

**GRIFFITH SANITARY DISTRICT, INDIANA**

**RESOLUTION NO. 2023-29**

**RESOLUTION OF THE BOARD OF SANITARY COMMISSIONERS OF THE  
SANITARY DISTRICT OF THE TOWN OF GRIFFITH, INDIANA, AUTHORIZING  
THE ISSUANCE OF REVENUE BONDS FOR THE PURPOSE OF PROVIDING FUNDS  
TO BE APPLIED TO PAY FOR PROJECTS AND INCIDENTAL EXPENSES IN  
CONNECTION THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE  
BONDS**

**WHEREAS**, on September 20, 2023, the Board of Sanitary Commissioners (the “Board”) of the Town of Griffith, Indiana, Sanitary District (the “District”) being the governing body of the District, adopted a Declaratory Resolution (the “Declaratory Resolution”) declaring that it is necessary for the public health and welfare and will be of public utility and benefit to finance all or a portion of the cost of the acquisition of additional capacity from the Hammond Sanitary District and paying to the Hammond Sanitary District the District’s share of the cost of construction of improvements pursuant to a long-term control plan, and/or other capital projects, together with related costs, including the costs of issuance of bonds therefor (collectively, the “Capital Project”);

**WHEREAS**, on October 3, 2023, after notice and public hearing thereon, the Board confirmed the Declaratory Resolution by the adoption of a Confirmatory Resolution (the “Confirmatory Resolution”); and

**WHEREAS**, the cost of the Capital Project, including estimated incidental expenses, is in an estimated amount not to exceed Four Million Dollars (\$4,000,000); and

**WHEREAS**, the Board hereby finds that it is necessary for the public health and welfare and will be of public utility and benefit to finance a working capital project consisting of the reimbursing the District for the payment of certain true-up costs to the Hammond Sanitary District (the “Working Capital Project”); and (3) any costs related thereto;

**WHEREAS**, the Board finds that the District has insufficient funds on hand to apply to the cost of the Capital Project and that it is necessary to finance the costs of the Capital Project by the issuance of revenue bonds in an aggregate amount not to exceed \$4,000,000; and

**WHEREAS**, the Board finds that the District has insufficient funds on hand to apply to the cost of the Working Capital Project and that it is necessary to finance the costs of the Working Capital Project by the issuance of taxable revenue bonds in an aggregate amount not to exceed \$1,000,000; and

**WHEREAS**, it is necessary that a series of revenue bonds of the District be issued in the aggregate amount not to exceed \$4,000,000 to provide funds to pay such estimated costs of the Capital Project and the incidental expenses to be incurred in connection with the Capital Project and with the issuance of a series of bonds therefor (the “Series 2023B Bonds”); and

**WHEREAS**, it is necessary that a series of taxable revenue bonds of the District be issued in the aggregate amount not to exceed \$1,000,000 to provide funds to pay such estimated costs of the Working Capital Project and the incidental expenses to be incurred in connection with the Working Capital Project and with the issuance of a series of taxable revenue bonds therefor (the “Series 2023A Bonds” and, together with the Series 2023B Bonds, the “Bonds”); and

**WHEREAS**, the District has no outstanding revenue bonds or other pledges against the Net Revenues (defined as gross revenues received from the operation of the System after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, not including any transfers to the Town for payments in lieu of taxes) of the System; and

**WHEREAS**, the Board now finds that all conditions precedent to the adoption of a resolution authorizing the issuance of the Bonds have been complied with in accordance with the provisions of IC 36-9-25, as in effect on the date hereof (the “Act”);

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SANITARY COMMISSIONERS OF THE GRIFFITH SANITARY DISTRICT, AS FOLLOWS:

**SECTION 1. Determination to Proceed: Authorization and Details of Series 2023 Bonds.** (a) The Board shall proceed to undertake the the Capital Project as set out in the Declaratory Resolution as confirmed by the Confirmatory Resolution and in accordance with the Act.

