principal</i>	<i>Coupon</i>	<i>Price</i>	<i>Issue Price</i>
2012A Sewage Works:					
BOND	01/01/2022	385,000.00	3.500%	103.759	399,472.15
BOND	01/01/2023	400,000.00	3.500%	102.066	408,264.00
BOND	01/01/2024	410,000.00	5.000%	114.486	469,392.60
BOND	01/01/2025	430,000.00	3.250%	96.946	416,867.80
BOND	01/01/2026	450,000.00	3.500%	97.858	440,361.00
BOND	01/01/2027	460,000.00	3.700%	98.921	455,036.60
BOND	01/01/2028	315,000.00	3.800%	97.573	307,354.95
BOND	01/01/2029	320,000.00	3.800%	97.573	312,233.60
TERM29	01/01/2028	165,000.00	4.000%	100.000	165,000.00
TERM29	01/01/2029	170,000.00	4.000%	100.000	170,000.00
		<u>3,505,000.00</u>			<u>3,543,982.70</u>
2012C Sewage Works:					
BOND	01/01/2022	230,000.00	2.750%	100.000	230,000.00
BOND	01/01/2023	235,000.00	2.750%	100.000	235,000.00
BOND	01/01/2024	245,000.00	3.000%	100.000	245,000.00
BOND	01/01/2025	255,000.00	3.000%	100.000	255,000.00
BOND	01/01/2026	260,000.00	3.000%	100.000	260,000.00
BOND	01/01/2027	275,000.00	3.200%	100.000	275,000.00
BOND	01/01/2028	285,000.00	3.250%	100.000	285,000.00
BOND	01/01/2029	295,000.00	3.400%	100.000	295,000.00
BOND	01/01/2030	310,000.00	3.500%	100.000	310,000.00
BOND	01/01/2031	320,000.00	3.625%	100.000	320,000.00
BOND	01/01/2032	335,000.00	3.625%	100.000	335,000.00
BOND	01/01/2033	350,000.00	3.625%	100.000	350,000.00
		<u>3,395,000.00</u>			<u>3,395,000.00</u>
		6,900,000.00			6,938,982.70

	<i>Last Call Date</i>	<i>Issue Date</i>	<i>Remaining Weighted Average Maturity</i>
2012A Sewage Works	01/14/2022	04/10/2012	3.6686
2012C Sewage Works	01/14/2022	05/15/2012	6.0062
All Refunded Issues	01/14/2022		4.8123



MEMO FROM COUNCIL OFFICE ON:

Ordinance 21-42 – An Ordinance Authorizing the Refinancing of a Certain Equipment Lease-Purchase Agreement of the City; Authorizing the Issuance of the City of Bloomington, Indiana General Revenue Annual Appropriation Refunding Bonds of 2021 to Provide Funds for Such Refinancing and the Payment of the Costs Thereof; Appropriating the Proceeds Derived from the Sale of Such Refunding Bonds, and Addressing Other Matters Connected Therewith

Synopsis

This ordinance authorizes the City of Bloomington to issue its General Revenue Annual Appropriation Refunding Bonds of 2021, in one or more series, in the aggregate principal amount not to exceed \$13,100,000, and appropriates the proceeds thereof. The 2021 bonds will be issued to refinance the City's obligations under the Equipment Lease-Purchase Agreement, dated November 30, 2017, between Bank of America Public Capital Corp., as lessor, and the City, as lessee, related to the purchase, installation and financing of certain solar panel systems and related work, all for the purpose of obtaining lower interest costs and a reduction of debt service payments on such outstanding lease payments, thereby achieving significant savings for the City.

Relevant Materials

- [Ordinance 21-42](#)
- Memo from Larry Allen, Assistant City Attorney
- Memo from Otto "Buzz" Krohn, O.W. Krohn & Associates, LLP, Municipal Advisor
- [Resolution 17-34](#) and [Resolution 17-41](#)

Summary

[Ordinance 21-42](#) authorizes the refunding of a 2017 Equipment Lease Purchase Agreement (the "2017 Lease"). This 2017 Lease was authorized by the Council via [Resolution 17-41](#) on November 1, 2017 and followed from action taken by the Council via [Resolution 17-34](#) to enter into a guaranteed savings contract. More detailed descriptions of these past legislative actions can be found in the [Legislative Packet issued for the November 1, 2017 Regular Session](#) and in the [Legislative Packet issued for the August 9, 2017 Regular Session](#), respectively. By adopting [Ordinance 21-42](#), the Council would approve the issuance of the "General Revenue Annual Appropriation Refunding Bonds of 2021" in an amount not to exceed \$13.1 million at an interest rate not to exceed 4% in order to provide funding to refund the 2017 Lease and save the City money on its debt service (estimated by the Municipal Advisor to produce a combined net present value savings of approximately \$501,000).



General Overview of Bond Ordinances

Bond ordinances are long and very technical documents that set forth the procedures and the assurances necessary for the relevant financial interests to engage in these transactions. The following paragraphs categorize and highlight the provisions of the ordinance. In brief, the ordinance:

Amount and Purpose of the Bonds

- Authorizes the City to refund the 2017 Lease; and
- Authorizes the City to issue General Revenue Annual Appropriation Refunding Bonds of 2021 to effect the refunding in an amount not to exceed \$13.1 million at a rate not to exceed 4% with a maturity no later than January 1, 2038.

Form of Refunding Bonds, Source and Security of Payment, and Use of Proceeds

- Includes the form and tenor that the refunding bonds shall take (in Section 5 of the ordinance);
- States that the bonds are payable solely from the legally available revenues of the City, subject to annual appropriation by the Council of the necessary funds;
- Sets forth the manner of execution, sale, and delivery of the bonds; and
- Specifies that proceeds of the bonds shall first be used to refund the 2017 Lease and specifies where remaining proceeds are to be transferred.

Safeguarding Bondholders

- Requires the Controller to provide an annual certification to the Mayor and Council of the aggregate amount of upcoming principal, interest, and any fiscal agency charges coming due on the bonds;
- States that the Mayor and Controller will use their best efforts to include an annual appropriation of revenues as part of the annual budget to ensure timely payment of the debt service (please note that payments on the bond will be made by the Utilities Department, the Parks and Recreation Department, and the Redevelopment Commission in the same percentages, described in the Staff Memo, as payments on the 2017 Lease are made);
- Requires the separation of funds into various accounts and prescribes the uses and minimum balances of these accounts;
- Prohibits the City from amending the ordinance in a manner that adversely affects bond holders without obtaining consent of owners of at least 66 2/3% of the principle; and
- Repeals portions of any previous ordinances that are inconsistent with these provisions.



City of Bloomington Indiana

City Hall | 401 N. Morton St. | Post Office Box 100 | Bloomington, Indiana 47402

Office of the Common Council | (812) 349-3409 | Fax: (812) 349-3570 | email: council@bloomington.in.gov

Additional Appropriation

In addition to authorizing the issuance of refunding bonds, this ordinance appropriates the proceeds from the bond issuance for the purpose of refunding the 2017 Lease and paying the related costs of doing so. The statutorily-required public hearing on this additional appropriation will be noticed for November 17, 2021, when the Council is scheduled to consider and vote on this ordinance under Second Readings.

Contact

Larry Allen, Assistant City Attorney, allenl@bloomington.in.gov, 812-349-3426

Jeff Underwood, Controller, underwoj@bloomington.in.gov, 812-349-3416

ORDINANCE 21-42

AN ORDINANCE AUTHORIZING THE REFINANCING OF A CERTAIN EQUIPMENT LEASE-PURCHASE AGREEMENT OF THE CITY; AUTHORIZING THE ISSUANCE OF THE CITY OF BLOOMINGTON, INDIANA GENERAL REVENUE ANNUAL APPROPRIATION REFUNDING BONDS OF 2021 TO PROVIDE FUNDS FOR SUCH REFINANCING AND THE PAYMENT OF THE COSTS THEREOF; APPROPRIATING THE PROCEEDS DERIVED FROM THE SALE OF SUCH REFUNDING BONDS, AND ADDRESSING OTHER MATTERS CONNECTED THEREWITH

WHEREAS, the City of Bloomington, Indiana (the “City”), previously entered into a Guaranteed Savings Contract, dated as of September 1, 2017, with Energy Systems Group, LLC (the “2017 Energy Savings Contract”), regarding the construction and/or installation of certain energy-related improvement, renovation and equipping projects and related upgrades, including photovoltaic solar energy arrays, at various facilities owned and operated by the City acting by and through its Utilities Department, Parks Department and Redevelopment Department, all as more particularly described in Exhibit B to the 2017 Energy Savings Contract (collectively, the “2017 Project”); and

WHEREAS, in order to finance the 2017 Project, the City entered into (i) the Equipment Lease-Purchase Agreement, dated November 30, 2017, between Bank of America Public Capital Corp., as lessor (the “Lessor”), and the City, as lessee (the “2017 Lease”) and (ii) the Escrow and Account Control Agreement, dated as of November 30, 2017, among the City, the Lessor, and Bank of America, National Association, as escrow agent, each as authorized by Resolution No. 17-41, adopted by the Common Council of the City on November 1, 2017; and

WHEREAS, under the terms of the 2017 Lease, the City has the option, upon at least thirty (30) days’ notice to the Lessor, to prepay all amounts due thereunder, plus the then applicable prepayment price, on the rental payment dates specified under the 2017 Lease; and

WHEREAS, based upon prevailing market interest rates, the Common Council of the City (the “Common Council”) has been advised that would be of public utility and benefit and in the best interests of the City and its citizens to refinance all amounts due under the 2017 Lease to enable the City to obtain a reduction in interest payments and effect a savings to the City through the issuance of its general revenue annual appropriation refunding bonds authorized hereunder; and

WHEREAS, the Common Council deems it advisable to issue the refunding bonds authorized hereunder, pursuant to Indiana Code 36-4-6-19, as amended, and other applicable provisions of the Indiana Code (collectively, the “Act”); and

WHEREAS, the Council has found that there are insufficient funds available or provided for in the existing budget and tax levy which may be applied to the costs of such refunding and has authorized the issuance of refunding bonds to procure such funds and that a need exists for the making of the additional appropriation hereinafter set out; and

WHEREAS, notice of a hearing on said appropriation has been duly given by publication as required by law, and the hearing on said appropriation has been held, at which all taxpayers and other interested persons had an opportunity to appear and express their views as to such appropriation; and

WHEREAS, the amount of proceeds of the refunding bonds allocated to refinance the 2017 Lease, together with estimated investment earnings thereon, does not exceed the cost of such refinancing as estimated by the Common Council; and

WHEREAS, the Common Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of the refunding bonds and an additional appropriation of the City have been complied with in accordance with the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, INDIANA, THAT:

SECTION 1. Authorization of Refinancing the 2017 Lease. The Common Council, acting on behalf of the City, now finds it necessary to provide funds for refinancing the 2017 Lease, thereby reducing its interest payments and effecting a savings, as will be reported after the sale of the refunding bonds issued hereunder by the City's municipal advisor, O.W. Krohn & Associates, LLP (the "Municipal Advisor"). Where used in this Ordinance, the term "City" shall be construed also to include any department, board, commission or officer or officers of the City or of any City department, board or commission.

SECTION 2. General Terms of Refunding Bonds. In accordance with the Act and in order to procure said loan for such purposes, the Controller of the City (the "Controller") is hereby authorized and directed to have prepared and to issue and sell, in one or more series, refunding bonds of the City, designated "City of Bloomington, Indiana General Revenue Annual Appropriation Refunding Bonds of 2021", with any such further or different series designation as determined by the Controller to be necessary or appropriate, in the aggregate principal amount not to exceed Thirteen Million One Hundred Thousand Dollars (\$13,100,000) (the "Refunding Bonds"), for the purpose of providing funds to (i) effect a current refunding of the 2017 Lease for the purpose of achieving interest cost savings, (ii) fund a debt service reserve fund or pay the premium for a debt service reserve surety policy, if necessary, and (iii) pay the costs incurred on account of the issuance and sale of the Refunding Bonds, including any premiums for any municipal bond insurance policies, if any.

THE PRINCIPAL OF, INTEREST ON, AND PREMIUM, IF ANY, ON THE REFUNDING BONDS IS PAYABLE SOLELY FROM LEGALLY AVAILABLE REVENUES OF THE CITY, BUT SUBJECT TO AND CONDITIONED UPON THE APPROPRIATION ON AN ANNUAL BASIS BY THE COMMON COUNCIL OF THE NECESSARY FUNDS TO PAY THE PRINCIPAL OF, INTEREST ON, AND PREMIUM, IF ANY, ON THE REFUNDING BONDS FROM ONE OR MORE FUNDS OR ACCOUNTS OF THE CITY, AS DETERMINED BY THE COMMON COUNCIL IN ITS SOLE DISCRETION. The principal of, interest on, and premium, if any, on the Refunding Bonds shall never be paid from "property taxes", as such term is defined under Indiana Code 6-1.1-20-1.6, which are exempt from the levy limitations of Indiana Code 6-1.1-18.5. The Refunding Bonds and the interest thereon do not and shall not constitute an indebtedness of the City, the State of Indiana (the "State") or any political subdivision thereof within the meaning of any constitutional limitation, but shall be special and limited obligations of the City, payable solely from any revenues annually appropriated and deposited into the Sinking Fund (as defined herein) as determined by the Common Council in its sole discretion. Each Refunding Bond must state plainly on its face that it is payable solely from any amounts annually appropriated for such purpose and deposited into the Sinking Fund and that it does not constitute a general obligation of, an indebtedness of, or charge against the general credit of, the City, the State or any political subdivision thereof. Neither the faith and credit nor the taxing power of the City is or may be pledged for the payment of the principal of, premium (if any) on, or interest on the Refunding Bonds. An owner of the Refunding Bonds is not entitled to compel the exercise of the taxing power by the City or the forfeiture of any of its property in connection with any default on the Refunding Bonds.

The Refunding Bonds shall be issued in one or more series as fully registered bonds in denominations of: (i) Five Thousand Dollars (\$5,000) or any integral multiple thereof, or (ii) if sold through a private placement, in denominations of One Hundred Thousand Dollars (\$100,000), plus any integral multiple of Five Thousand Dollars (\$5,000) in excess thereof, or the aggregate principal amount of such Refunding Bonds maturing in any year if less than \$100,000; in either case not exceeding the aggregate principal amount of the Refunding Bonds maturing in any one year. The Refunding Bonds shall be numbered consecutively from R-1 upward, and shall bear interest at a rate not to exceed four percent (4.0%) per annum (the exact rate or rates to be determined by bidding or through negotiations, as determined by the Controller). Interest on the Refunding Bonds shall be payable semiannually on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing not earlier than July 1, 2022. The principal of the Refunding Bonds shall mature semiannually on January 1 and July 1 of each year, or be subject to mandatory sinking fund redemption on such dates, commencing not earlier than July 1, 2022, and ending no later than January 1, 2038, until the principal is fully paid. Interest on the Refunding Bonds shall be calculated according to a 360-day calendar year containing twelve 30-day months. Subject to the terms and conditions herein, the Refunding Bonds shall mature on such dates and

amounts as determined by the Controller prior to the sale of the Refunding Bonds with the advice of the Municipal Advisor.

All payments of interest on the Refunding Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof as of the fifteenth (15th) day of the month immediately preceding an Interest Payment Date at the addresses as they appear on the registration books kept by the Registrar (the "Registration Record") or at such other address as is provided to the Paying Agent (as hereafter defined) in writing by such registered owner. Each registered owner of \$1,000,000 or more in principal amount of Refunding Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All principal payments on the Refunding Bonds shall be made upon surrender thereof at the principal corporate trust office of the Paying Agent, in any coin or currency of the United States of America which on the date of such payment shall be legal tender for the payment of public and private debts.

The Refunding Bonds shall bear an original issue date which shall be the date of delivery and each Refunding Bond shall also bear the date of its authentication. Any Refunding Bond authenticated on or before the fifteenth (15th) day of the month immediately preceding the first Interest Payment Date, shall pay interest from its original date. Any Refunding Bond authenticated thereafter shall pay interest from the Interest Payment Date next preceding the date of authentication of such Refunding Bond to which interest thereon has been paid or duly provided for, unless such Refunding Bond is authenticated after the fifteenth (15th) day of the month immediately preceding an Interest Payment Date and on or before such Interest Payment Date, in which case interest thereon shall be paid from such Interest Payment Date.

