

Passed 12-27-10 by a vote of 6-0
ORDINANCE NO. 39-2010

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, APPROVING THE ISSUANCE AND SALE OF STORM WATER MANAGEMENT DISTRICT BONDS BY THE CITY FOR AND ON BEHALF OF THE STORM WATER MANAGEMENT DISTRICT OF THE CITY TO PROVIDE FUNDS FOR THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND INSTALLATION OF STORM WATER IMPROVEMENTS AND REFUNDING PREVIOUSLY ISSUED BONDS OF THE STORM WATER MANAGEMENT DISTRICT

WHEREAS, the Common Council (the "Council") of the City of Valparaiso, Indiana (the "City"), has previously established the Storm Water Management District of the City (the "District") for the purpose of addressing the collection and disposal of storm water needs within the District and has created the Department of Storm Water Management (the "Department") governed by a Board of Directors (the "Board") pursuant to Indiana Code 8-1.5-5 (the "Act"); and

WHEREAS, the Board has been considering the acquisition, construction and installation of any or all or any portion of the projects identified in Exhibit A attached hereto and made a part hereof (collectively, the "Project"); and

WHEREAS, the Board, having found, upon investigation, that the Project is necessary for the proper collection and disposal of storm water within the District because other means for such activity either do not exist or are insufficient to furnish the necessary collection and disposal of storm water to properly protect the public health and welfare and safeguard the property located within the District; and

WHEREAS, in order to pay the costs of the Project, the Board has recommended and seeks the approval of the Council to proceed with the issuance of bonds payable from revenues of the District to finance the costs of the Project and all expenses incurred in connection therewith and also costs incurred in connection with the issuance of such bonds, all as permitted by Indiana Code 8-1.5-5-15(a), in a principal amount not to exceed Six Million Four Hundred Twenty-Five Thousand Dollars (\$6,425,000); and

WHEREAS, the Board has further recommended and seeks the approval of the Council to proceed with the issuance of bonds payable from revenues of the District to refund outstanding revenue bonds of the District to achieve a savings in a principal amount not to exceed Two Million Four Hundred Thirty-Five Thousand Dollars (\$2,435,000); and

WHEREAS, the Board has adopted a resolution authorizing the issuance of such revenue bonds of the District in an aggregate principal amount not to exceed Eight Million Eight Hundred Sixty Thousand Dollars (\$8,860,000) for the purpose of paying the costs of the Project and to refund the outstanding revenue bonds of the District; and

WHEREAS, Indiana Code 8-1.5-5-23 requires that the Council approve the issuance of bonds by the District;

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

Section 1. The Council hereby approves of the issuance of revenue bonds of the District in an aggregate principal amount not to exceed Eight Million Eight Hundred Sixty Thousand Dollars (\$8,860,000), in one or more series, to be designated as the "City of Valparaiso, Indiana, Storm Water Management District Revenue Bonds of 2011" (the "Bonds") for the purpose of paying the costs of the Project and to refund the outstanding revenue bonds of the District.

Section 2. The Bonds shall be valid and binding special revenue obligations of the District payable solely from and secured by an irrevocable pledge of and constitute a first charge upon all of the net revenues derived from the District. The District shall not be obligated to pay the Bonds or the interest thereon except from the net revenues of the District, and the Bonds shall not constitute an indebtedness of the City or the District within the meaning of the provisions and limitations of the constitution of the State of Indiana.

Section 3. The Bonds shall be sold at an interest rate or rates not in excess of seven percent (7.0%) per annum, with the exact rate or rates to be determined by bidding. Interest on the Bonds shall be payable semiannually on January 1 and July 1 of each year commencing on July 1, 2011. The principal of the Bonds shall mature serially and semiannually on January 1 and July 1 of each year over a period ending no later than twenty-two (22) years after the date of issuance of the Bonds.

Section 4. This Ordinance shall be in full force and effect from and upon compliance with the procedures required by law.

PASSED by the Common Council of the City of Valparaiso, Indiana, by a _____
vote of all members present and voting this _____ day of _____, 2010.

Jon Costas, Mayor

ATTEST:

Sharon Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana, this _____
day of _____, 2010, at _____ o'clock p.m.

Sharon Swihart, Clerk-Treasurer

This Ordinance approved and signed by me this _____ day of _____,
2010, at _____ o'clock p.m.

Jon Costas, Mayor

EXHIBIT A

THE PROJECT