(b) In order to procure funds with which to pay the estimated costs of the Capital Project, including the costs of issuance of bonds on account thereof, the Clerk-Treasurer (the “Clerk-Treasurer”) of the Town of Griffith, Indiana (the “Town”) is authorized and directed to have prepared and to issue and sell revenue bonds on behalf of the District, to be designated as the “Town of Griffith, Indiana, Sanitary District Revenue Bonds, Series 2023B” (the “Series 2023B Bonds”) in the aggregate principal amount not to exceed \$4,000,000. The Series 2023B Bonds shall be sold at a price of not less than 100% of the par value thereof and issued in fully registered form in the denomination of \$100,000 or integral multiples of \$1,000 in excess thereof and shall bear interest at a rate or rates not exceeding seven percent (7.0%) per annum (the exact rate or rates to be determined by negotiation), which interest shall be payable semiannually on January 15 and July 15 of each year, beginning not sooner than January 15, 2024. Interest will be calculated on the basis of twelve 30-day months for a 360 day year. The Series 2023B Bonds shall mature or be subject to mandatory sinking fund redemption semiannually on January 15 and July 15 of each year over a period ending not later than January 15, 2044, and in such amounts as the Clerk-Treasurer shall determine on behalf of the District prior to the sale of the Series 2023B Bonds. All or a portion of the Series 2023B Bonds may be issued as one or more term bonds, upon election of the successful bidder. Such term bonds shall have a stated maturity or maturities of January 15 or July 15 as determined by the successful bidder, but no later than the final maturity and on dates consistent with the principal payment schedule to be established as described above. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on dates consistent with the schedule to be established as set out above. Alternatively, the Series 2023B Bonds may be issued as a single bond with a schedule of principal installment payments.

(c) In order to procure funds with which to pay the estimated costs of the Working Capital Project, including the costs of issuance of bonds on account thereof, the Clerk-Treasurer is authorized and directed to have prepared and to issue and sell revenue bonds on behalf of the District, in one or more series, to be designated as the “Town of Griffith, Indiana, Taxable Sanitary District Bonds, Series 2023A” (the “Series 2023A Bonds”) (the Series 2023B Bonds and the 2023A Bonds, collectively, the “Bonds”) in the aggregate principal amount not to exceed \$1,000,000. The Series 2023A Bonds shall be sold at a price of not less than 100% of the par value thereof and issued in fully registered form in the denomination of \$100,000 or integral multiples of \$1,000 in excess thereof and shall bear interest at a rate or rates not exceeding eight percent (8.0%) per annum (the exact rate or rates to be determined by negotiation), which interest shall be payable semiannually on January 15 and July 15 of each year, beginning not sooner than January 15, 2024. Interest will be calculated on the basis of twelve 30-day months for a 360 day year. The Series 2023A Bonds shall mature or be subject to mandatory sinking fund redemption semiannually on January 15 and July 15 of each year over a period ending not later than January 15, 2044, and in such amounts as the Clerk-Treasurer shall determine on behalf of the District prior to the sale of the Series 2023A Bonds. All or a portion of the Series 2023A Bonds may be issued as one or more term bonds, upon election of the purchaser. Such term bonds shall have a stated maturity or maturities of January 15 or July 15 as determined by the successful bidder, but no later than the final maturity and on dates consistent with the principal payment schedule to be established as described above. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on dates consistent with the schedule to be established as set out above. Alternatively, the Series 2023A Bonds may be issued as a single bond with a schedule of principal installment payments.

(d) The Clerk-Treasurer is authorized, on behalf of the Board, to select and appoint a qualified financial institution to serve as Registrar and Paying Agent for the Bonds, which Registrar is hereby charged with the responsibility of authenticating the Bonds (the “Registrar” or “Paying Agent”). The Clerk-Treasurer is hereby authorized, on behalf of the Board, to enter into such agreements or understandings with such bank as will enable the bank to perform the services required of a Registrar and Paying Agent. The Clerk-Treasurer is further authorized to pay such fees as the bank may charge for the services it provides as Registrar and Paying Agent, and such fees may be paid from the fund established to pay the principal of and interest on the Bonds.

(e) If the purchaser of the Bonds does not object to such designation, the Clerk-Treasurer may serve as Registrar and Paying Agent.

(f) The principal of the Bonds shall be payable at the designated office of the Paying Agent, and all payments of interest on the Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof, as of the first day of the month in which such interest is payable (“Record Date”), at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by such registered owner on or before such Record Date.