Each Refunding Bond shall be transferable or exchangeable only on the books of the City maintained for such purpose at the designated corporate trust operations office of the Registrar, by the registered owner thereof in person, or by his or her attorney duly authorized in writing, upon surrender of such Refunding Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new fully registered Refunding Bond or Refunding Bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. Each Refunding Bond may be transferred or exchanged without cost to the registered owner or his or her attorney duly authorized in writing, except for any tax or other governmental charge which may be required to be paid with respect to such transfer or exchange. The Registrar shall not be obligated to make any transfer or exchange of any Refunding Bond (i) during the fifteen (15) days immediately preceding an Interest Payment Date or (ii) after the mailing of notice calling such Refunding Bond for redemption. The City, the Registrar and the Paying Agent may treat and consider the person in whose name any Refunding Bond is registered as the absolute owner thereof for all purposes including the purpose of receiving payment of, or on account of, the principal thereof and redemption premium, if any, and interest thereon.

In the event any Refunding Bond is mutilated, lost, stolen or destroyed, the City may cause to be executed and the Registrar may authenticate a new Refunding Bond of like date, maturity and denomination as the mutilated, lost, stolen or destroyed Refunding Bond, which new Refunding Bond shall be marked in a manner to distinguish it from the Refunding Bond for which it was issued; provided, that in the case of any mutilated Refunding Bond, such mutilated Refunding Bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed Refunding Bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. In the event that any such mutilated, lost, stolen or destroyed Refunding Bond shall have matured or been called for redemption, instead of causing to be issued a duplicate Refunding Bond, the Registrar and Paying Agent may pay the same upon surrender of the mutilated Refunding Bond or satisfactory indemnity and proof of loss, theft or destruction in the case of a lost, stolen or destroyed Refunding Bond. The City and the Registrar and Paying Agent may charge the owner of any such Refunding Bond with their reasonable fees and expenses in connection with the above. Every substitute Refunding Bond issued by reason of any Refunding Bond being lost, stolen or destroyed shall, with respect to such Refunding Bond, constitute a substitute contractual obligation of the City pursuant to this Ordinance, whether or not the lost, stolen or destroyed Refunding Bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other Refunding Bonds duly issued hereunder.

SECTION 3. Terms of Redemption. The Mayor and the Controller, upon consultation with the Municipal Advisor, may designate maturities of Refunding Bonds (or portion thereof in integral multiples of \$5,000 principal amount each) that shall be subject to optional redemption and/or maturity sinking fund redemption, and the corresponding redemption dates, amounts and prices (including premium, if any). Except as otherwise set forth in this Ordinance, the Mayor and the Controller, upon consultation with the Municipal Advisor, are hereby authorized and directed to determine the terms governing any such redemption, as evidenced by the delivery of the Refunding Bonds.

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

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

Notice of redemption shall be mailed by first-class mail or by registered or certified mail to the address of each registered owner of a Refunding Bond to be redeemed as shown on the Registration Record not more than sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption except to the extent such redemption notice is waived by owners of Refunding Bonds redeemed, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any Refunding Bond shall not affect the validity of any proceedings for the redemption of any other Refunding Bonds. The notice shall specify the date and place of redemption, the redemption price, the CUSIP numbers (if any) of the Refunding Bonds called for redemption, and any conditions precedent to such redemption. The place of redemption may be at the designated corporate trust operations office of the Paying Agent or as otherwise determined by the City. Interest on the Refunding Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and thereafter, such Refunding Bonds shall no longer be protected by this ordinance and shall not be deemed to be outstanding hereunder, and the holders thereof shall have the right only to receive the redemption price.

All Refunding Bonds which have been redeemed shall be canceled and shall not be reissued; provided, however, that one or more new registered Refunding Bonds shall be issued for the unredeemed portion of any Refunding Bond without charge to the holder thereof.

No later than the date fixed for redemption, funds shall be deposited with the Paying Agent or another paying agent to pay, and such agent is hereby authorized and directed to apply such funds to the payment of, the Refunding Bonds or portions thereof called for redemption, including accrued interest thereon to the redemption date. No payment shall be made upon any Refunding Bond or portion thereof called for redemption until such Refunding Bond shall have been delivered for payment or cancellation or the Registrar shall have received the items required by this resolution with respect to any mutilated, lost, stolen or destroyed Refunding Bond.

SECTION 4. Appointment of Registrar and Paying Agent. The Controller is hereby authorized to serve as, or to appoint a qualified financial institution to serve as, the registrar and paying agent for the Refunding Bonds (the "Registrar" or "Paying Agent"). The Registrar is hereby charged with the responsibility of authenticating the Refunding Bonds, and shall keep and maintain at its principal office or corporate trust office books for the registration and transfer of the Refunding Bonds. The Controller and the Mayor are hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the

services required of the Registrar and Paying Agent. The Controller is authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent by giving thirty (30) days written notice to the Controller and to each registered owner of the Refunding Bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar and Paying Agent by the City. Such notice to the Controller may be served personally or be sent by first-class or registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the City, in which event the Mayor may appoint a successor Registrar and Paying Agent. The City shall notify each registered owner of the Refunding Bonds then outstanding of the removal of the Registrar and Paying Agent. Notices to registered owners of the Refunding Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the Refunding Bond register. Any predecessor Registrar and Paying Agent shall deliver all the Refunding Bonds, cash and investments in its possession and the Refunding Bond register to the successor Registrar and Paying Agent. At all times, the same entity shall serve as Registrar and as Paying Agent.

SECTION 5. Form of Refunding Bonds; Authorization of Book-Entry System. (a) The form and tenor of the Refunding Bonds shall be substantially as follows, all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof:

R-__

UNITED STATES OF AMERICA

STATE OF INDIANACOUNTY OF MONROE

CITY OF BLOOMINGTON, INDIANA

GENERAL REVENUE ANNUAL APPROPRIATION REFUNDING BOND OF 2021

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Date</u>	Authentication <u>Date</u>	[CUSIP]
-------------------------	-------------------------	-------------------------	-------------------------------	---------

REGISTERED OWNER: _____

PRINCIPAL SUM: _____ DOLLARS (\$_____)

The City of Bloomington, in Monroe County, Indiana (the “City”) for value received, hereby promises to pay to the Registered Owner set forth above, or registered assigns, the Principal Sum set forth above, solely out of the sinking fund hereinafter referred to, on the Maturity Date set forth above (unless this bond be subject to and be called for redemption prior to maturity as hereinafter provided), and to pay interest thereon until the Principal Sum shall be fully paid upon redemption or at maturity, at the Interest Rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond, unless this bond is authenticated after the fifteenth day of the month immediately preceding an interest payment date (the “Record Date”) and on or before the next such interest payment date, in which case it shall bear interest from such next interest payment date, or unless this bond is authenticated on or before June 15, 2022, in which case it shall bear interest from the Original Date specified above, with such interest payable semiannually on January 1 and July 1 of each year, commencing July 1, 2022. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of and premium, if any, on this bond is payable at designated office of _____ (the “Registrar” or “Paying Agent”), in the City of _____, _____. All payments of interest on this bond shall be paid by check mailed one business day prior to the interest payment date to the registered owner hereof as of the Record Date at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner prior to the Record Date. Each registered owner of \$1,000,000 or more in principal amount of Refunding Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the Record Date for any payment. All payments of principal of and premium, if any, on this bond shall be made upon surrender thereof at the principal corporate trust office of the Paying Agent in any coin or currency of the United States of America which on the dates of such payment shall be legal tender for the payment of public and private debts.

This bond is one of an authorized series of bonds of like date, tenor and effect, except as to denomination, numbering, rates of interest, redemption terms and dates of maturity, aggregating _____ Dollars (\$_____), numbered and lettered consecutively from R 1 upward (the “Refunding Bonds”), issued for the purpose of providing funds

to effect a current refunding of the 2017 Lease (as defined in the Ordinance), [fund a debt service reserve fund] and pay the costs of issuance of the Refunding Bonds. This bond is issued pursuant to Ordinance No. _____ adopted by the Common Council of the City (the “Common Council”) on the ____ day of _____, 2021 (the “Ordinance”), and in accordance with the provisions of Indiana law, including, without limitation, Indiana Code 36-4-6-19, as amended, and other applicable provisions of the Indiana Code, as amended (collectively, the “Act”). The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Ordinance and the Act.

THE PRINCIPAL OF, INTEREST ON, AND PREMIUM, IF ANY, ON THE REFUNDING BONDS IS PAYABLE SOLELY FROM LEGALLY AVAILABLE REVENUES OF THE CITY, BUT SUBJECT TO AND CONDITIONED UPON THE APPROPRIATION ON AN ANNUAL BASIS BY THE COMMON COUNCIL OF THE NECESSARY FUNDS TO PAY THE PRINCIPAL OF, INTEREST ON, AND PREMIUM, IF ANY, ON THE REFUNDING BONDS FROM ONE OR MORE FUNDS OR ACCOUNTS OF THE CITY, AS DETERMINED BY THE COMMON COUNCIL IN ITS SOLE DISCRETION. The principal of, interest on, and premium, if any, on the Refunding Bonds shall never be paid from “property taxes”, as such term is defined under Indiana Code 6-1.1-20-1.6, which are exempt from the levy limitations of Indiana Code 6-1.1-18.5. The Refunding Bonds and the interest thereon do not and shall not constitute an indebtedness of the City, the State or any political subdivision thereof within the meaning of any constitutional limitation, but shall be special and limited obligations of the City, payable solely from revenues and other amounts annually appropriated and deposited into the Sinking Fund created and established under the Ordinance. The Refunding Bonds do not constitute a general obligation of, an indebtedness of, or charge against the general credit of, the City, the State or any political subdivision thereof. Neither the faith and credit nor the taxing power of the City is or may be pledged for the payment of the principal of, premium (if any) on, or interest on the Refunding Bonds. An owner of the Refunding Bonds is not entitled to compel the exercise of the taxing power by the City or the forfeiture of any of its property in connection with any default on the Refunding Bonds.

[Insert optional redemption terms, if applicable].

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

<u>Date</u>	<u>Amount</u>
*	

*Final Maturity]

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

Notice of such redemption shall be mailed to the address of the registered owners of the Refunding Bonds to be redeemed as shown on the registration records of the City, as of the date which is forty-five (45) days prior to such redemption date, not less than thirty (30) and not more than sixty (60) days prior to the date fixed for redemption, unless the notice is waived by the registered owner of the Refunding Bonds to be redeemed. The notice shall specify the date and place of redemption and sufficient identification of the Refunding Bonds called for redemption. The place of redemption may be determined by the City. Interest on the Refunding Bonds called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and thereafter, such bonds shall no longer be protected by the Ordinance and shall not be deemed to be outstanding thereunder.

If this bond shall not be presented for payment or redemption on the date fixed therefor, the City may deposit in trust with the Paying Agent, an amount sufficient to pay such Refunding Bond or the redemption price, as the case may be, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability with respect thereto.

This Refunding Bond is subject to defeasance prior to payment as provided in the Ordinance.

If this bond shall not be presented for payment on the date fixed therefor, the City may deposit in trust with the Paying Agent or another paying agent, an amount sufficient to pay such Refunding Bond, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability in respect thereto.

This Refunding Bond is transferable or exchangeable only upon the books of the City kept for that purpose at the office of the Registrar by the Registered Owner in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer

or exchange satisfactory to the Registrar duly executed by the Registered Owner or his attorney duly authorized in writing, and thereupon a new fully registered Refunding Bond or Refunding Bonds in the same aggregate principal amount, and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the Registered Owner, as the case may be, in exchange therefor. The City, any registrar and any paying agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

The Refunding Bonds maturing in any one year are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof.

[A Continuing Disclosure Contract from the City to each registered owner or holder of any Refunding Bond, dated as of the date of initial issuance of the Refunding Bonds (the “Contract”), has been executed by the City, a copy of which is available from the City and the terms of which are incorporated herein by this reference. The Contract contains certain promises of the City to each registered owner or holder of any Refunding Bond, including a promise to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond assents to the Contract and to the exchange of such payment and acceptance for such promises.]

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

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the City of Bloomington, Indiana, in Monroe County, Indiana, has caused this bond to be executed in its corporate name by the manual or facsimile signature of its duly elected, qualified and acting Mayor, and its corporate seal, if any, to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by the Controller of the City.

CITY OF BLOOMINGTON, INDIANA

By: _____
Mayor

(SEAL)

ATTEST:

Controller

CERTIFICATE OF AUTHENTICATION

It is hereby certified that this bond is one of the Refunding Bonds described in the within-mentioned Ordinance duly authenticated by the Registrar.

_____, as Registrar

By: _____
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN. COM.	as tenants in common
TEN. ENT.	as tenants by the entireties
JT. TEN.	as joint tenants with right of survivorship and not as tenants in common
UNIF. TRANS.	
MIN. ACT	_____ Custodian _____ (Cust.) (Minor)

under Uniform Transfers to Minors Act of

(State)

Additional abbreviations may also be used, although not contained in the above list.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Please Print or Typewrite Name and Address) \$ _____ principal amount (must be a multiple of \$5,000) of the within Refunding Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the within Refunding Bond on the books kept for the registration thereof with full power of substitution in the premises.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Refunding Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

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

(End of Form of Refunding Bonds)

(b) The Refunding Bonds may, in compliance with all applicable laws and as determined by the Controller based upon the advice of the Municipal Advisor, initially be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the City from time to time (the “Clearing Agency”), without physical distribution of Refunding Bonds to the purchasers. The following provisions of this section apply in such event.

One definitive Refunding Bond of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The City and the Registrar and Paying Agent may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Refunding Bonds as are necessary or appropriate to accomplish or recognize such book-entry form Refunding Bonds.

During any time that the Refunding Bonds remain and are held in book-entry form on the books of a Clearing Agency, (1) any such Refunding Bond may be registered upon the books kept by the Registrar in the name of such Clearing Agency, or any nominee thereof, including Cede & Co., as nominee of The Depository Trust Company; (2) the Clearing Agency in whose name such Refunding Bond is so registered shall be, and the City and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Refunding Bond for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest on such Refunding Bond, the receiving of notice and giving of consent; (3) neither the City nor the Registrar or Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Refunding Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Refunding Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any Refunding Bond, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not required to present any Refunding Bond called for partial redemption prior to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption.

If either the City receives notice from the Clearing Agency which is currently the registered owner of the Refunding Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the Refunding Bonds, or the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the Refunding Bonds, then the City and Registrar and Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Refunding Bonds, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the Refunding Bonds and to transfer the ownership of each of the Refunding Bonds to such person or persons, including any other Clearing Agency, as the holders of the Refunding Bonds may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the Refunding Bonds, shall be paid by the City.

During any time that the Refunding Bonds are held in book-entry form on the books of a Clearing Agency, the Registrar shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owner of Refunding Bonds as of a record date selected by the Registrar. For purposes of determining whether the consent, advice, direction or demand of a registered owner of a Refunding Bond has been obtained, the Registrar shall be entitled to treat the beneficial owners of the Refunding Bonds as the Noteholders and any consent, request, direction, approval, objection or other instrument of such beneficial owner may be obtained in the fashion described in this Ordinance.

During any time that the Refunding Bonds are held in book-entry form on the books of a Clearing Agency, the Mayor, the Controller and/or the Registrar are authorized to execute and deliver a Letter of Representations agreement with the Clearing Agency, or a Blanket Issuer Letter of Representations, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth therein. The Registrar, by accepting the duties of Registrar under this Ordinance, agrees that it will (i) undertake the duties of agent required thereby and that those duties to be undertaken by either the agent or the issuer shall be the responsibility of the Registrar, and (ii) comply with all requirements of the Clearing Agency, including without limitation same day funds settlement payment procedures. Further, during any time that the Refunding Bonds are held in book-entry form, the provisions of Section 5 of this Ordinance shall control over conflicting provisions in any other section of this Ordinance.

SECTION 6. Execution and Authentication of the Refunding Bonds. In accordance with the terms hereof and the provisions of Indiana Code 5-1-3 and Indiana Code 5-1-14-18, the Refunding Bonds shall be executed in the name of the City by the manual, facsimile or electronic signature (as defined in Indiana Code 26-2-8-102(10), as amended) of the Mayor, and attested by the manual, facsimile or electronic signature of the Controller, with the seal of the City, if any, or a facsimile thereof to be affixed to each of the Refunding Bonds. The Refunding Bonds shall be authenticated by the manual, facsimile or electronic signature of the Registrar, and no Refunding Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed. In case any official whose signature appears on any Refunding Bond shall cease to be such official before the delivery of such Refunding Bond, the signature of such official shall nevertheless be valid and sufficient for all purposes, the same as if such official had been in office at the time of such delivery. Subject to the provisions of this Ordinance regarding the registration of the Refunding Bonds, the Refunding Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

SECTION 7. Issuance, Sale and Delivery of the Refunding Bonds. The Controller is hereby authorized and directed to have the Refunding Bonds prepared, and the Mayor and the Controller are hereby authorized and directed to execute or to cause the execution of the Refunding Bonds in the form and manner herein provided. The Controller is hereby authorized and directed to deliver the Refunding Bonds to the purchaser or purchasers thereof upon compliance with the requirements established hereunder and under the Act for the sale thereof, and to collect the full amount which the purchaser or respective purchasers have agreed to pay therefor, which shall not be less than 99.0% of the par amount of the Refunding Bonds, plus accrued interest thereon to the date of delivery. The Refunding Bonds, when fully paid for and delivered to the purchaser or purchasers shall be the binding special and limited revenue obligations of the City subject to annual appropriation, payable out of any legally available revenues of the City annually appropriated for such purpose and transferred into the Sinking Fund as herein provided, and the proceeds derived from the sale of the Refunding Bonds shall be and are hereby set aside for the application to the costs of refunding the 2017 Lease and the expenses necessarily incurred in connection therewith

including the expenses incurred in the issuance of the Refunding Bonds on account of the financing thereof. The authorized officers of the City are hereby authorized and directed to draw all proper and necessary warrants and to do whatever other acts and things that may be necessary or appropriate to carry out the provisions of this Ordinance.

