

RESOLUTION NO. __8, 2014

PRELIMINARY BOND RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, AUTHORIZING THE ISSUANCE OF SEWAGE WORKS REVENUE BONDS OF THE CITY OF VALPARAISO, INDIANA, FOR THE PURPOSE OF PROCURING FUNDS FOR CERTAIN SEWAGE WORKS IMPROVEMENTS, AND RELATED MATTERS

WHEREAS, the Common Council (the "Common Council") of the City of Valparaiso, Indiana (the "City") finds that in order to provide funds for the payment of the costs of sewage works system improvements, consisting of improvements to the sanitary sewer collection system and treatment plant (the "Project"), it will be necessary and in the best interest of the City, and the property and inhabitants thereof, to issue bonds of the City in an aggregate principal amount not to exceed Two Million Six Hundred Thousand Dollars (\$2,600,000), which shall be payable solely from the net revenues (the "Net Revenues") of the City's sewage works (the "Sewage works"); and

WHEREAS, certain preliminary expenditures related to the Project have been or will be incurred by or on behalf of the City prior to the issuance and delivery of such bonds; and

WHEREAS, the Common Council desires to express its intention to reimburse such expenditures as have been or may be incurred prior to the issuance of such bonds, pursuant to Indiana Code 5-1-14-6 and in compliance with Section 1.150-2 of the U.S. Treasury Regulations promulgated by the Internal Revenue Service (the "Treasury Regulations");

NOW, THEREFORE, THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, RESOLVES THE FOLLOWING:

1. The City shall proceed to undertake the Project. For the purpose of procuring funds to pay for the cost of the Project, the City shall make a loan in an amount not to exceed Two Million Six Hundred Thousand Dollars (\$2,600,000).

In order to procure funds for said loan, the Clerk-Treasurer of the City is hereby authorized and directed to have prepared and to issue and sell the revenue bonds of the City, in one or more series or issues, the principal of and interest on which are payable solely from the Net Revenues, which bonds shall be issued in the name of the City, in an aggregate principal amount not to exceed Two Million Six Hundred Thousand Dollars (\$2,600,000) (the "Bonds"), with a discount not to exceed the discount set forth in or determined by the Bond Ordinance to be adopted by the Common Council, and which amount (together with any investment earnings thereon, if any) does not exceed the cost of the Project, which estimated cost shall not exceed Two Million Six Hundred Thousand Dollars (\$2,600,000), plus investment earnings thereon, if any, which will be provided from proceeds of the Bonds, plus any investment earnings thereon.

The Bonds shall not constitute a corporate obligation or indebtedness of the City but shall constitute an obligation of the City. The Bonds, together with interest thereon, shall be payable solely from the Net Revenues.

The Bonds shall mature and be payable no later than twenty-three (23) years after their date of issuance, and shall bear interest at a rate not greater than five and one-half percent (5.5%) per annum. The Bonds may be subject to redemption prior to maturity in whole or in part in

accordance with the terms set forth in the Bond Ordinance to be adopted by the Common Council.

The Common Council hereby authorizes the proper officers of the City to issue bond anticipation notes ("BANs") in anticipation of the issuance of the Bonds, subject to the provisions of the Bond Ordinance to be adopted by the Common Council.

2. The Common Council hereby authorizes the publication in accordance with Indiana law of a notice of the decision of the City to issue Bonds in excess of Five Thousand Dollars (\$5,000), as required by the provisions of Indiana Code 36-9-23-10, as amended.

3. The Common Council hereby declares that, for the purpose of evidencing compliance with Indiana Code 5-1-14-6 and Section 1.150-2 of the Treasury Regulations, it reasonably expects to reimburse with the proceeds of the Bonds (in an amount not to exceed and payable from the sources set forth above) expenditures for the Project made by or on behalf of the City prior to the issuance of the Bonds during the period beginning on the date sixty (60) days prior to the date of this Resolution until the date of issuance of the Bonds, which expenditures are expected to be paid initially from other legally available funds of the City.

4. This Resolution shall be in full force and effect after its adoption by the Common Council.

DULY PASSED on this 9th day of June, 2014, by the Common Council of the City of Valparaiso, Indiana.



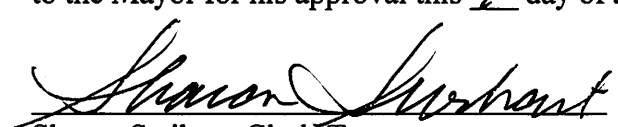
Presiding Officer

ATTEST:



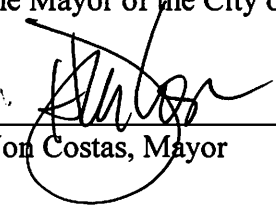
Sharon Swihart, Clerk-Treasurer

This resolution presented by me, the Clerk-Treasurer of the City of Valparaiso, Indiana, to the Mayor for his approval this 9th day of June, 2014.



Sharon Swihart, Clerk-Treasurer

This resolution signed and approved by me, the Mayor of the City of Valparaiso, Indiana, this 9th day of June, 2014.



Jon Costas, Mayor