All payments on the Bonds shall be made in any coin or currency of the United States of America that, on the date of such payment, shall be legal tender for the payment of public and private debts.

(g) Each Bond shall be transferable or exchangeable only upon the books of the Town kept for that purpose at the principal office of the Registrar by the registered owner or by its attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount, of the same maturity and of the same series, 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 Town, Board, Registrar and Paying Agent for the Bonds may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

(h) The Bonds shall bear an original date which shall be the date of delivery, and each Bond shall also bear the date of its authentication. Bonds authenticated on or before the Record Date immediately preceding the first interest payment date shall be paid interest from the original date. Bonds authenticated thereafter shall be paid interest from the interest payment date to which interest has been paid as of the date on which such Bonds are authenticated unless the Bonds are authenticated between the Record Date and the interest payment date, in which case interest thereon shall be paid from such interest payment date. If at the time of authentication of any Bond interest is in default thereon, such Bond shall bear interest from the date to which interest has been paid in full.

(i) The Bonds shall be signed in the name of the Town of Griffith, Indiana by the manual or facsimile signature of the Town Council President and attested by the manual or facsimile signature of the Clerk-Treasurer, who shall affix the seal of the Town manually or shall have the seal, imprinted, engraved or otherwise reproduced thereon. Said Bonds shall be authenticated with the manual signature of an authorized representative of the Registrar, and no Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon shall have been so executed. Said Bonds shall, subject to registration provisions, be negotiable under the laws of the State of Indiana.

(j) The Bonds, as to both principal and interest, shall be payable solely from and shall constitute a first charge against the Net Revenues of the sewage works. The term "Sewage works," "System", "works", "utility", "System" and other like terms where used in this Resolution shall be construed to mean the District's existing sewage works system and all real estate and equipment used in connection therewith and appurtenances thereto, and all extensions, additions and improvements thereto and replacements thereof now or at any time hereafter constructed or acquired, and all other items as defined in the Act. The Capital Project and the Working Capital Project are hereby approved, and the Capital Project shall be constructed and the Bonds shall be issued pursuant to and in accordance with the Act.

**SECTION 2. Execution and Authentication of the Bonds; Pledge of Net Revenues to the Bonds.** The Bonds shall be executed in the name of the Town by the manual or facsimile

signature of the Town Council President and attested by the manual or facsimile signature of the Clerk-Treasurer, who shall affix the seal of the Town, if any, to each of the Bonds manually or shall have the seal, if any, imprinted or impressed thereon by facsimile. These officials, by the signing of a Signature and No Litigation Certificate, shall adopt as and for their own proper signatures their facsimile signatures appearing on the Bonds. The Bonds must be authenticated by an authorized officer of the Registrar or by the Clerk-Treasurer if the Clerk-Treasurer is acting as the Registrar. The Bonds and any additional bonds issued on a parity with the Bonds in accordance with the restrictions imposed by this Resolution (the "Parity Bonds"), as to both principal and interest, shall be payable from and secured by an irrevocable pledge of and shall constitute a first charge upon the Net Revenues of the System. The District shall not be obligated to pay the principal of and interest on the Bonds except from the Net Revenues of the System (except to the extent payable from the proceeds of the Bonds), and the Bonds shall not constitute an indebtedness of the District within the meaning of the provisions and limitations of the constitution of the State.

The Bonds shall be the binding revenue obligations of the District, solely payable out of the Net Revenues to be set aside into the Sinking Fund as provided herein. The proceeds derived from the sale of the Bonds and the investment income therefrom shall be and are hereby set aside and appropriated to pay the costs of the Capital Project and the Working Capital Project, as applicable, capitalized interest on the Bonds as needed, and the expenses necessarily incurred in connection with the issuance of the Bonds. The proper officers of the District are hereby directed to draw all proper and necessary warrants, and to do whatever acts and things that may be necessary to carry out the provisions of this Resolution.