If the Refunding Bonds are sold by competitive bid, the Controller shall cause to be published either (i) a notice of such sale two (2) times, at least one (1) week apart, with the first publication made at least fifteen (15) days before the date of such sale and the second publication at least three (3) days before the date of the sale in accordance with Indiana Code 5-3-1-2 in one (1) newspaper, as defined in and in accordance with Indiana Code 5-3-1-4, or (ii) a notice of intent to sell bonds once each week for two (2) weeks in accordance with Indiana Code 5-1-11-2 and Indiana Code 5-3-1-4 and in a newspaper of general circulation published in the State capital, in which case bids may not be received more than ninety (90) days after the first publication. Such notice, or a summary thereof, may also be published in any other publications deemed appropriate in the discretion of the Controller. The bond sale notice shall state the time and place of sale, the purpose for which the Refunding Bonds are being issued, the total amount and maturities thereof, the maximum rate of interest thereon and any limitations as to the number of interest rates and the setting of such rates, the terms and conditions upon which bids will be received and the sale made, and such other information as the Controller and the attorneys employed by the City shall deem necessary or advisable. Such notice shall provide, among other things, that each bid shall be accompanied by a certified or cashier's check or wire transfer in the amount of one percent of the par amount of the Refunding Bonds to guarantee performance on the part of the bidder, and that in the event the successful bidder shall fail or refuse to accept delivery of and pay for the Refunding Bonds as soon as the Refunding Bonds are ready for delivery, or at the time fixed in the notice of sale, then such check and the proceeds thereof shall become the property of the City and shall be considered as the City's liquidated damages on account of such default.

All bids for the Refunding Bonds shall be sealed and shall be presented to the Controller or his or designee at the physical or electronic address identified in the notice. Bidders for the Refunding Bonds shall be required to name the rate or rates of interest which the Refunding Bonds are to bear, not exceeding four percent (4.0%) per annum. Such interest rate or rates shall be in multiples of one-eighth (1/8) or one-hundredth (1/100) of one percent. Bids specifying more than one interest rate shall also specify the amount and maturities of the Refunding Bonds bearing each rate, and all Refunding Bonds maturing on the same date shall bear the same rate. The rate on any maturity shall be equal to or greater than the rate on the immediately preceding maturity. The Refunding Bonds shall be awarded by the Controller to the best bidder who has submitted a bid in accordance with the terms of this Ordinance and the notice of sale. The best bidder will be the bidder who offers the lowest net interest cost to the City, to be determined by computing the total interest on all of the Refunding Bonds from the date thereof to their respective maturities and deducting therefrom the premium bid, if any. No bid for less than all of the Refunding Bonds, plus accrued interest to the date of delivery, shall be considered. The City shall have the right to reject any and all bids. In the event an acceptable bid is not received on the date fixed in the notice, the Controller shall be authorized to continue the sale from day to day for a period of not to exceed thirty (30) days without readvertising. During the continuation of the sale, no bid shall be accepted which offers an interest cost which is equal to or higher than the best bid received at the time originally fixed for the sale of the Refunding Bonds in the bond sale notice.

As an alternative to competitive bid, the Controller may negotiate the sale of said Refunding Bonds at an interest rate or rates not exceeding four percent (4.0%) per annum. The Mayor and the Controller are hereby authorized to (i) execute a purchase agreement with the purchaser, and (ii) sell such Refunding Bonds upon such terms as are acceptable to the Mayor and the Controller consistent with the terms of this Ordinance. The final form of the purchase agreement shall be approved by the Mayor and Controller, upon the advice of the City's bond counsel and Municipal Advisor, and the Mayor and Controller are hereby authorized and directed to complete, execute and attest the same on behalf of the City so long as its provisions are consistent with the Ordinance.

The Controller is hereby authorized to appoint a financial institution to serve as escrow agent (the "Escrow Agent") for the 2017 Lease in accordance with the terms of an Escrow Agreement between the City and the Escrow Agent (the "Escrow Agreement"). The final form of the Escrow Agreement shall be approved by the Mayor and Controller, upon the advice of the City's bond counsel and Municipal Advisor, and the Mayor and the Controller are hereby

authorized and directed to complete, execute and attest the same on behalf of the City so long as its provisions are consistent with this Ordinance and the purchase agreement.

The execution, by either the Mayor, Controller, or the purchaser of the Refunding Bonds of a subscription for investments of proceeds of the Refunding Bonds to be held under the Escrow Agreement in a manner consistent with this Ordinance is hereby authorized and approved.

Prior to the delivery of the Refunding Bonds, the Controller (i) shall be authorized, but not required, to investigate and to obtain insurance, surety bonds and/or credit ratings on the Refunding Bonds and (ii) shall obtain a legal opinion as to the validity of the Refunding Bonds from Barnes & Thornburg LLP, Indianapolis, Indiana, bond counsel for the City, and such opinion shall be furnished to the purchasers of the Refunding Bonds at the expense of the City. The costs of obtaining any such insurance, surety bonds and/or credit ratings, together with bond counsel's fee in preparing and delivering such opinion and in the performance of related services in connection with the issuance, sale and delivery of the Refunding Bonds, shall be considered as a part of the cost of issuance of the Refunding Bonds and shall be paid out of the proceeds of the sale of the Refunding Bonds..

SECTION 8. Use of Refunding Bond Proceeds. Proceeds of the Refunding Bonds shall be applied as follows and in the following order of priority:

(a) *First*, concurrently with the delivery of the Refunding Bonds, the Controller may acquire (subject to the terms of the 2017 Lease), with the proceeds of the Refunding Bonds and cash on hand, direct obligations of, or obligations the principal and interest on which are unconditionally guaranteed by, the United States of America (the "Government Obligations"), to be used, together with certain cash from the proceeds of the Refunding Bonds and cash on hand, if any, as set forth in the Escrow Agreement, to refund and legally defease the 2017 Lease all as set forth in the Escrow Agreement. In order to refund the 2017 Lease, the Controller shall deposit the Government Obligations and certain cash, if any, with the Escrow Agent under the Escrow Agreement in an amount sufficient to provide moneys for the payment of all outstanding amounts dues, plus the redemption premium, with respect to the 2017 Lease until the earliest date upon which the 2017 Lease may be prepaid. As an alternative to purchasing Government Obligations, the Controller, with the advice of the Municipal Advisor, may deposit proceeds of the Refunding Bonds and cash on hand with the Escrow Agent in an amount sufficient to currently refund, legally defease and prepay the 2017 Lease. If required for the legal defeasance of the 2017 Lease, the Controller shall obtain a verification of an accountant as to the sufficiency of the Government Obligations (if any) and funds deposited in the irrevocable escrow account created under the Escrow Agreement (the "Escrow Account") to accomplish said refunding and legal defeasance of the 2017 Lease.

(b) *Second*, if proceeds of the Refunding Bonds will be used to fund all or a portion of the Reserve Account (as defined herein), the Controller shall transfer such proceeds to the Reserve Account of the Sinking Fund, as hereinafter described.

(c) *Third*, the remaining proceeds of the Refunding Bonds shall be applied by the Controller to the cost of issuance of the Refunding Bonds not otherwise paid. When all the costs of issuance of the Refunding Bonds have been paid, the Controller shall then transfer any amount then remaining from the proceeds of the Refunding Bonds to the hereinafter described Sinking Fund to pay debt service on the Refunding Bonds or otherwise used as permitted by law.

SECTION 9. Funds and Accounts. (a) Sinking Fund. There is hereby created a separate fund, designated as the "City of Bloomington, Indiana, General Revenue Annual Appropriation Refunding Bonds of 2021, Sinking Fund" (the "Sinking Fund"), which shall consist of an account created and designated as the "Revenues Account" (the "Revenues Account"). Prior to the sale of the Refunding Bonds, the Controller is authorized to create an account within the Sinking Fund designated as the "Debt Service Reserve Account" (the "Reserve Account"), as provided in the following paragraph. Funds deposited into the Sinking Fund shall be applied to the payment of the principal of and interest on the Refunding Bonds, together with any fiscal or administrative charges related to the Refunding Bonds.

(b) Revenues Account. There shall be deposited by the Controller into the Revenues Account, as and when received, all revenues appropriated by the Common Council for transfer and deposit into the Sinking Fund during such fiscal year for the purpose of paying the principal

of, premium, if any, and interest on the Refunding Bonds, together with any fiscal agency charges, as the same becomes due. Nothing herein should be construed as requiring the Common Council or any other board, department, agency, commission or special taxing district of the City to appropriate and transfer any legally available revenues to the Revenues Account from any source, other than any revenues annually appropriated by the Common Council for such purpose. Moneys in the Revenues Account shall be used by the Paying Agent solely for the purpose of paying the interest, premium, if any, and principal on the Refunding Bonds as such becomes due, whether at maturity or upon redemption. Any amounts appropriated and deposited in the Revenues Account are hereby irrevocably pledged by the City to the payment of the Refunding Bonds, such pledge being effective as set forth in Indiana Code § 5-1-14-4 without the necessity of filing or recording this Ordinance or any instrument except in the records of the City. The Mayor and the Controller are authorized to enter into agreements or undertakings as the Mayor and the Controller deem necessary or appropriate to further effectuate such pledge of amounts hereunder. If necessary in order to facilitate the deposit of any revenues or other funds so appropriated by the Common Council into the Revenues Account, the Mayor is hereby authorized to execute, and the Controller is authorized to attest, a revenue deposit agreement, in a form and substance acceptable to the Mayor and Controller, based upon the advice of the City's bond counsel, with such approval to be conclusively evidenced by the execution thereof by Mayor and attested by the Controller.

(c) Reserve Account. If, at or prior to the sale of the Refunding Bonds, it is determined by the Controller, with the advice of the Municipal Advisor, to be necessary to establish a Reserve Account for the Bonds, then the Reserve Account shall be established, and there shall be set aside from the proceeds of such series of Refunding Bonds or other legally available money of the City and deposited in the Reserve Account an amount of money that shall be required to maintain the Reserve Account in the full amount of the Reserve Requirement (as defined below). If so established, no deposit need be made in the Reserve Account so long as there shall be on deposit therein a sum no greater than the least of (i) 10% of the stated principal amount or the issue price of the Refunding Bonds, determined in accordance with U.S. Treasury Regulation Section 1.148-2(f)(2)(ii), (ii) the maximum annual principal and interest requirements on the Refunding Bonds, and (iii) 125% of the average annual principal and interest requirements on the Refunding Bonds (the "Reserve Requirement"), with the amount of any such Reserve Requirement to be determined by the Controller prior to the sale of the Refunding Bonds, based on the recommendation of the Municipal Advisor. All money in the Reserve Account shall be used and withdrawn by the City solely for the purpose of making deposits into the Revenues Account, in the event of any deficiency at any time in such account, or for the purpose of paying the interest on or principal of or redemption premiums, if any, on the Refunding Bonds, in the event that no other money is lawfully available therefor. Any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account and deposited in the Revenues Account. Money in the Reserve Account shall also be available to make the final payments of interest and principal on the Refunding Bonds. At its option, the City may satisfy the Reserve Requirement (if so established) with a surety bond, letter of credit or other financial instrument on terms and conditions recommended by the Municipal Advisor, so long as the provider of any such surety bond, letter of credit or other credit facility is rated, solely at the time such credit instrument is issued, in one of the two highest rating categories by any rating agency then rating the Refunding Bonds.

(d) Annual Appropriation Certification and Request. By no later than July 15 of each year, so long as the Refunding Bonds remain outstanding, the Controller of the City shall certify to the Mayor and the Common Council the aggregate amount of principal, interest and any fiscal agency charges coming due on the Refunding Bonds on July 1 of the calendar year immediately following such annual certification and on January 1 of the second calendar year following such annual certification, together with any amount necessary to restore the balance in the Reserve Account (if so established) to the Reserve Requirement. The Mayor and the Controller shall use their best efforts to include each year as a part of the proposed annual budget for the following budget year an appropriation of revenues from one or more accounts of the City in an amount sufficient to ensure timely payment of debt service and fiscal agency charges on the Refunding Bonds when due, together with any amount necessary to restore the balance in the Reserve Account to the Reserve Requirement, if necessary. For the avoidance of doubt, the Common Council has no legal obligation to appropriate any such legally available revenues from any fund or account of the City for such purpose, and the decision whether to make an appropriation in its annual budget for such purpose is within the sole discretion of the Common Council. If such amounts are so appropriated each year, the Common Council will transfer, or cause to be transferred, any such

amount to the Sinking Fund at times and in amounts sufficient to pay in full the debt service payments on the Refunding Bonds, including any amount necessary to restore the Reserve Account, if so established.

SECTION 10. Defeasance. If, when the Refunding Bonds or any portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Refunding Bonds or any portion thereof for redemption have been given, and the whole amount of the principal and the interest so due and payable upon such Refunding Bonds or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, the principal of and the interest on which when due without reinvestment will provide sufficient money, or (iii) any combination of the foregoing, shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment, then and in that case the Refunding Bonds or such designated portion thereof shall no longer be deemed outstanding or secured by this Ordinance.

SECTION 11. Tax Covenants. If the Refunding Bonds are issued on a tax-exempt basis, in order to preserve the exclusion of interest on the Refunding Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Refunding Bonds, the City represents, covenants and agrees that:

(a) The City will not take any action or fail to take any action with respect to the Refunding Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Refunding Bonds pursuant to Section 103 of the Internal Revenue Code of 1986 as in effect on the date of issuance of the Refunding Bonds (the “Code”), including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on Refunding Bond proceeds or other monies treated as Refunding Bond proceeds to the federal government as provided in Section 148 of the Code, and will set aside such monies, which may be paid from investment income on funds and accounts notwithstanding anything else to the contrary herein, in trust for such purposes.

(b) The City will file an information report Form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

(c) The City will not make any investment or do any other act or thing during the period that any Refunding Bond is outstanding hereunder which would cause any Refunding Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the Refunding Bonds.

Notwithstanding any other provisions of this Ordinance, the foregoing covenants and authorizations (the “Tax Sections”) which are designed to preserve the exclusion of interest on the Refunding Bonds from gross income under federal income tax law (the “Tax Exemption”) need not be complied with to the extent the City receives an opinion of nationally recognized bond counsel that compliance with such Tax Section is unnecessary to preserve the Tax Exemption.

SECTION 12. Amendments. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Refunding Bonds then outstanding shall have the right, from time to time, to consent to and approve the adoption by the City of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or interest on any Refunding Bond, without the consent of the holder of each Refunding Bond so affected; or

(b) A reduction in the principal amount of any Refunding Bond or the rate of interest thereon, or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each Refunding Bond so affected; or

(c) A preference or priority of any Refunding Bond over any other Refunding Bond, without the consent of the holders of all Refunding Bonds then outstanding; or

(d) A reduction in the aggregate principal amount of the Refunding Bonds required for consent to such supplemental ordinance, without the consent of the holders of all Refunding Bonds then outstanding.

If the City shall desire to obtain any such consent, it shall cause the Registrar to mail a notice, postage prepaid, to the addresses appearing on the registration books held by the Registrar. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the Refunding Bonds. The Registrar shall not, however, be subject to any liability to any owners of the Refunding Bonds by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental ordinance when consented to and approved as herein provided.

Whenever at any time within one year after the date of the mailing of such notice, the City shall receive any instrument or instruments purporting to be executed by the owners of the Refunding Bonds of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the Refunding Bonds then outstanding, which instrument or instruments shall refer to the proposed supplemental ordinance described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar, thereupon, but not otherwise, the City may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the Refunding Bonds, whether or not such owners shall have consented thereto.

No owner of any Refunding Bond shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the City or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the City and all owners of Refunding Bonds then outstanding, shall thereafter be determined exercised and enforced in accordance with this Ordinance, subject in all respects to such modifications and amendments.

Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the City and of the owners of the Refunding Bonds, and the terms and provisions of the Refunding Bonds and this Ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the Refunding Bonds then outstanding.