**SECTION 3. Deposit and Application of Bond Proceeds; Surplus to Bond Fund.** The Clerk-Treasurer is hereby authorized and directed to deposit the proceeds of each series of Bonds in a separate fund (the "Capital Project Fund" or the "Working Capital Project Fund," as applicable) to pay for: (1) the costs of the Capital Project or the Working Capital Project, as appropriate, and all other costs and expenses incurred in connection therewith; and (2) costs of issuance of such series of Bonds. Neither the Capital Project Fund nor the Working Capital Project Fund may be used for any other purpose. Each of the Capital Project Fund and the Working Capital Project Fund shall, in accordance with IC 5-13, be deposited with the depository or depositories of other public funds of the District, and all interest collected thereon belongs to such fund. Any surplus remaining from the proceeds of the Bonds after all costs and expenses are fully paid shall either be (1) paid into and become a part of the Sanitary District Bond Fund for either the Series 2023B Bonds or the Series 2023A Bonds, as appropriate (the applicable "Bond Fund") or (2) used in accordance with IC 5-1-13. Monies contained in the Capital Project Fund, the Working Capital Project Fund and the applicable Bond Fund shall be invested to the extent permitted by law.

**SECTION 4. Operation and Maintenance Fund.** There shall be transferred from the Revenue Fund and credited to the Operation and Maintenance Fund created hereby (the "Operation and Maintenance Fund"), on or before the last day of each calendar month a sufficient amount of the revenues of the System so that the balance in the Operation and Maintenance Fund shall be sufficient to pay the expenses of operation, repair and maintenance of the System for the then next succeeding two (2) calendar months. The moneys credited to the Operation and Maintenance Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the System on a day-to-day basis, but none of the moneys in such fund shall be used for depreciation, replacements, improvements, extensions or additions. Any monies in the

Operation and Maintenance Fund in excess of the expected expenses of operation, repair and maintenance for the next succeeding month may be transferred to the Sinking Fund (defined below) if necessary to prevent a default in the payment of the principal of or interest on the Bonds.

**SECTION 5. Sinking Fund.**

(a) **General.** There is hereby created a fund designated as the Sewage Works Sinking Fund (the "Sinking Fund") for the payment of principal of, interest on, and premium on, if any, the Bonds and any bonds hereafter issued on a parity therewith, or any other bonds subordinate thereto, and for the payment of any fiscal agency charges in connection with the payment of bonds. After meeting the requirements of the Operation and Maintenance Fund set forth above, there shall be set aside and deposited into the Sinking Fund, as available and as provided below, a sufficient amount of the Net Revenues of the System to meet the requirements of the Bond and Interest Account and the Debt Service Reserve Account (each, as defined herein) created hereby. Such payments shall continue until the balance in the Bond and Interest Account and the Debt Service Reserve Account equal the amount necessary to pay the principal of and interest on all the outstanding bonds payable from the Net Revenues to the final maturity thereof.

(b) **Bond and Interest Account.** There is hereby created within the Sinking Fund, the Bond and Interest Account (the "Bond and Interest Account"). There shall be transferred on or before the last day of each calendar month to the Bond and Interest Account an amount of the Net Revenues equal to at least one-sixth (1/6) of the interest on all then outstanding bonds payable from the Net Revenues on the then next succeeding interest payment date, and at least one-sixth (1/6) of the principal of all then outstanding bonds payable on the then next succeeding principal payment date, until the amount of principal and interest payable on the then next succeeding interest and principal payments dates shall have been so credited. There shall similarly be credited to the account any amount necessary to pay the bank fiscal agency charges for paying principal and interest on outstanding bonds as the same become payable. The District shall, from the sums deposited into the Sinking Fund and credited to the Bond and Interest Account, remit promptly to the registered owner or to the bank fiscal agency sufficient moneys to pay the interest and principal on the due dates thereof together with the amount of bank fiscal agency charges.

(c) **Debt Service Reserve Account.** There is hereby created within the Sinking Fund, the Debt Service Reserve Account (the "Reserve Account").

Beginning with the first month after the Bonds are delivered, the District shall deposit on or before the last day of each calendar month an amount of Net Revenues into the Debt Service Reserve Account over a period of five (5) years until the balance therein equals but does not exceed the least of (i) the maximum annual debt service on the Bonds and any parity bonds issued in the future by the District which are payable from the Net Revenues (the "Parity Bonds"), (ii) 125% of average annual debt service on the Bonds and any Parity Bonds, or (iii) 10% of the proceeds of the Bonds and any Parity Bonds (the "Reserve Requirement"). The monthly deposits of Net Revenues shall be equal in amount and sufficient to accumulate the Reserve Requirement within five (5) years of the date of delivery of the Bonds. Alternatively, if so determined by the Clerk-Treasurer prior to the sale of the Bonds, the Reserve Account may be fully funded on that date of issuance of the Bonds. The balance in the Debt Service Reserve Account, allocable to the Bonds, shall never exceed the Reserve Requirement.

The Debt Service Reserve Account shall constitute a margin for safety and a protection against default in the payment of the principal of, premium, if any, and interest on the Bonds and any Parity Bonds, and the moneys in the Debt Service Reserve Account shall be used to pay the principal of and interest on the Bonds and any 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 Debt Service Reserve Account shall be promptly made up from the next available Net Revenues after the required deposits into the Bond and Interest Account. In the event moneys in the Debt Service Reserve Account are transferred to the Bond and Interest Account to pay the principal of and interest on the Bonds or any Parity Bonds, then that depletion of the balance in the Debt Service Reserve Account shall be made up from the next available Net Revenues after the required deposits into the Bond and Interest Account.

SECTION 6. **Sewage Works Improvement Fund.** There is hereby created a special fund designated the Sewage Works Improvement Fund (the "Improvement Fund"). In the event any excess revenues exist after all required monthly payments into the Operation and Maintenance Fund and the Sinking Fund, as described above, then any available excess revenues of the System shall be deposited into the Improvement Fund, and any amounts so deposited may be used to pay the cost of improvements, betterments, extensions, enlargements and additions to the System, or for any other lawful purpose related to the System. Moneys in the Improvement Fund (i) 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 Debt Service Reserve Account of the Sinking Fund or (ii) may be transferred to the Operation and Maintenance Fund to meet unforeseen contingencies in the operation, repair and maintenance of the System.

SECTION 7. **Maintenance of Accounts; Investments.** The Sinking Fund shall be maintained as a separate account or accounts from all other accounts of the District. All moneys deposited in the Funds and Accounts created by this Resolution shall be deposited, held and secured as public funds in accordance with the public depository laws of the State; provided that moneys therein may be invested in obligations in accordance with applicable laws, including IC 5-13, as amended or supplemented, and in the event of such investment, the income therefrom shall become a part of the funds invested and shall be used only as provided in this Resolution. Nothing in this Section or elsewhere in this Resolution shall be construed to require that separate bank accounts be established and maintained for the Funds and Accounts created by this Resolution except that (a) the Sinking Fund and Construction Fund shall be maintained separate bank account from the other Funds and Accounts of the System and (b) the other Funds and Accounts of the System shall be maintained as a separate bank account from the other funds and accounts of the District.

SECTION 8. **Maintenance of Books and Records.** The District shall keep proper books of records and accounts, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues collected from the System, all disbursements made on account of the System and all other transactions relating to the System. Copies of all such statements and reports shall be kept on file in the office of the Secretary.

SECTION 9. **Rate Covenant.** The District covenants and agrees that it will establish and maintain reasonable and just rates and charges for the use of and the service rendered by the

System, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses the System, or that in any way uses or is served by the System, at a level adequate to produce and maintain sufficient revenue (including user and other charges, fees, income or revenues available to the District). 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 and Maintenance of the System and the requirements of the Sinking Fund. The rates and charges so established shall apply to any and all use of the System by and service rendered to the District and shall be paid by the District as the charges accrue.

SECTION 10. Additional Bonds. The District reserves the right to authorize and issue Parity Bonds for financing the cost of future additions to, extensions of and improvements to the System, or to refund obligations, subject to the following conditions:

(a) The principal of and interest on all bonds payable from the Net Revenues (including the Bonds to be issued pursuant to this Resolution and any hereafter issued Parity Bonds) shall have been paid in accordance with the terms thereof, and the amounts required to be paid into the Sinking Fund shall have been made to date in accordance with the provisions of this Resolution. The Reserve Requirement shall be satisfied for the additional Parity Bonds either at the time of delivery of the additional Parity Bonds or over a five (5) year or shorter period, in a manner that is commensurate with the requirements established in Section 12(c) of this Resolution.