Without notice to or consent of the owners of the Refunding Bonds, the City may, from time to time and at any time, adopt such ordinances supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental ordinances shall thereafter form a part hereof),

(a) To cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance; or

(b) To grant to or confer upon the owners of the Refunding Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Refunding Bonds; or

(c) To procure a rating on the Refunding Bonds from a nationally recognized securities rating agency designated in such supplemental ordinance, if such supplemental ordinance will not adversely affect the owners of the Refunding Bonds; or

(d) To obtain or maintain Refunding Bond insurance with respect to the Refunding Bonds; or

(e) To provide for the refunding or advance refunding of the Refunding Bonds;
or

(f) To make any other change which, in the determination of the Common Council in its sole discretion, is not to the prejudice of the owners of the Refunding Bonds.

SECTION 13. Official Statement. Any series of the Refunding Bonds may be offered and sold pursuant to an Official Statement (preliminary and final) or other offering document with respect to such Refunding Bonds (collectively, the “Official Statement”), to be made available and distributed in such manner, at such times, for such periods and in such number of copies as may be required pursuant to Rule 15c2-12, as amended, promulgated by the United States Securities and Exchange Commission (the “Rule”) and any and all applicable rules and regulations of the Municipal Securities Rulemaking Board, to the extent applicable to the Refunding Bonds. The City hereby authorizes the Mayor or Controller (a) to authorize and approve a Preliminary Official Statement, as the same may be appropriately confirmed, modified and amended for distribution as the Preliminary Official Statement of the City with respect to the Refunding Bonds, (b) on behalf of the City, to designate the Preliminary Official Statement a “final” Official Statement of the City with respect to the Refunding Bonds, and (c) to authorize and approve the Preliminary Official Statement to be placed into final form and enter into such agreements or arrangements as may be necessary or advisable in order to provide for the distribution of a sufficient number of copies of the Official Statement under the Rule.

SECTION 14. Continuing Disclosure Contract. If required under the Rule, the Common Council hereby approves, and authorizes and directs the Mayor and the Controller, for and on behalf of the City, to execute and deliver, and to perform the obligations of the City under, a Continuing Disclosure Contract from the City to each registered owner or holder of any Refunding Bond (the “Continuing Disclosure Contract”). The Mayor and the Controller are authorized to approve the form of the Continuing Disclosure Contract, upon the advice of the City’s bond counsel, with such determination to be conclusively evidenced by such Mayor’s and such Controller’s execution thereof.

SECTION 15. Construction with Other Ordinances. All ordinances, resolutions, and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed. After the issuance of the Refunding Bonds and so long as any of the Refunding Bonds or interest thereon remains unpaid, except as expressly provided herein, this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the holders of the Refunding Bonds, nor shall the City adopt any law, ordinance or resolution which in any way adversely affects the rights of such holders.

SECTION 16. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 17. Non-Business Days. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the City or the city in which the Registrar or Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

SECTION 18. Additional Appropriation. There is hereby appropriated the sum of Thirteen Million One Hundred Thousand Dollars (\$13,100,000), out of the proceeds of the Refunding Bonds, together with all investment earnings thereon, for the purpose of providing funds to pay the costs to refund and prepay the 2017 Lease, including related costs and the costs of issuing the Refunding Bonds, as provided in this Ordinance. Such appropriation shall be in addition to all appropriations provided for in the existing budget and shall continue in effect until the completion of the described purposes.

SECTION 19. Other Actions. Each of the Mayor and the Controller is hereby authorized and directed, for and on behalf of the City, to execute and deliver any agreement, certificate or other instrument or take any other action which such officer determines to be necessary or desirable to carry out the transactions contemplated by this Ordinance, including the filing of a report of an additional appropriation with the Indiana Department of Local Government Finance, which determination shall be conclusively evidenced by such officer’s having executed such agreement, certificate or other instrument or having taken such other action, and any such agreement,

certificate or other instrument heretofore executed and delivered and any such other action heretofore taken are hereby ratified and approved. Pursuant to Indiana Code 5-1-14-18, in connection with the issuance of the Refunding Bonds, the execution of the Refunding Bonds and any other contract, certificate or other document executed and delivered by or on behalf of the City in connection with the issuance of the Refunding Bonds, is authorized to be executed and delivered using electronic signatures (as defined in Indiana Code 26-2-8-102(10), as amended), rather than manual signatures, and any such Refunding Bonds or any other contract, certificate or other document executed and delivered by or on behalf of the City in connection with the issuance of the Refunding Bonds using electronic signatures shall be considered fully legal and valid for all purposes and with the same force and effect as if the execution were performed with manual signatures.

SECTION 20. Captions. The captions in this Ordinance are inserted only as a matter of convenience and reference, and such captions are not intended and shall not be construed to define, limit, establish, interpret or describe the scope, intent or effect of any provision of this Ordinance

SECTION 21. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Indiana, this ____ day of _____, 2021.

JIM SIMS, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Indiana, this ____ day of _____, 2021.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED this ____ day of _____, 2021.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance authorizes the City of Bloomington to issue its General Revenue Annual Appropriation Refunding Bonds of 2021, in one or more series, in the aggregate principal amount not to exceed \$13,100,000, and appropriates the proceeds thereof. The 2021 bonds will be issued to refinance the City's obligations under the Equipment Lease-Purchase Agreement, dated November 30, 2017, between Bank of America Public Capital Corp., as lessor, and the City, as lessee, related to the purchase, installation and financing of certain solar panel systems and related work, all for the purpose of obtaining lower interest costs and a reduction of debt service payments on such outstanding lease payments, thereby achieving significant savings for the City.



**CITY OF BLOOMINGTON
LEGAL DEPARTMENT
MEMORANDUM**

TO: Members of the Common Council of the City of Bloomington
FROM: Jeff Underwood, Controller
Larry Allen, Assistant City Attorney
CC: Stephen Lucas, Council Administrator/Attorney; Heather Lacy, Council
Deputy Administrator/Attorney
DATE: November 3, 2021

RE: Ordinance 21-42: 2021 Refunding Bonds for 2017 Solar Lease

Executive Summary: Ordinance 21-42 is for the issuance of refunding bonds in an aggregate principal amount not to exceed \$13,100,000 and to appropriate the bond proceeds to refund the City's 2017 solar lease/purchase agreement. This refunding will take advantage of lower prevailing market interest rates and will save the City on interest expense associated with the 2017 lease in an estimated gross amount of \$573,000 over the life of the bonds. The actual amount of gross interest expense savings will not be determined until the date of the bond sale.

Background:

In 2017, the Common Council approved Resolution 17-41 for an equipment lease purchase agreement for installation of solar panels by Energy Systems Group, LLC as part of a Guaranteed Savings Agreement approved in Resolution 17-34. The lease was for an aggregate principal amount that was not to exceed \$14,000,000.00. Based on the allocation of solar arrays under the initial phase of the Guaranteed Savings Agreement, the share of the payments under the lease are as follows: CBU pays 53%, Parks pays 32%, and the RDC pays the remaining 15%.

The following locations have solar arrays under this lease agreement:

Bloomington Transit Authority*	Sanitation Department
Police Department Annex	Maintenance Buildings 345 and 545
Fire Stations 1 through 4	Twin Lakes Recreation Center and Sports Park
Morton Street Parking Garage	Frank Southern Ice Arena
Walnut Street Parking Garage	Winslow Sports Complex
4th Street Parking Garage	Mills Pool
Trades District Parking Garage	Thompson RCA Park
City Hall Car Ports	Olcott Park
Banneker Community Center	CBU Headquarters

Dillman Wastewater Treatment Plant	Monroe Water Treatment Plant
Dimension Mill	Street Department
Fleet Maintenance	Bryan Park Pool
Southeast Tank and Booster Station	

*Subject to 2017 interlocal agreement and 2019 Addendum for participation in guaranteed savings program.

Refunding Bonds:

Similar to certain bonds, the City's solar lease is subject to refinancing through a process called refunding. When a bond is refunded, the entity that issued the bonds issues new bonds, and uses the proceeds from those new bonds (which will have a lower interest rate than the current outstanding bonds/lease) to pay off the old debt.

The City has the opportunity to refund the 2017 Solar Lease/Purchase by issuing refunding bonds in an aggregate principal amount not to exceed \$13,100,000.00. This is expected to have a gross interest expense savings to the City of approximately \$573,000 (which takes into account all transaction expenses necessary to achieve the refunding). The net present value (NPV) of those estimated gross savings, calculated by taking the sum of the gross savings over a period of time and discounting it at a constant rate, is just over \$501,000. Here, the NPV savings estimate is calculated from 2023 through 2038 and discounted at a rate of 1.79% (see page 9 in the Memorandum from Krohn & Associates and Baird). Under the Government Finance Officers Association's best practices for debt management and the State of Indiana's own Debt Management Plan, when considering whether to refund outstanding bonds, the NPV savings should generally be at least 3% of the principal amount of the refunded bonds. As shown on page 10 in the Memorandum from Krohn & Associates and Baird, the NPV savings, measured as a percentage of the principal amount of the 2017 Lease, is approximately 4.42%.

These refunding bonds will be revenue bonds, subject to annual appropriation by the Council of revenues to pay debt service, and are not subject to any tax increase or tax pledge. Because they are revenue bonds, the City will pay the payments due for bond service out of the budgets of CBU, Parks and Recreation, and the Redevelopment Commission respectively. The share of the payments from the departments and RDC should remain the same as under the current lease.

It is estimated that the bonds will be sold as both serial and term bonds with staggered maturity dates from 2022 through 2038. This means that there will be various dates that the City would owe the face value (also called the "principal amount" or "par value") of the bond to the purchaser as can be seen on pages 11 and 12 of the Memorandum from Krohn & Associates and Baird.

The estimated coupon rate (annual interest rate) for the refunding bonds is 3%. The maximum interest rate for this issuance shall not exceed 4%. The coupon rate is the

interest rate the City will pay annually on the par value of the bond to purchasers of the bond. For example, for a bond with a par/face value of \$5,000, the coupon rate of 3% would equal \$150 per year of interest that would be paid out to the purchaser.

The true interest cost is estimated at 2.09% for this refunding. The true interest cost is calculated by taking the net present value of the interest paid over the life of all of the bonds, which will mature at different rates, and the costs of issuing the refunding bonds. In other words, the total cost of issuance is discounted to its equivalent in today's dollars and expressed as a percentage of the total principal amount.

**BLOOMINGTON GENERAL REVENUE ANNUAL APPROPRIATION
REFUNDING BONDS OF 2021**

**MEMORANDUM
OCTOBER 25, 2021**

Description of Bonds to be Refunded:

The refunding of the 2017 Tax Exempt Lease/Purchase Agreement (Solar Project) offers the City an opportunity to reduce the overall debt service. The proposed transaction would eliminate the Lease/Purchase Agreement and move the debt into a tax exempt bond. The Security on the proposed 2021 refunding bond will remain the same as the prior Lease/Purchase Agreement. By executing this transaction the City would be benefiting from the financial savings and keeping the same pledges in place.

Current Market Conditions:

The turmoil in the bond market due to the Corona Virus (COVID-19) has created enormous demand in the municipal bond markets which resulted in interest rates dropping to record lows. Over the last 6-10 months the current bond rates have moved up slightly from those record lows. However, rates are still extremely low and as a result have provided an opportunity for the City to capitalize on the opportunity to refinance its current debt and reduce the cost of borrowing. Based upon current market rates, the refunding bonds are anticipated to produce combined net present value savings exceeding \$501k. (See attached savings schedule)

Comments on Expected Gross & Net Savings:

The spread between the current annual total debt service payments amounts to nearly \$36k. The proposed payment structure provides for level debt service with annual debt service payments staying within just a few thousand dollars each year. The reduction in debt service payments over the life of the proposed refunding bonds is approximately \$573K. The Net Present Value (NPV) of the cumulative savings is estimated at approximately \$501k.

Coupon Rates, Premium Bonds & Yields:

The interest rate on the Lease/Purchase Agreement is 2.97%. The coupon rates on the proposed refunding bonds are anticipated to be 3.0% with a net interest cost (yield) of 1.95% and a true interest cost (factoring in issuance costs) of approximately 2.09%. The proposed refunding structure presented by Baird for these bonds includes a bond premium of \$662k. Issuing premium bonds will drive up the coupon rates on the refunding bonds. The tax-exempt refunding bonds have a weighted average maturity (WAM) of 8.92 years. The final maturity dates are the same for the current and proposed refunding bonds (1/1/2038).

Procedures after Council Authorization to Closing on the proposed Refunding Bonds:

Obviously, the Council's authorization must occur before any other activities can be completed. The Preliminary Official Statement is essentially completed, except for inserting signed documents and the S&P Bond Rating. Therefore, the next step will be to complete the S&P bond rating process. Once the rating has

been assigned, a date will be set for the bond sale. We are on track to have a bond sale immediately after the S&P Bond Rating is issued.

The actual market conditions on the day of the bond sale is where the “rubber meets the road”. All illustrations leading up to the actual bond sale are just that – illustrations. If savings are materially less than anticipated, a decision would need to be made as to whether to proceed with the refunding or not. The City Controller would be the designated person to make that call.

Should anyone receiving this Memorandum have questions or comments in advance of the next City Council meeting, please do not hesitate to contact me, Bruce Donaldson or Jeff Underwood.

Otto “Buzz” Krohn buzz@owkcpa.com 317-626-8822

Bruce Donaldson bruce.donaldson@btlaw.com 317-341-0155

Jeff Underwood underwoj@bloomington.in.gov 812-349-3416

TABLE OF CONTENTS

City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Report	Page
Sources and Uses of Funds	1
Summary of Bonds Refunded	2
Prior Bond Debt Service	3
Bond Debt Service	4
Savings	6
Summary of Refunding Results	7
Bond Pricing	8
Spread to Municipal Grade Yield	9
Call Provisions	10
Bond Summary Statistics	11
Form 8038 Statistics	12
Escrow Requirements	15

SOURCES AND USES OF FUNDS

City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Dated Date 12/14/2021
Delivery Date 12/14/2021

Sources:

Bond Proceeds:	
Par Amount	11,210,000.00
Net Premium	662,518.15
	11,872,518.15

Uses:

Refunding Escrow Deposits:	
Cash Deposit	11,620,244.82
Cost of Issuance:	
Total Cost of Issuance	175,000.00
Underwriter's Discount:	
Underwriter's Discount	72,865.00
Other Uses of Funds:	
Rounding Amount	4,408.33
	11,872,518.15

SUMMARY OF BONDS REFUNDED

City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
2017 Equipment Lease/Purchase Agreement (Solar Panels), BOND:					
	06/30/2022	2.970%	279,263.12	12/30/2021	102.500
	12/30/2022	2.970%	283,410.18	12/30/2021	102.500
	06/30/2023	2.970%	287,618.82	12/30/2021	102.500
	12/30/2023	2.970%	291,889.96	12/30/2021	102.500
	06/30/2024	2.970%	296,224.53	12/30/2021	102.500
	12/30/2024	2.970%	300,623.46	12/30/2021	102.500
	06/30/2025	2.970%	305,087.72	12/30/2021	102.500
	12/30/2025	2.970%	309,618.27	12/30/2021	102.500
	06/30/2026	2.970%	314,216.10	12/30/2021	102.500
	12/30/2026	2.970%	318,882.21	12/30/2021	102.500
	06/30/2027	2.970%	323,617.61	12/30/2021	102.500
	12/30/2027	2.970%	328,423.33	12/30/2021	102.500
	06/30/2028	2.970%	333,300.42	12/30/2021	102.500
	12/30/2028	2.970%	338,249.93	12/30/2021	102.500
	06/30/2029	2.970%	343,272.94	12/30/2021	102.500
	12/30/2029	2.970%	348,370.55	12/30/2021	102.500
	06/30/2030	2.970%	353,543.85	12/30/2021	102.500
	12/30/2030	2.970%	358,793.97	12/30/2021	102.500
	06/30/2031	2.970%	364,122.07	12/30/2021	102.500
	12/30/2031	2.970%	369,529.28	12/30/2021	102.500
	06/30/2032	2.970%	375,016.79	12/30/2021	102.500
	12/30/2032	2.970%	380,585.79	12/30/2021	102.500
	06/30/2033	2.970%	386,237.49	12/30/2021	102.500
	12/30/2033	2.970%	391,973.11	12/30/2021	102.500
	06/30/2034	2.970%	397,793.91	12/30/2021	102.500
	12/30/2034	2.970%	403,701.15	12/30/2021	102.500
	06/30/2035	2.970%	409,696.12	12/30/2021	102.500
	12/30/2035	2.970%	415,780.10	12/30/2021	102.500
	06/30/2036	2.970%	421,954.44	12/30/2021	102.500
	12/30/2036	2.970%	428,220.46	12/30/2021	102.500
	06/30/2037	2.970%	434,579.53	12/30/2021	102.500
	10/30/2037	2.970%	443,227.01	12/30/2021	102.500
			11,336,824.22		

PRIOR BOND DEBT SERVICE

City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/30/2022	279,263.12	2.970%	168,351.84	447,614.96	
12/30/2022	283,410.18	2.970%	164,204.78	447,614.96	
01/01/2023					895,229.92
06/30/2023	287,618.82	2.970%	159,996.14	447,614.96	
12/30/2023	291,889.96	2.970%	155,725.00	447,614.96	
01/01/2024					895,229.92
06/30/2024	296,224.53	2.970%	151,390.44	447,614.97	
12/30/2024	300,623.46	2.970%	146,991.50	447,614.96	
01/01/2025					895,229.93
06/30/2025	305,087.72	2.970%	142,527.24	447,614.96	
12/30/2025	309,618.27	2.970%	137,996.69	447,614.96	
01/01/2026					895,229.92
06/30/2026	314,216.10	2.970%	133,398.86	447,614.96	
12/30/2026	318,882.21	2.970%	128,732.75	447,614.96	
01/01/2027					895,229.92
06/30/2027	323,617.61	2.970%	123,997.35	447,614.96	
12/30/2027	328,423.33	2.970%	119,191.63	447,614.96	
01/01/2028					895,229.92
06/30/2028	333,300.42	2.970%	114,314.54	447,614.96	
12/30/2028	338,249.93	2.970%	109,365.03	447,614.96	
01/01/2029					895,229.92
06/30/2029	343,272.94	2.970%	104,342.02	447,614.96	
12/30/2029	348,370.55	2.970%	99,244.42	447,614.97	
01/01/2030					895,229.93
06/30/2030	353,543.85	2.970%	94,071.11	447,614.96	
12/30/2030	358,793.97	2.970%	88,820.99	447,614.96	
01/01/2031					895,229.92
06/30/2031	364,122.07	2.970%	83,492.90	447,614.97	
12/30/2031	369,529.28	2.970%	78,085.68	447,614.96	
01/01/2032					895,229.93
06/30/2032	375,016.79	2.970%	72,598.17	447,614.96	
12/30/2032	380,585.79	2.970%	67,029.17	447,614.96	
01/01/2033					895,229.92
06/30/2033	386,237.49	2.970%	61,377.48	447,614.97	
12/30/2033	391,973.11	2.970%	55,641.85	447,614.96	
01/01/2034					895,229.93
06/30/2034	397,793.91	2.970%	49,821.05	447,614.96	
12/30/2034	403,701.15	2.970%	43,913.81	447,614.96	
01/01/2035					895,229.92
06/30/2035	409,696.12	2.970%	37,918.85	447,614.97	
12/30/2035	415,780.10	2.970%	31,834.86	447,614.96	
01/01/2036					895,229.93
06/30/2036	421,954.44	2.970%	25,660.52	447,614.96	
12/30/2036	428,220.46	2.970%	19,394.50	447,614.96	
01/01/2037					895,229.92
06/30/2037	434,579.53	2.970%	13,035.43	447,614.96	
10/30/2037	443,227.01	2.970%	4,387.95	447,614.96	
01/01/2038					895,229.92
	11,336,824.22		2,986,854.55	14,323,678.77	14,323,678.77

BOND DEBT SERVICE

City of Bloomington, Indiana
 Annual Appropriation General Revenue Bonds, Series 2021
 Tax-Exempt Current Refunding
 'AA-' S&P Global Ratings
 Interest Rates as of 10/13/2021
 HYPOTHETICAL ILLUSTRATION

Dated Date 12/14/2021
 Delivery Date 12/14/2021

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/01/2022	265,000	3.000%	166,256.37	431,256.37	
01/01/2023	280,000	3.000%	147,934.38	427,934.38	859,190.75
07/01/2023	285,000	3.000%	143,734.38	428,734.38	
01/01/2024	290,000	3.000%	139,459.38	429,459.38	858,193.76
07/01/2024	295,000	3.000%	135,109.38	430,109.38	
01/01/2025	300,000	3.000%	130,684.38	430,684.38	860,793.76
07/01/2025	305,000	3.000%	126,184.38	431,184.38	
01/01/2026	310,000	3.000%	121,609.38	431,609.38	862,793.76
07/01/2026	315,000	3.000%	116,959.38	431,959.38	
01/01/2027	320,000	3.000%	112,234.38	432,234.38	864,193.76
07/01/2027	320,000	3.000%	107,434.38	427,434.38	
01/01/2028	325,000	3.000%	102,634.38	427,634.38	855,068.76
07/01/2028	330,000	3.000%	97,759.38	427,759.38	
01/01/2029	335,000	3.000%	92,809.38	427,809.38	855,568.76
07/01/2029	340,000	3.000%	87,784.38	427,784.38	
01/01/2030	345,000	3.000%	82,684.38	427,684.38	855,468.76
07/01/2030	350,000	3.000%	77,509.38	427,509.38	
01/01/2031	360,000	3.000%	72,259.38	432,259.38	859,768.76
07/01/2031	365,000	3.000%	66,859.38	431,859.38	
01/01/2032	370,000	3.000%	61,384.38	431,384.38	863,243.76
07/01/2032	375,000	3.000%	55,834.38	430,834.38	
01/01/2033	380,000	3.000%	50,209.38	430,209.38	861,043.76
07/01/2033	385,000	3.000%	44,509.38	429,509.38	
01/01/2034	390,000	2.000%	38,734.38	428,734.38	858,243.76
07/01/2034	395,000	2.000%	34,834.38	429,834.38	
01/01/2035	400,000	2.000%	30,884.38	430,884.38	860,718.76
07/01/2035	405,000	2.000%	26,884.38	431,884.38	
01/01/2036	405,000	2.125%	22,834.38	427,834.38	859,718.76
07/01/2036	410,000	2.125%	18,531.25	428,531.25	
01/01/2037	415,000	2.250%	14,175.00	429,175.00	857,706.25
07/01/2037	420,000	2.250%	9,506.25	429,506.25	
01/01/2038	425,000	2.250%	4,781.25	429,781.25	859,287.50
	11,210,000		2,541,003.38	13,751,003.38	13,751,003.38

BOND DEBT SERVICE

City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Dated Date 12/14/2021
Delivery Date 12/14/2021

Period Ending	Principal	Coupon	Interest	Debt Service
01/01/2023	545,000	3.000%	314,190.75	859,190.75
01/01/2024	575,000	3.000%	283,193.76	858,193.76
01/01/2025	595,000	3.000%	265,793.76	860,793.76
01/01/2026	615,000	3.000%	247,793.76	862,793.76
01/01/2027	635,000	3.000%	229,193.76	864,193.76
01/01/2028	645,000	3.000%	210,068.76	855,068.76
01/01/2029	665,000	3.000%	190,568.76	855,568.76
01/01/2030	685,000	3.000%	170,468.76	855,468.76
01/01/2031	710,000	3.000%	149,768.76	859,768.76
01/01/2032	735,000	3.000%	128,243.76	863,243.76
01/01/2033	755,000	3.000%	106,043.76	861,043.76
01/01/2034	775,000	** %	83,243.76	858,243.76
01/01/2035	795,000	2.000%	65,718.76	860,718.76
01/01/2036	810,000	** %	49,718.76	859,718.76
01/01/2037	825,000	** %	32,706.25	857,706.25
01/01/2038	845,000	2.250%	14,287.50	859,287.50
	11,210,000		2,541,003.38	13,751,003.38

SAVINGS

City of Bloomington, Indiana
 Annual Appropriation General Revenue Bonds, Series 2021
 Tax-Exempt Current Refunding
 'AA-' S&P Global Ratings
 Interest Rates as of 10/13/2021
 HYPOTHETICAL ILLUSTRATION

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 12/14/2021 @ 1.7901732%
07/01/2022	447,614.96	431,256.37	16,358.59		16,221.77
01/01/2023	447,614.96	427,934.38	19,680.58	36,039.17	19,338.42
07/01/2023	447,614.96	428,734.38	18,880.58		18,388.62
01/01/2024	447,614.96	429,459.38	18,155.58	37,036.16	17,526.46
07/01/2024	447,614.97	430,109.38	17,505.59		16,749.84
01/01/2025	447,614.96	430,684.38	16,930.58	34,436.17	16,056.63
07/01/2025	447,614.96	431,184.38	16,430.58		15,444.81
01/01/2026	447,614.96	431,609.38	16,005.58	32,436.16	14,912.37
07/01/2026	447,614.96	431,959.38	15,655.58		14,457.32
01/01/2027	447,614.96	432,234.38	15,380.58	31,036.16	14,077.72
07/01/2027	447,614.96	427,434.38	20,180.58		18,300.99
01/01/2028	447,614.96	427,634.38	19,980.58	40,161.16	17,959.07
07/01/2028	447,614.96	427,759.38	19,855.58		17,688.51
01/01/2029	447,614.96	427,809.38	19,805.58	39,661.16	17,487.49
07/01/2029	447,614.96	427,784.38	19,830.58		17,354.20
01/01/2030	447,614.97	427,684.38	19,930.59	39,761.17	17,286.89
07/01/2030	447,614.96	427,509.38	20,105.58		17,283.80
01/01/2031	447,614.96	432,259.38	15,355.58	35,461.16	13,087.80
07/01/2031	447,614.97	431,859.38	15,755.59		13,309.12
01/01/2032	447,614.96	431,384.38	16,230.58	31,986.17	13,588.16
07/01/2032	447,614.96	430,834.38	16,780.58		13,923.37
01/01/2033	447,614.96	430,209.38	17,405.58	34,186.16	14,313.15
07/01/2033	447,614.97	429,509.38	18,105.59		14,755.98
01/01/2034	447,614.96	428,734.38	18,880.58	36,986.17	15,250.32
07/01/2034	447,614.96	429,834.38	17,780.58		14,235.44
01/01/2035	447,614.96	430,884.38	16,730.58	34,511.16	13,277.00
07/01/2035	447,614.97	431,884.38	15,730.59		12,373.72
01/01/2036	447,614.96	427,834.38	19,780.58	35,511.17	15,416.98
07/01/2036	447,614.96	428,531.25	19,083.71		14,742.49
01/01/2037	447,614.96	429,175.00	18,439.96	37,523.67	14,119.38
07/01/2037	447,614.96	429,506.25	18,108.71		13,743.03
01/01/2038	447,614.96	429,781.25	17,833.71	35,942.42	14,414.91
	14,323,678.77	13,751,003.38	572,675.39	572,675.39	497,085.77

Savings Summary

PV of savings from cash flow	497,085.77
Plus: Refunding funds on hand	4,408.33
Net PV Savings	501,494.10

SUMMARY OF REFUNDING RESULTS

City of Bloomington, Indiana
 Annual Appropriation General Revenue Bonds, Series 2021
 Tax-Exempt Current Refunding
 'AA-' S&P Global Ratings
 Interest Rates as of 10/13/2021
 HYPOTHETICAL ILLUSTRATION

Dated Date	12/14/2021
Delivery Date	12/14/2021
Arbitrage yield	1.790173%
Escrow yield	0.000000%
Value of Negative Arbitrage	
Bond Par Amount	11,210,000.00
True Interest Cost	1.899493%
Net Interest Cost	1.955567%
All-In TIC	2.091150%
Average Coupon	2.546495%
Average Life	8.901
Par amount of refunded bonds	11,336,824.22
Average coupon of refunded bonds	2.955194%
Average life of refunded bonds	8.915
PV of prior debt to 12/14/2021 @ 1.790173%	12,398,218.69
Net PV Savings	501,494.10
Percentage savings of refunded bonds	4.423585%
Percentage savings of refunding bonds	4.473632%

BOND PRICING

City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:									
	07/01/2022	265,000	3.000%	0.320%	101.463				3,876.95
	01/01/2023	280,000	3.000%	0.420%	102.692				7,537.60
	07/01/2023	285,000	3.000%	0.480%	103.879				11,055.15
	01/01/2024	290,000	3.000%	0.500%	105.085				14,746.50
	07/01/2024	295,000	3.000%	0.540%	106.214				18,331.30
	01/01/2025	300,000	3.000%	0.610%	107.204				21,612.00
	07/01/2025	305,000	3.000%	0.680%	108.117				24,756.85
	01/01/2026	310,000	3.000%	0.780%	108.827				27,363.70
	07/01/2026	315,000	3.000%	0.840%	109.616				30,290.40
	01/01/2027	320,000	3.000%	0.960%	110.027				32,086.40
	07/01/2027	320,000	3.000%	1.040%	110.537				33,718.40
	01/01/2028	325,000	3.000%	1.200%	110.468				34,021.00
	07/01/2028	330,000	3.000%	1.240%	111.034				36,412.20
	01/01/2029	335,000	3.000%	1.380%	110.842				36,320.70
	07/01/2029	340,000	3.000%	1.430%	111.193				38,056.20
	01/01/2030	345,000	3.000%	1.530%	111.089				38,257.05
	07/01/2030	350,000	3.000%	1.570%	111.395				39,882.50
		5,310,000							448,324.90
Term Bond 2031:									
	01/01/2031	360,000	3.000%	1.670%	111.124 C	1.731%	01/01/2031	100.000	40,046.40
	07/01/2031	365,000	3.000%	1.670%	111.124 C	1.731%	01/01/2031	100.000	40,602.60
		725,000							80,649.00
Term Bond 2032:									
	01/01/2032	370,000	3.000%	1.760%	110.328 C	1.914%	01/01/2031	100.000	38,213.60
	07/01/2032	375,000	3.000%	1.760%	110.328 C	1.914%	01/01/2031	100.000	38,730.00
		745,000							76,943.60
Term Bond 2033:									
	01/01/2033	380,000	3.000%	1.840%	109.626 C	2.059%	01/01/2031	100.000	36,578.80
	07/01/2033	385,000	3.000%	1.840%	109.626 C	2.059%	01/01/2031	100.000	37,060.10
		765,000							73,638.90
Term Bond 2034:									
	01/01/2034	390,000	2.000%	2.000%	100.000				
	07/01/2034	395,000	2.000%	2.000%	100.000				
		785,000							
Term Bond 2035:									
	01/01/2035	400,000	2.000%	2.100%	98.825				-4,700.00
	07/01/2035	405,000	2.000%	2.100%	98.825				-4,758.75
		805,000							-9,458.75
Term Bond 2036:									
	01/01/2036	405,000	2.125%	2.200%	99.070				-3,766.50
	07/01/2036	410,000	2.125%	2.200%	99.070				-3,813.00
		815,000							-7,579.50
Term Bond 2038:									
	01/01/2037	415,000	2.250%	2.250%	100.000				
	07/01/2037	420,000	2.250%	2.250%	100.000				
	01/01/2038	425,000	2.250%	2.250%	100.000				
		1,260,000							
		11,210,000							662,518.15

Dated Date	12/14/2021	
Delivery Date	12/14/2021	
First Coupon	07/01/2022	
Par Amount	11,210,000.00	
Premium	662,518.15	
Production	11,872,518.15	105.910064%
Underwriter's Discount	-72,865.00	-0.650000%
Purchase Price	11,799,653.15	105.260064%
Accrued Interest		
Net Proceeds	11,799,653.15	

SPREAD TO MUNICIPAL GRADE YIELD

City of Bloomington, Indiana
 Annual Appropriation General Revenue Bonds, Series 2021
 Tax-Exempt Current Refunding
 'AA-' S&P Global Ratings
 Interest Rates as of 10/13/2021
 HYPOTHETICAL ILLUSTRATION

Component	Maturity Date	Rate	Yield	AAA Scale (10/13/2021)	Credit Spread
Serial Bonds:					
	07/01/2022	3.000%	0.320%	0.120%	0.200%
	01/01/2023	3.000%	0.420%	0.170%	0.250%
	07/01/2023	3.000%	0.480%	0.180%	0.300%
	01/01/2024	3.000%	0.500%	0.200%	0.300%
	07/01/2024	3.000%	0.540%	0.240%	0.300%
	01/01/2025	3.000%	0.610%	0.280%	0.330%
	07/01/2025	3.000%	0.680%	0.350%	0.330%
	01/01/2026	3.000%	0.780%	0.430%	0.350%
	07/01/2026	3.000%	0.840%	0.490%	0.350%
	01/01/2027	3.000%	0.960%	0.580%	0.380%
	07/01/2027	3.000%	1.040%	0.660%	0.380%
	01/01/2028	3.000%	1.200%	0.800%	0.400%
	07/01/2028	3.000%	1.240%	0.840%	0.400%
	01/01/2029	3.000%	1.380%	0.930%	0.450%
	07/01/2029	3.000%	1.430%	0.980%	0.450%
	01/01/2030	3.000%	1.530%	1.050%	0.480%
	07/01/2030	3.000%	1.570%	1.090%	0.480%
Term Bond 2031:					
	01/01/2031	3.000%	1.670%	1.170%	0.500%
	07/01/2031	3.000%	1.670%	1.170%	0.500%
Term Bond 2032:					
	01/01/2032	3.000%	1.760%	1.210%	0.550%
	07/01/2032	3.000%	1.760%	1.210%	0.550%
Term Bond 2033:					
	01/01/2033	3.000%	1.840%	1.240%	0.600%
	07/01/2033	3.000%	1.840%	1.240%	0.600%
Term Bond 2034:					
	01/01/2034	2.000%	2.000%	1.280%	0.720%
	07/01/2034	2.000%	2.000%	1.280%	0.720%
Term Bond 2035:					
	01/01/2035	2.000%	2.100%	1.310%	0.790%
	07/01/2035	2.000%	2.100%	1.310%	0.790%
Term Bond 2036:					
	01/01/2036	2.125%	2.200%	1.340%	0.860%
	07/01/2036	2.125%	2.200%	1.340%	0.860%
Term Bond 2038:					
	01/01/2037	2.250%	2.250%	1.370%	0.880%
	07/01/2037	2.250%	2.250%	1.370%	0.880%
	01/01/2038	2.250%	2.250%	1.370%	0.880%