(b) The Net Revenues in the fiscal year immediately preceding the issuance of any such Parity Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual principal and interest requirements of the then outstanding bonds or obligations payable from the Net Revenues and the additional Parity Bonds proposed to be issued; or, prior to the issuance of such Parity Bonds, the sewer rates and charges shall be increased sufficiently so that such increased rates and charges applied to the previous year's requirements would have produced Net Revenues for such year equal to not less than one hundred twenty-five percent (125%) of the maximum annual principal and interest requirements of the then outstanding bonds or obligations payable from the Net Revenues and the additional Parity Bonds proposed to be issued. For purposes of this subsection, the records of the System shall be analyzed and all showings shall be prepared by a certified public accountant employed by the District for that purpose.

(c) The principal of, or mandatory sinking fund redemption dates for, the additional Parity Bonds shall be payable semiannually on January 15 and July 15, and interest on the additional Parity Bonds shall be payable semiannually on January 15 and July 15.

(d) Parity bonds may also be issued to refund less than all of the then outstanding bonds issued pursuant to this Resolution or ranking on a parity therewith, but any such refunding bonds shall be subject to the conditions in this section unless the bonds being refunded mature within three (3) months of the date of such refunding and no other funds are available to pay such maturing bonds. In computing the maximum annual interest and principal requirements pursuant to subsection (b), the interest on and principal of the parity refunding bonds shall be substituted for the interest on and principal of the bonds being refunded. Refunding bonds issued under this subsection (d) shall also be subject to the conditions in subsection (a), (b) and (c).



SECTION 11. Further Covenants. For the purpose of further safeguarding the interests of the owners of the Bonds, it is specifically provided as follows:

(a) So long as any of the Bonds are outstanding, the District shall at all times maintain the System in good condition and operate the same in an efficient manner and at a reasonable cost.

(b) So long as any of the Bonds are outstanding, the District shall acquire and maintain insurance on the insurable parts of the system, of a kind and in an amount such as is usually carried by private corporations 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. As an alternative to maintaining such insurance, the District may maintain a self-insurance program with catastrophic or similar coverage so long as such program meets the requirements of any applicable laws or regulations and is maintained in a manner consistent with programs maintained by similarly situated municipalities. All insurance or self-insurance proceeds or condemnation proceeds shall be used in replacing or restoring the System.

(c) So long as any of the Bonds are outstanding, the District shall not mortgage, pledge or otherwise encumber the property and plant of the System or any portion thereof or any interest therein. The District shall not sell, lease or otherwise dispose of any part of the System, except for such machinery, equipment or other property as may be replaced or shall no longer be necessary for use in connection with the System.

(d) Except as otherwise specifically provided in Section 10 hereof, so long as any of the Bonds are outstanding, no additional bonds or other obligations pledging any portion of the Net Revenues shall be authorized, executed, or issued by the District, except those as shall be made subordinate and junior in all respects to the Bonds herein authorized, unless the Bonds are redeemed or defeased pursuant to this Resolution coincidentally with the delivery of such additional bonds or other obligations.

(e) The provisions of this Resolution shall be construed to create a trust in the proceeds of the sale of the Bonds for the uses and purposes set forth herein, and the owners of the Bonds shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this Resolution and the Act. The provisions of this Resolution 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 such Fund as set forth in this Resolution. The owners of the Bonds shall have all of the rights, remedies and privileges set forth in the provisions of the Act and this Resolution. In addition, any owner of the Bonds may, by civil action, protect and enforce rights granted by the Act or under this Resolution in connection with any action or duty to be performed by the District, the Board or any officer of the District, including the making and collecting of reasonable and sufficient charges and rates for services provided by the System.

(f) In addition, any owner of the Bonds may, by civil action, protect and enforce rights granted by the Act or under this Resolution in connection with any action or duty to be performed by the District, the Board of Trustees or any officer of the District, including the making and collecting of reasonable and sufficient charges and rates for services provided by the System as described in this Resolution.