CALL PROVISIONS

City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Call Table: CALL

Call Date	Call Price
01/01/2031	100.00

Call Provisions Setup

Bond Component	Call Table	Callable Dates
Serial Bonds	CALL	Any Date
Term Bond 2031	CALL	Any Date
Term Bond 2032	CALL	Any Date
Term Bond 2033	CALL	Any Date
Term Bond 2034	CALL	Any Date
Term Bond 2035	CALL	Any Date
Term Bond 2036	CALL	Any Date
Term Bond 2038	CALL	Any Date

BOND SUMMARY STATISTICS

City of Bloomington, Indiana
 Annual Appropriation General Revenue Bonds, Series 2021
 Tax-Exempt Current Refunding
 'AA-' S&P Global Ratings
 Interest Rates as of 10/13/2021
 HYPOTHETICAL ILLUSTRATION

Dated Date	12/14/2021
Delivery Date	12/14/2021
Last Maturity	01/01/2038
Arbitrage Yield	1.790173%
True Interest Cost (TIC)	1.899493%
Net Interest Cost (NIC)	1.955567%
NIC w/Interest only	2.546495%
NIC w/Interest & OID	1.882545%
NIC w/Interest, OID & Und. Discount	1.955567%
All-In TIC	2.091150%
Average Coupon	2.546495%
Average Life (years)	8.901
Weighted Average Maturity (years)	8.795
Duration of Issue (years)	7.894
Par Amount	11,210,000.00
Bond Proceeds	11,872,518.15
Total Interest	2,541,003.38
Net Interest	1,951,350.23
Total Debt Service	13,751,003.38
Maximum Annual Debt Service	864,193.76
Average Annual Debt Service	856,908.64

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds	5,310,000.00	108.443	3.000%	4.730	2,533.05
Term Bond 2031	725,000.00	111.124	3.000%	9.299	645.25
Term Bond 2032	745,000.00	110.328	3.000%	10.299	655.60
Term Bond 2033	765,000.00	109.626	3.000%	11.299	665.55
Term Bond 2034	785,000.00	100.000	2.000%	12.299	863.50
Term Bond 2035	805,000.00	98.825	2.000%	13.299	933.80
Term Bond 2036	815,000.00	99.070	2.125%	14.299	1,010.60
Term Bond 2038	1,260,000.00	100.000	2.250%	15.551	1,688.40
	11,210,000.00			8.901	8,995.75

	TIC	All-In TIC	Arbitrage Yield
Par Value	11,210,000.00	11,210,000.00	11,210,000.00
+ Accrued Interest			
+ Premium (Discount)	662,518.15	662,518.15	662,518.15
- Underwriter's Discount	-72,865.00	-72,865.00	
- Cost of Issuance Expense		-175,000.00	
- Other Amounts			
Target Value	11,799,653.15	11,624,653.15	11,872,518.15
Target Date	12/14/2021	12/14/2021	12/14/2021
Yield	1.899493%	2.091150%	1.790173%

FORM 8038 STATISTICS
City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Dated Date 12/14/2021
Delivery Date 12/14/2021

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds:						
	07/01/2022	265,000.00	3.000%	101.463	268,876.95	265,000.00
	01/01/2023	280,000.00	3.000%	102.692	287,537.60	280,000.00
	07/01/2023	285,000.00	3.000%	103.879	296,055.15	285,000.00
	01/01/2024	290,000.00	3.000%	105.085	304,746.50	290,000.00
	07/01/2024	295,000.00	3.000%	106.214	313,331.30	295,000.00
	01/01/2025	300,000.00	3.000%	107.204	321,612.00	300,000.00
	07/01/2025	305,000.00	3.000%	108.117	329,756.85	305,000.00
	01/01/2026	310,000.00	3.000%	108.827	337,363.70	310,000.00
	07/01/2026	315,000.00	3.000%	109.616	345,290.40	315,000.00
	01/01/2027	320,000.00	3.000%	110.027	352,086.40	320,000.00
	07/01/2027	320,000.00	3.000%	110.537	353,718.40	320,000.00
	01/01/2028	325,000.00	3.000%	110.468	359,021.00	325,000.00
	07/01/2028	330,000.00	3.000%	111.034	366,412.20	330,000.00
	01/01/2029	335,000.00	3.000%	110.842	371,320.70	335,000.00
	07/01/2029	340,000.00	3.000%	111.193	378,056.20	340,000.00
	01/01/2030	345,000.00	3.000%	111.089	383,257.05	345,000.00
	07/01/2030	350,000.00	3.000%	111.395	389,882.50	350,000.00
Term Bond 2031:						
	01/01/2031	360,000.00	3.000%	111.124	400,046.40	360,000.00
	07/01/2031	365,000.00	3.000%	111.124	405,602.60	365,000.00
Term Bond 2032:						
	01/01/2032	370,000.00	3.000%	110.328	408,213.60	370,000.00
	07/01/2032	375,000.00	3.000%	110.328	413,730.00	375,000.00
Term Bond 2033:						
	01/01/2033	380,000.00	3.000%	109.626	416,578.80	380,000.00
	07/01/2033	385,000.00	3.000%	109.626	422,060.10	385,000.00
Term Bond 2034:						
	01/01/2034	390,000.00	2.000%	100.000	390,000.00	390,000.00
	07/01/2034	395,000.00	2.000%	100.000	395,000.00	395,000.00
Term Bond 2035:						
	01/01/2035	400,000.00	2.000%	98.825	395,300.00	400,000.00
	07/01/2035	405,000.00	2.000%	98.825	400,241.25	405,000.00
Term Bond 2036:						
	01/01/2036	405,000.00	2.125%	99.070	401,233.50	405,000.00
	07/01/2036	410,000.00	2.125%	99.070	406,187.00	410,000.00
Term Bond 2038:						
	01/01/2037	415,000.00	2.250%	100.000	415,000.00	415,000.00
	07/01/2037	420,000.00	2.250%	100.000	420,000.00	420,000.00
	01/01/2038	425,000.00	2.250%	100.000	425,000.00	425,000.00
		11,210,000.00			11,872,518.15	11,210,000.00
	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	01/01/2038	2.250%	425,000.00	425,000.00		
Entire Issue			11,872,518.15	11,210,000.00	8.7947	1.7902%

FORM 8038 STATISTICS

City of Bloomington, Indiana
Annual Appropriation General Revenue Bonds, Series 2021
Tax-Exempt Current Refunding
'AA-' S&P Global Ratings
Interest Rates as of 10/13/2021
HYPOTHETICAL ILLUSTRATION

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	247,865.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to refund prior tax-exempt bonds	11,620,244.82
Proceeds used to refund prior taxable bonds	0.00
Remaining WAM of prior tax-exempt bonds (years)	8.9153
Remaining WAM of prior taxable bonds (years)	0.0000
Last call date of refunded tax-exempt bonds	12/30/2021

2011 Form 8038 Statistics

Proceeds used to currently refund prior issues	11,620,244.82
Proceeds used to advance refund prior issues	0.00
Remaining weighted average maturity of the bonds to be currently refunded	8.9153
Remaining weighted average maturity of the bonds to be advance refunded	0.0000

FORM 8038 STATISTICS

City of Bloomington, Indiana
 Annual Appropriation General Revenue Bonds, Series 2021
 Tax-Exempt Current Refunding
 'AA-' S&P Global Ratings
 Interest Rates as of 10/13/2021
 HYPOTHETICAL ILLUSTRATION

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
2017 Equipment Lease/Purchase Agreement (Solar Panels):					
BOND	06/30/2022	279,263.12	2.970%	100.000	279,263.12
BOND	12/30/2022	283,410.18	2.970%	100.000	283,410.18
BOND	06/30/2023	287,618.82	2.970%	100.000	287,618.82
BOND	12/30/2023	291,889.96	2.970%	100.000	291,889.96
BOND	06/30/2024	296,224.53	2.970%	100.000	296,224.53
BOND	12/30/2024	300,623.46	2.970%	100.000	300,623.46
BOND	06/30/2025	305,087.72	2.970%	100.000	305,087.72
BOND	12/30/2025	309,618.27	2.970%	100.000	309,618.27
BOND	06/30/2026	314,216.10	2.970%	100.000	314,216.10
BOND	12/30/2026	318,882.21	2.970%	100.000	318,882.21
BOND	06/30/2027	323,617.61	2.970%	100.000	323,617.61
BOND	12/30/2027	328,423.33	2.970%	100.000	328,423.33
BOND	06/30/2028	333,300.42	2.970%	100.000	333,300.42
BOND	12/30/2028	338,249.93	2.970%	100.000	338,249.93
BOND	06/30/2029	343,272.94	2.970%	100.000	343,272.94
BOND	12/30/2029	348,370.55	2.970%	100.000	348,370.55
BOND	06/30/2030	353,543.85	2.970%	100.000	353,543.85
BOND	12/30/2030	358,793.97	2.970%	100.000	358,793.97
BOND	06/30/2031	364,122.07	2.970%	100.000	364,122.07
BOND	12/30/2031	369,529.28	2.970%	100.000	369,529.28
BOND	06/30/2032	375,016.79	2.970%	100.000	375,016.79
BOND	12/30/2032	380,585.79	2.970%	100.000	380,585.79
BOND	06/30/2033	386,237.49	2.970%	100.000	386,237.49
BOND	12/30/2033	391,973.11	2.970%	100.000	391,973.11
BOND	06/30/2034	397,793.91	2.970%	100.000	397,793.91
BOND	12/30/2034	403,701.15	2.970%	100.000	403,701.15
BOND	06/30/2035	409,696.12	2.970%	100.000	409,696.12
BOND	12/30/2035	415,780.10	2.970%	100.000	415,780.10
BOND	06/30/2036	421,954.44	2.970%	100.000	421,954.44
BOND	12/30/2036	428,220.46	2.970%	100.000	428,220.46
BOND	06/30/2037	434,579.53	2.970%	100.000	434,579.53
BOND	10/30/2037	443,227.01	2.970%	100.000	443,227.01
11,336,824.22					11,336,824.22

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
2017 Equipment Lease/Purchase Agreement (Solar Panels)	12/30/2021	11/30/2017	8.9153
All Refunded Issues	12/30/2021		8.9153

ESCROW REQUIREMENTS

City of Bloomington, Indiana
 Annual Appropriation General Revenue Bonds, Series 2021
 Tax-Exempt Current Refunding
 'AA-' S&P Global Ratings
 Interest Rates as of 10/13/2021
 HYPOTHETICAL ILLUSTRATION

Period Ending	Principal Redeemed	Redemption Premium	Total
12/30/2021	11,336,824.22	283,420.60	11,620,244.82
	11,336,824.22	283,420.60	11,620,244.82



MEMO FROM COUNCIL OFFICE ON:

Ordinance 21-43 – To Amend Title 15 of the Bloomington Municipal Code Entitled “Vehicles and Traffic” – Re: Amending Section 15.32.090 to adjust the time of a limited parking zone on Second Street; Sections 15.12.010, 15.12.030, 15.16.010, 15.20.020, 15.32.100, and 15.37.020 to reflect the changing of the name of Jordan Avenue to Eagleson Avenue; Sections 15.32.030 and 15.32.080 to add angle parking and no parking zones to Illinois Court; Section 15.32.100, and Schedule O “Loading Zones,” to add one loading zone to E. Seventh Street.

Synopsis

This ordinance amends Title 15, “Vehicles and Traffic,” of the Bloomington Municipal Code and comes forth at the request of City staff and the Parking and Traffic Commissions. The ordinance makes the following changes:

- It changes the time limit of a limited parking zone on Second Street.
- It amends the code to reflect the changing of the name of Jordan Avenue to Eagleson Avenue.
- It adds angle parking and no parking zones to W. Illinois Court.
- It adds a loading zone to E. Seventh Street.

Relevant Materials

- [Ordinance 21-43](#)
- Memo from staff
- Maps of affected locations

Summary

Ordinance 21-43 proposes to amend several sections of Title 15 (“Vehicles and Traffic”) of the Bloomington Municipal Code (“BMC”), accessible online here: [BMC](#). The amendments to Title 15 (excepting Section 5, which adds one loading zone) were presented to the Traffic Commission and the Parking Commission, who voted in favor of forwarding the amendments to Council with a positive recommendation.

There are five (5) sections of the ordinance that make text changes to Title 15. The changes made by the ordinance, in brief, are listed below.

Section 1 changes the Schedule N (“Limited Parking Zones”) time limit for parking on Second Street between Fess Avenue and 170’ East of Fess from one (1) hour to two (2) hours to within [BMC 15.32.090 - Limited Parking Zones](#)



Section 2 deletes “Jordan Avenue” or “Jordan” and replaces it with “Eagleson Avenue” or “Eagleson” in the following sections of the BMC: [15.12.010](#) (“Stop Intersections”); [15.12.030](#) (“Signalized Intersections”); [15.16.010](#) (“One-Way Streets”); [15.20.020](#) (“Restricted Turns at Signalized Intersections”); [15.32.080](#) (“No Parking Zones”); [15.32.100](#) (“Loading Zones”); and [15.37.020](#) (“Applicability”). Pursuant to [BMC 20.06.020\(c\)\(1\)\(R\)](#) and [Indiana Code Section 36-7-4-405\(c\)](#), the City of Bloomington Plan Commission (BPC) has the authority to rename the streets within the City. On September 13, 2021, the BPC approved renaming Jordan Avenue to Eagleson Avenue citing the name’s racist history, related to David Starr Jordan, a proponent of the eugenics movement. The name Eagleson was chosen in honor of a prominent Bloomington Black family of four generations whose members made significant contributions to the City, Indiana University, the State, and the nation. Section 2 of [Ordinance 21-43](#) seeks to update the BMC to reflect the BPC’s renaming of Jordan Avenue to Eagleson Avenue.

Section 3 changes Schedule L (“Angle Parking”) of [15.32.030](#) by adding angle parking on W. Illinois Court from 100’ East of N. Illinois Street to 190’ East of N. Illinois Street. This change effectively codifies what residents have been practicing for years.

Section 4 adds the following two no parking zones to [15.32.080](#) Schedule M (“No Parking Zones”).

1. W. Illinois Court from N. Illinois Street to 100’ east of N. Illinois Street (south side of street); and
2. W. Illinois Court from N. Illinois Street to 190’ east of N. Illinois Street (north side of street).

Section 5 changes [15.32.100](#) Schedule O (“Loading Zones”) to add a loading zone on East Seventh Street. This change arises out of ongoing coordination with businesses adjacent to the 7th Street multimodal improvements from the B-Line Trail to Woodlawn Avenue, and addresses the need for a loading zone near the restaurant Butch’s Grillacatessen & Eatzeria.

Contact

Amir Farshchi, Long Range Planner, 812-349-3423, farshchs@bloomington.in.gov
(questions sent to Amir may be directed to other staff members as needed)

ORDINANCE 21- 43

TO AMEND TITLE 15 OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED "VEHICLES AND TRAFFIC"

- Re: Amending Section 15.32.090 to adjust the time of a limited parking zone on Second Street; Sections 15.12.010, 15.12.030, 15.16.010, 15.20.020, 15.32.080, 15.32.100 and 15.37.020 to reflect the changing of the name of Jordan Avenue to Eagleson Avenue; Sections 15.32.030 and 15.32.080 to add angle parking and no parking zones to Illinois Court; Section 15.32.100, and Schedule O, “Loading Zones,” to add one loading zone to E. Seventh Street

WHEREAS, the Parking Commission, Plan Commission, Traffic Commission, and City staff from the Planning and Transportation, Engineering, Parking Services division of Public Works, and Legal departments recommend certain changes be made in Title 15 of the Bloomington Municipal Code entitled “Vehicles and Traffic,”

NOW THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. Section 15.32.090, entitled “Schedule N, Limited Parking Zones,” shall be amended by removing the following language and adding the following language:

**SCHEDULE N
LIMITED PARKING ZONES**

Remove:

Street	From	To	Side of Street	Limit
Second St.	Fess Avenue	170' East of Fess	South	1 Hr (16)

Add:

Street	From	To	Side of Street	Limit
Second St.	Fess Avenue	170' West of Fess	South	2 Hr (17)

Add to Legend:

(17) 8 a.m. to 9:00 p.m. Monday through Saturday.

SECTION 2. Sections 15.12.010, entitled “Stop intersections;” 15.12.030, entitled “Signalized intersections;” 15.16.010. entitled “One-way streets;” 15.20.020, entitled “Restricted turns at signalized intersections;”15.32.080, entitled “No parking zones;” 15.32.100, entitled “Loading Zones;” and 15.37.020, entitled “Applicability” shall each be amended to delete “Jordan Avenue” or “Jordan” and replace these terms with “Eagleson Avenue” or “Eagleson.”

SECTION 3. Section 15.32.030, Schedule L, entitled “Angle Parking,” shall be amended by adding the following:

**SCHEDULE L
ANGLE PARKING**

Add:

Street	From	To	Side of Street	Angle Type
W. Illinois Ct.	100' East of N. Illinois St.	190' East of N. Illinois St.	South, East and North	Pull In

SECTION 4. Section 15.32.080, Schedule M, entitled “No parking zones,” shall be amended by adding the following:

**SCHEDULE M
NO PARKING ZONES**

Add:

Street	From	To	Side of Street	Time of Restriction
W. Illinois Ct.	N. Illinois St.	100' east of N. Illinois St.	South	Any Time
W. Illinois Ct.	N. Illinois St.	190' east of N. Illinois St.	North	Any Time

SECTION 5. Section 15.32.100, Schedule O, “Loading Zones,” shall be amended by adding the following:

**SCHEDULE O
LOADING ZONES**

Add:

120	Block of East Seventh Street from approximately 70' to 90' west of North Washington Street on the south side.
-----	---

SECTION 6. If any section, sentence or provision of this ordinance, or application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions or application of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 7. With the exception of Section 2, this ordinance shall be in effect after its passage by the Common Council and approval of the Mayor, any required publication, and, as necessary, other promulgation in accordance with the law. Section 2 shall go into effect on February 1, 2022.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2021.

JIM SIMS, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2021.

NICOLE BOLDEN, Clerk,
City of Bloomington

SIGNED and APPROVED by me upon this ____ day of _____, 2021.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance amends Title 15, “Vehicles and Traffic,” of the Bloomington Municipal Code and comes forth at the request of City staff and the Parking and Traffic Commissions. The ordinance makes the following changes:

- It changes the time limit of a limited parking zone on Second Street.
- It amends the code to reflect the changing of the name of Jordan Avenue to Eagleson Avenue.
- It adds angle parking and no parking zones to W. Illinois Court.
- It adds a loading zone to E. Seventh Street.

To: Common Council
MEMO

Ordinance #: 21-
Date: 10/22/21

From: Andrew Cibor, City Engineer; Raye Ann Cox, Parking Enforcement Supervisor; Amir Farshchi, Long Range Planner; Neil Kopper, Senior Project Engineer; Barbara E. McKinney, Assistant City Attorney; Beth Rosenbarger, Planning Services Manager; Michelle Wahl, Parking Services Director

Request: Title 15 Amendments -- Changes to Schedules

REPORT

The City staff from the Planning and Transportation, Engineering, Parking Services division of Public Works, and Legal departments have compiled a number of recommendations for changes to Title 15, the vehicle and traffic section of the Bloomington Municipal Code. Link to the current Title 15 of the Bloomington Municipal Code:

https://library.municode.com/in/bloomington/codes/code_of_ordinances?nodeId=TIT15VETR

The purpose of these recommendations is to address issues that have come to staff's attention through public requests, commissions' recommendations, or 180-day orders. The ordinance amending Title 15 and respective maps are included in the meeting packet. These requests for changes to Title 15 were presented to the Traffic Commission (with the exception of Section 5) and Parking Commission. The Traffic and Parking Commissions voted to forward with a positive recommendation to the Common Council.

The ordinance includes the following changes:

- Section 1 changes the time limit of a limited parking zone on East 2nd Street. *Amir Farshchi*
 - Changing the 11 parking spaces enforcement hours and limitations in front of 614 East 2nd Street, Elm Restaurant, from Monday - Saturday, 9:00 am - 9:00 pm, 1-hour limited free parking to Monday - Saturday, 8:00 am - 9:00 pm, 2-hour limited free parking.
 - The Parking Resolution 21-03 for this case was presented to the Parking Commission on March 25, 2021 by Amir Farshchi, the resolution was passed 7-0-0.
- Section 2 amends the code to reflect the changing of the name of Jordan Avenue to Eagleson Avenue. *Beth Rosenbarger*
 - The street name change of Jordan Avenue from Davis Street to East 17th Street to Eagleson Avenue was reviewed and approved by the Plan Commission at their regular hearing on September 13, 2021, case number RS-25-21. This is to replace

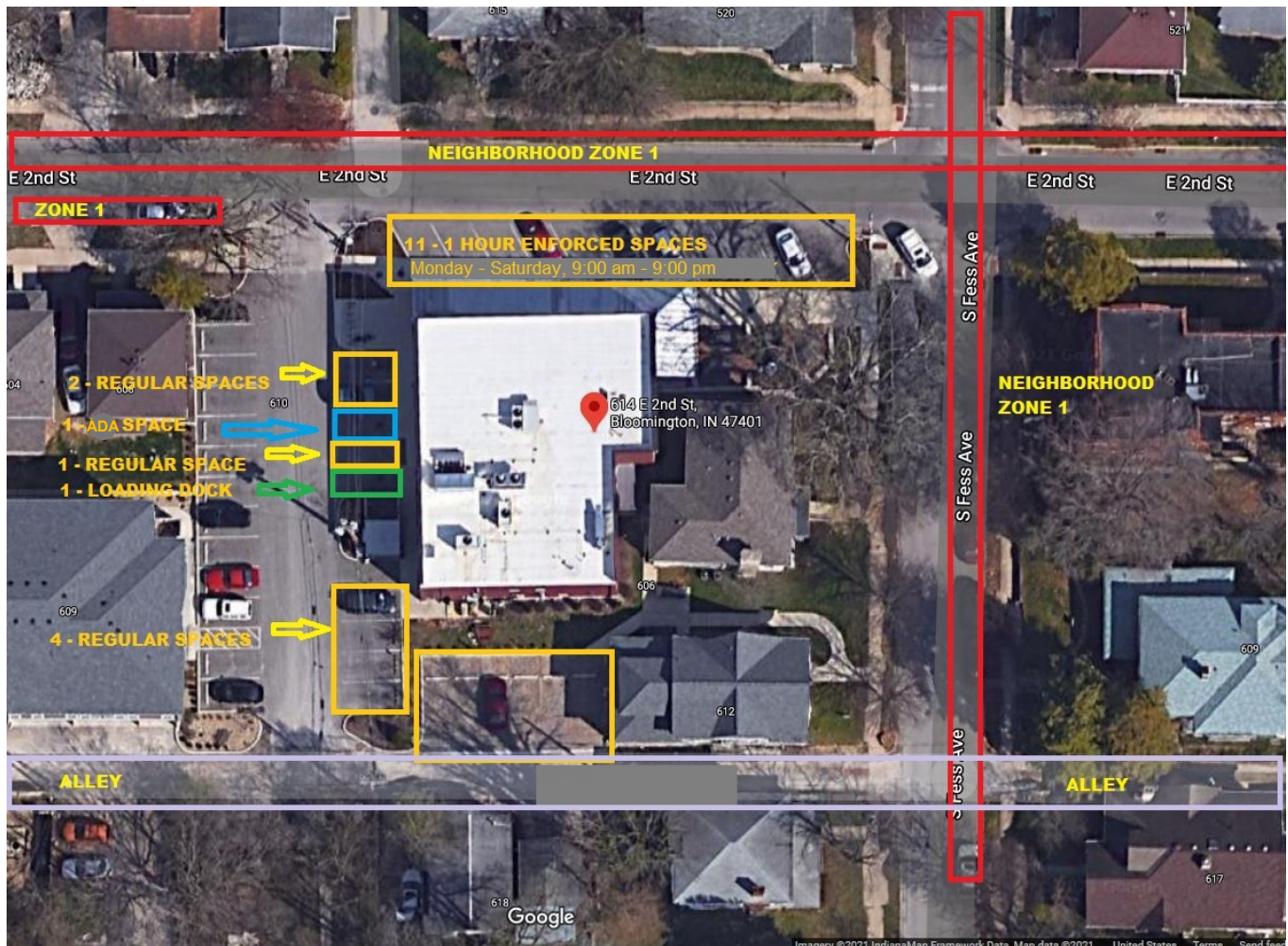
the existing street name in code and update all references to accurately reflect the new street name of Eagleson Avenue.

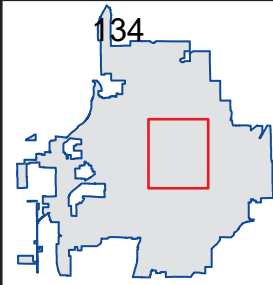
- Section 3 and 4 add angle parking and no parking zones to West Illinois Court. *Neil Kopper, Andrew Cibor*
 - The changes effectively codify what residents practiced for years.
 - This request originated from community concerns. The area residents requested the changes in response to an increase in parking demand and parking related challenges on Illinois Court that started after improvements were made to the Crestmont Park Playground.
 - The changes were also requested by the Bloomington Police Department to assist in their response in the area.
 - Adding Approximately 21 Angle Parking Spaces on West Illinois Ct. from 100 feet East of N. Illinois Street to 190 feet east of North Illinois Street, Pull In Angle Type. One of the parking spaces will be designated an ADA parking space with an access aisle to an existing sidewalk ramp.
 - Adding 1 No Parking Zone on West Illinois Ct. from North Illinois Street to 100 feet east of North Illinois Street, on the south side of street.
 - Adding 1 No Parking Zone on West Illinois Court from North Illinois Street to 190 feet east of North Illinois Street, on the north side of street
 - The 180-Day Order 21-01 for this case was issued on July 26, 2021.
- Section 5 adds a loading zone at approximately 120 East Seventh Street. *Neil Kopper, Andrew Cibor*
 - The City is in the process of constructing multimodal improvements on 7th Street from the B-Line Trail to Woodlawn Avenue. The improvements include installation of a two-way protected bicycle lane on the south side of the street.
 - As a result of ongoing coordination with adjacent businesses, a loading zone was requested near the restaurant Butch's Grillacatessen & Eatzeria.
 - Staff reviewed the design and were able to identify a suitable location to install a loading zone which meets the desires of the adjacent business owner.
 - Staff recommends that this area be designated as a 24/7 loading zone.
 - The Parking Commission will review this request at their regular meeting on October 28, 2021.

Recommendation: Staff recommends that the Common Council adopts the changes to Title 15.

Changing 11 Parking Spaces Enforcement in front of 614 E. 2nd Street

From Monday - Saturday, 9:00 am - 9:00 pm, 1-hour limited free parking to Monday - Saturday, 8:00 am - 9:00 pm, 2-hour limited free parking.

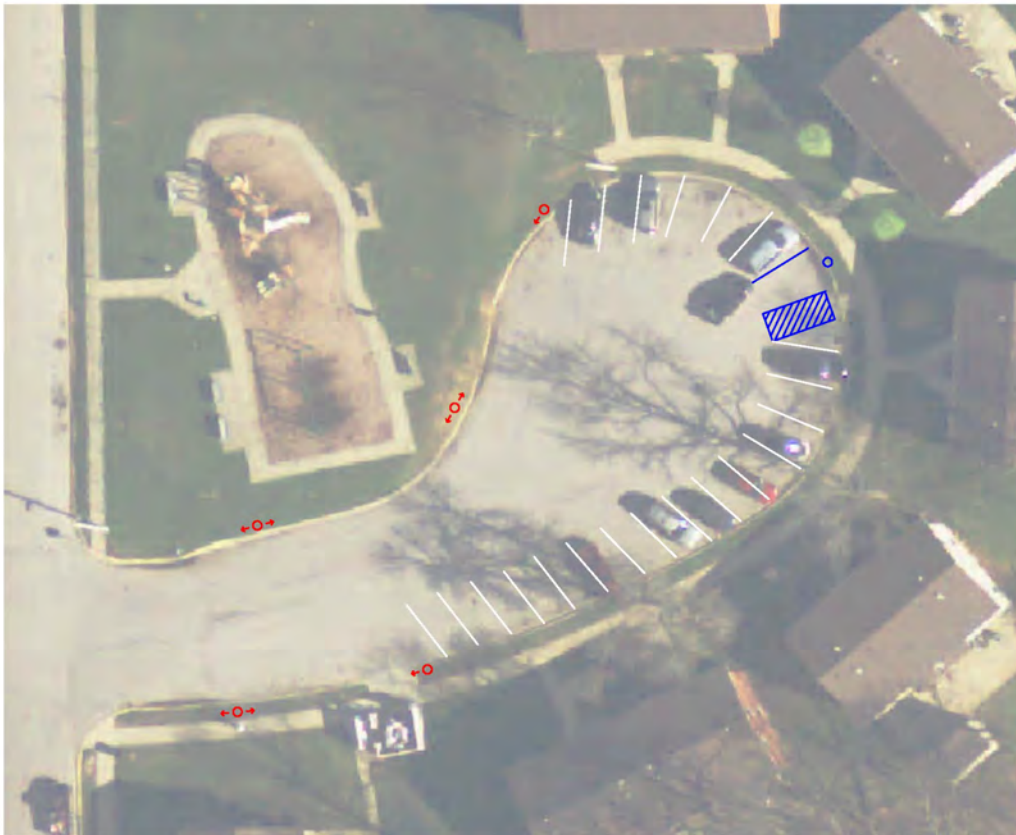




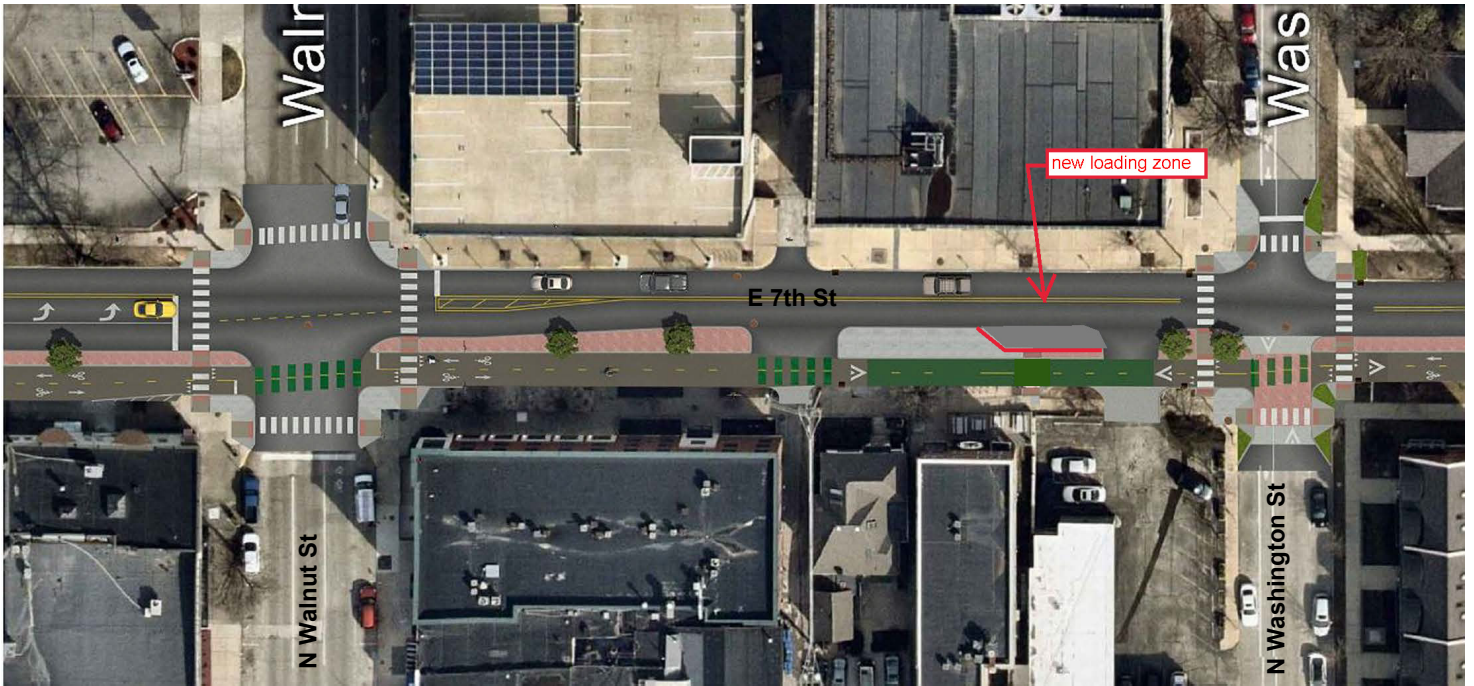
- Adding Approximately 21 Angle Parking Spaces on W. Illinois Ct. from 100 feet East of N. Illinois St. to 190 feet East of N. Illinois St.
- Adding 1 No Parking Zone on W. Illinois Ct. from N. Illinois St. to 100 feet east of N. Illinois St., South Side of Street
- Adding 1 No Parking Zone on W. Illinois Ct. from N. Illinois St. to 190 feet east of N. Illinois St., North Side of Street



Angle Parking Sketch



--Adding 1 Loading Zone at approximately 120 East Seventh Street from approximately 70' to 90' west of North Washington Street on the south side.





MEMO FROM COUNCIL OFFICE ON:

Ordinance 21-44 - To Amend Title 15 of the Bloomington Municipal Code Entitled "Vehicles And Traffic" Re: Amending Chapter 15.32 to add a new schedule for reserved motorcycle parking; Section 15.37.210 to clarify that the parking services director or designee may sell up to 80 employee parking permits, total, in zones 4 and 5; Section 15.40.019, to provide that vehicles with accessible decals, placards or plates may park in assessable parking spaces designated for electric vehicles, whether or not the vehicle is electric or is being charged; and Section 15.48.070, to delete the administrative fee for towed vehicles

Synopsis

This Ordinance amends Title 15, Vehicles and Traffic, of the Bloomington Municipal Code and comes forth at the request of City staff and the Parking Commissions. The ordinance makes the following changes:

- It creates a new schedule designating on-street reserved motorcycle parking.
- It allows the parking services director to sell a total of 80 employee parking permits annually in Zones 4 and 5, total, instead of a maximum of 40 spaces in each zone.
- It clarifies that anyone with a disability placard, plate or decal may park in accessible parking spaces designated for electric vehicles, regardless of whether they have an electric vehicle or are charging the vehicle.
- It deletes the administrative towing fee currently paid to Bloomington Police Department.

Relevant Materials

- [Ordinance 21-33](#)
- Memo from staff
- Maps of affected locations

Summary

Ordinance 21-44 proposes to amend four (4) sections of Title 15 ("Vehicles and Traffic") of the Bloomington Municipal Code ("BMC"), accessible online [here](#). These amendments were presented to the Parking Commission on September 23, 2021. The Commission voted to forward the amendments to the Council with a positive recommendation.

Section 1 of the ordinance adds a new section to [Chapter 15.32](#) ("Parking Controls") entitled "Reserved motorcycle parking." This section adds two (2) reserved motorcycle parking spaces on West 6th Street and codifies one reserved motorcycle parking space on West Kirkwood Avenue.



City of Bloomington Indiana

City Hall | 401 N. Morton St. | Post Office Box 100 | Bloomington, Indiana 47402

Office of the Common Council | (812) 349-3409 | Fax: (812) 349-3570 | email: council@bloomington.in.gov

Section 2 of the ordinance amends [Section 15.37.210](#) (“Downtown employee parking permits”) to allow the Parking Services Director to sell a total of 80 employee parking spaces in Zones 4 and 5, instead of a maximum of 40 spaces in each zone.

Section 3 of the ordinance amends [Section 15.40.019](#) (“Garage parking space reserved for electric vehicles”) and clarifies that persons with a disability placard, plate or decal may park in accessible parking spaces designated for electric vehicles, regardless of whether they have an electric vehicle or are charging an electric vehicle.

Section 4 of the ordinance deletes [Section 15.48.070](#) (“Administrative fee”) in its entirety. It should be noted that staff will revisit the matter of administrative towing fees after parking enforcement has negotiated new contracts with towing companies.

Contact

Michelle Wahl, Parking Services Director, 812-349-3410, michelle.wahl@bloomington.in.gov

ORDINANCE 21- 44

TO AMEND TITLE 15 OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED "VEHICLES AND TRAFFIC "

- Re: Amending Chapter 15.32 to add a new schedule for reserved motorcycle parking; Section 15.37.210 to clarify that the parking services director or designee may sell up to 80 employee parking permits, total, in zones 4 and 5; Section 15.40.019, to provide that vehicles with accessible decals, placards or plates may park in accessible parking spaces designated for electric vehicles, whether or not the vehicle is electric or is being charged; and Section 15.48.070, to delete the administrative fee for towed vehicles

WHEREAS, the Parking Commission and City staff from the Planning and Transportation, Engineering, Parking Services division of Public Works, and Legal departments recommend certain changes be made in Title 15 of the Bloomington Municipal Code entitled “Vehicles and Traffic,”

NOW THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. Chapter 15.32, entitled “Parking Controls” shall be amended by adding a new Section 15.32.190, entitled “Reserved motorcycle parking”, which shall be listed in the table of contents for the Chapter and shall read as follows:

15.32.190 Reserved motorcycle parking

The streets or parts of streets described in Schedule S, attached hereto and made a part thereof, are designed as reserved motorcycle parking spaces.

Schedule S				
Reserved motorcycle parking				
Street	From	To	Side of Street	Number of Spaces
112 W Sixth St	Alley	18 feet west of alley	North	2
100 W Kirkwood Ave	38 feet east of College Ave	45 feet east of College Ave	North	1

SECTION 2. Section 15.37.210, entitled “Downtown employee parking permits,” shall be amended by deleting the first sentence of the introductory paragraph and replacing it with the following:

The parking services director, or his, her or their designee, may issue and collect a fee for up to eighty employee parking permits total annually in zones 4 and 5, to businesses or employees of businesses located within an area bounded by S. Washington Street on the west side, S. Indiana Street on the east side, E. 3rd Street on the south side and E. 6th Street on the north side.

SECTION 3. Section 15.40.019, entitled “Garage parking space reserved for electric vehicles,” shall be amended by deleting the current subsection (b) and replacing it with the following:

(b) Any regular parking space designated for electric vehicles may be used only by an electric vehicle that is being charged in that parking space. Any accessible parking space, as defined by BMC 15.32.150, designated for electric vehicles may be used by any motor vehicle displaying an unexpired registration plate, placard or decal for a person with a physical disability or for a physically disabled veteran, as defined by BMC 15.34.030, regardless of whether the vehicle has an electric motor or is being charged.

SECTION 4. Section 15.48.070, entitled “Administrative Fee,” shall be deleted in its entirety, with the table of contents for the Chapter being updated accordingly.

SECTION 5. If any section, sentence or provision of this ordinance, or application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions or application of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 6. This ordinance shall be in effect after its passage by the Common Council and approval of the Mayor, any required publication, and, as necessary, other promulgation in accordance with the law.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2021.

JIM SIMS, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2021.

NICOLE BOLDEN, Clerk,
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2021.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance amends Title 15, “Vehicles and Traffic,” of the Bloomington Municipal Code and comes forth at the request of City staff and the Parking Commissions. The ordinance makes the following changes:

- It creates a new schedule designating on-street reserved motorcycle parking.
- It allows the parking services director to sell a total of 80 employee parking permits annually in Zones 4 and 5, total, instead of a maximum of 40 spaces in each zone.
- It clarifies that anyone with a disability placard, plate or decal may park in accessible parking spaces designated for electric vehicles, regardless of whether they have an electric vehicle or are charging the vehicle.
- It deletes the administrative towing fee currently paid to Bloomington Police Department.

To: Common Council
MEMO

Ordinance #: 21-
Date: October 19, 2021

From: Andrew Cibor, City Engineer; Raye Ann Cox, Parking Enforcement Supervisor; Amir Farshchi, Long Range Planner; Neil Kopper, Senior Project Engineer; Barbara E. McKinney, Assistant City Attorney; Beth Rosenbarger, Planning Services Manager; Michelle Wahl, Parking Services Director

Request: Title 15 Amendments

REPORT

The City staff from the Planning and Transportation, Engineering, Parking Services division of Public Works, and Legal departments have compiled a number of recommendations for changes to Title 15, the vehicle and traffic section of the Bloomington Municipal Code. Link to the current Title 15 of the Bloomington Municipal Code:

https://library.municode.com/in/bloomington/codes/code_of_ordinances?nodeId=TIT15VETR

The purpose of these recommendations is to address issues that have come to staff's attention through public requests and commissions' recommendations. The ordinance amending Title 15 and respective maps are included in the meeting packet. This request for changes to Title 15 was presented to the Parking Commission on September 23, 2021. The Parking Commissions voted to forward with a positive recommendation to the Common Council.

The ordinance includes the following changes:

- Section 1 creates a new schedule designating on-street reserved motorcycle parking.
Michelle Wahl, Raye Ann Cox
 - Adding 2 Reserved Motorcycle Parking Spaces on 112 West 6th Street. The Parking Resolution 21-05 for this case was presented to the Parking Commission on July 22, 2021 by Raye Ann Cox and Michelle Wahl, the resolution was passed 7-0-0.
 - Codifying 1 Reserved Motorcycle Parking Spaces on 100 West Kirkwood Avenue.
- Section 2 allows the parking services director to sell a total of 80 employee parking permits annually in Zones 4 and 5, total, instead of a maximum of 40 spaces in each zone.
Michelle Wahl, Raye Ann Cox
- Section 3 clarifies that anyone with a disability placard, plate or decal may park in accessible parking spaces designated for electric vehicles, regardless of whether they have an electric vehicle or are charging the vehicle. *Michelle Wahl, Raye Ann Cox*
 - 4th Street Garage and Trades District Garage were designed with ADA spaces and electric vehicle charging stations sharing the same spaces. This was

inadvertently missed in the design and was determined that it had to remain for the accessible parking space to be in compliance.

- Section 4 deletes the administrative towing fee currently paid to Bloomington Police Department. *Michelle Wahl, Raye Ann Cox*
 - This section is being deleted because parking enforcement is no longer part of the Bloomington Police Department. Once parking enforcement has negotiated new contracts with towing companies, city staff plans to revisit the administrative towing fee issue.

Recommendation: Staff recommends that the Common Council adopts the changes to Title 15.

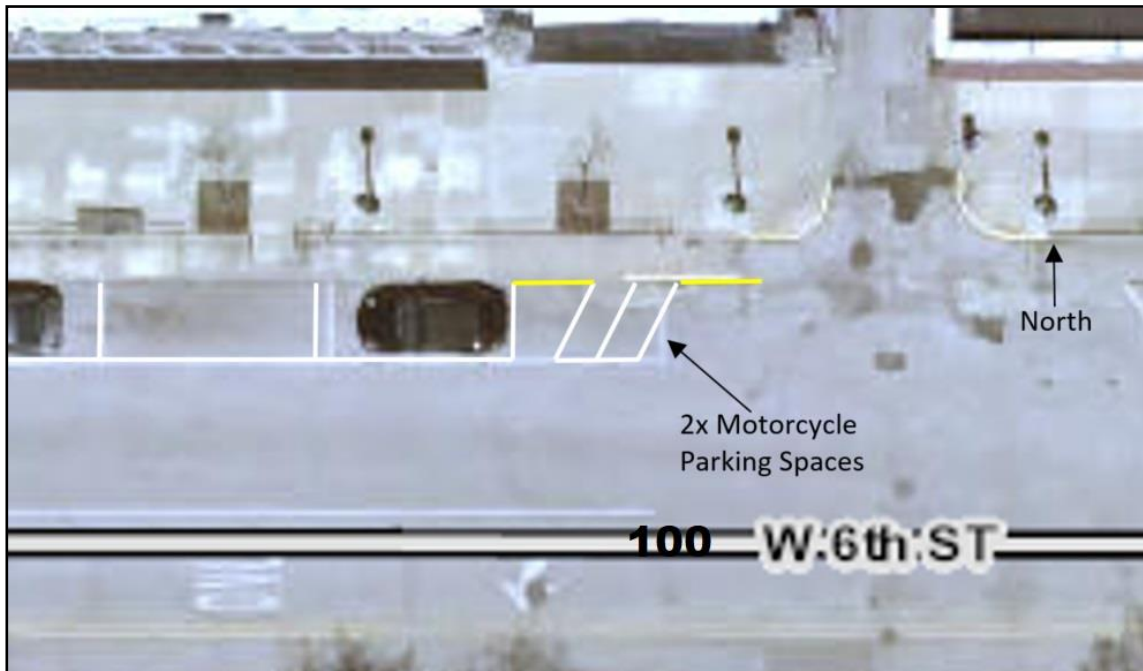
Adding 2 Reserved Motorcycle Parking Spaces on 112 W. 6th Street



The above photos show 100 W. 6th Street

--Adding 2 Reserved Motorcycle Parking Spaces on 112 W. 6th Street

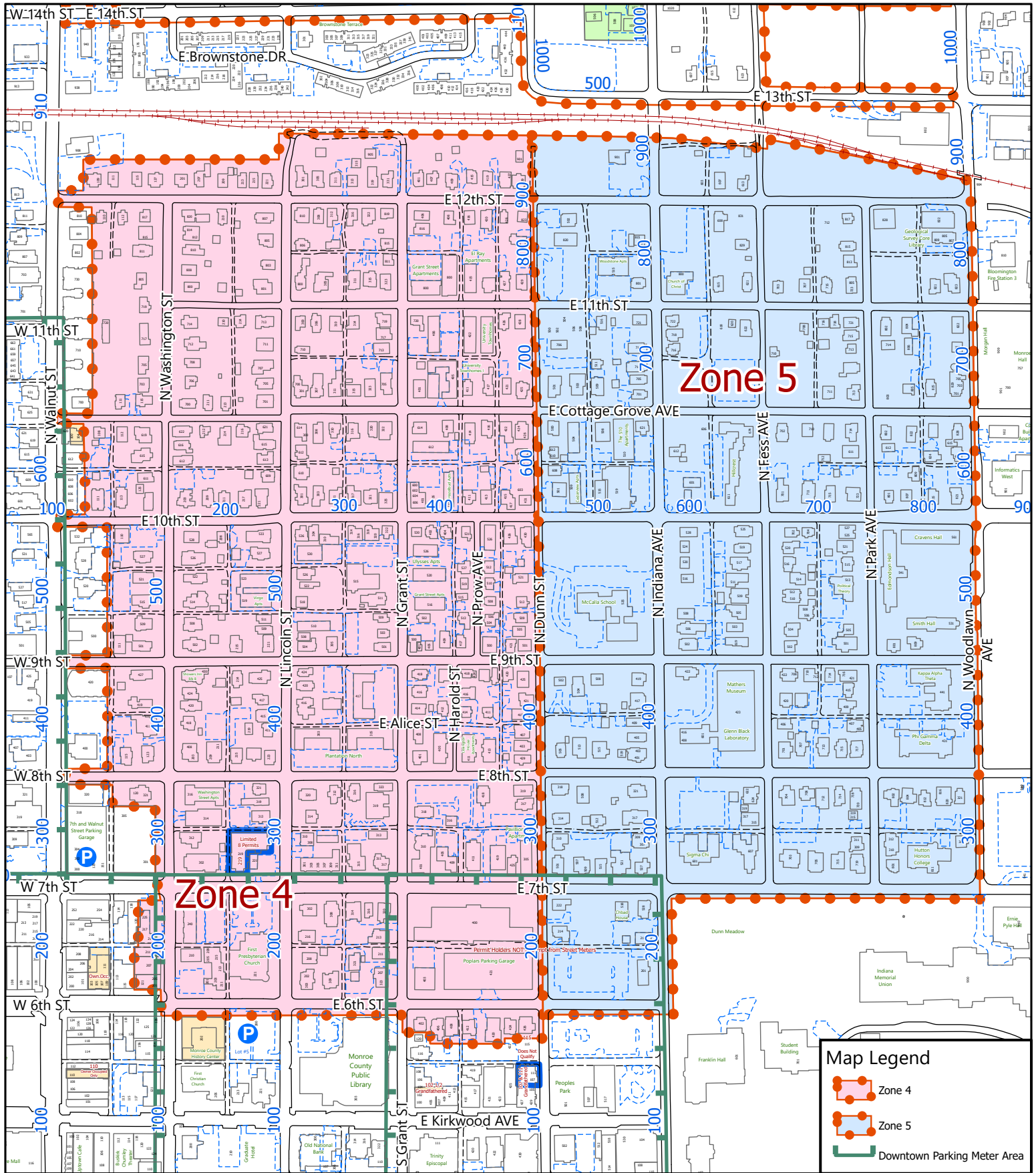
--Codifying 1 Reserved Motorcycle Parking Spaces on 100 W Kirkwood Ave





Overview Map





Residential Permit Parking

Zone 4 & 5