(g) None of the provisions of this Resolution shall be construed as requiring the expenditure of any funds of the District derived from any source other than the proceeds of the Bonds or the operations of the System.

(h) For purposes of this Section 19, the term “lease” shall include any lease, contract, or other instrument conferring a right upon the District to use property in exchange for a periodic payments made from the revenues of the System, whether the District desires to cause such to be, or by its terms (or its intended effects) is to be, (i) payable as rent, (ii) booked as an expense or an expenditure, or (iii) classified for accounting or other purposes as a capital lease, financing lease, operating lease, non-appropriation leases, installment purchase agreement or lease, or otherwise (including any combination thereof).

(i) The District represents and warrants for the benefit of the holders of the Bonds that (i) it has not undertaken, and it does not own, maintain, operate or otherwise financially fund or support, any Non-Sewage Works Purpose and (ii) it does not have any existing obligations or liabilities related to any Non-Sewage Works Purpose.

SECTION 12. **Tax Covenants.** In order to preserve the exclusion of interest on the Series 2023B 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 Series 2023B Bonds, as the case may be (the “Code”), and as an inducement to the purchasers of the Series 2023B Bonds, the District represents, covenants and agrees that:

(a) The use of the System will be based upon arrangements providing for use that is available to the general public on the basis of rates that are generally applicable and uniformly applied, and, to the extent so used, such use shall constitute general public use. No person or entity, other than the District or another state or local governmental unit, will use more than 10% of the proceeds of the Series 2023B Bonds or the property financed by the Bond proceeds, other than in a manner constituting general public use. No person or entity, other than the District or another state or local governmental unit, will own property financed by the Bond proceeds or will have actual or beneficial use of such property pursuant to a lease, management, service or incentive payment contract, 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 general public use, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Series 2023B Bonds, as the case may be. If the District enters into a management contract for all or a portion of the System, the terms of the contract will comply with the Treasury Regulations issued by the United States Department of the Treasury (the “Regulations”) and IRS Revenue Procedure 2017-13, and as such may hereafter be further amended, supplemented or superseded from time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in the aggregate will not relate to more than ten percent (10%) of the proceeds of the Series 2023B Bonds.

(b) The District represents that it will rebate any arbitrage profits to the United States of America to the extent required by the Code and the Regulations.

(c) On or before the date of issuance of the Series 2023B Bonds, the District is hereby authorized to designate all or any portion of such Series 2023B Bonds as qualified tax-exempt

obligations pursuant to Section 265(b)(3) of the Code, if determined appropriate and permissible thereunder, with the advice of Bond Counsel.

(d) If the principal amount of the Series 2023B Bonds issued in any one calendar year by the District, together with the aggregate principal amount of all other tax-exempt bonds, notes, lease obligations and other indebtedness or obligations of the District issued or entered into or to be issued or entered into by the District, its subordinate entities and entities that issue any such indebtedness or obligations on behalf of the District, or on behalf of which the District issues any such indebtedness or obligations, within the meaning of and taken into account under Section 148(f)(4)(D) of the Code, during such calendar year (excluding "private activity bonds" and obligations issued to currently refund tax-exempt obligations to the extent that the principal amount of the refunding obligations does not exceed the principal amount of the refunded obligations), is \$5,000,000 or less, then such Series 2023B Bonds will be exempt from rebate pursuant to the small issuer exemption set forth in Section 148(f)(4)(D).

**SECTION 13. Redemption of Bonds.** The redemption dates, if any, for the Bonds of a series shall be determined by the Clerk-Treasurer with the advice of the District's financial advisor prior to the sale of the Bonds.

If any Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the District, any Bonds of a series 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 Bond maturing as a term bond so delivered or canceled 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 Bonds of a series to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit such Bonds maturing as term bonds only to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date.

Each authorized denomination amount shall be considered a separate bond for purposes of optional and mandatory redemption. If less than an entire maturity of Bonds of a series is called for redemption, the Bonds to be called for redemption shall be selected by lot by the Registrar. If some Bonds of a series are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

In either case, notice of such redemption shall be given at least thirty (30) days prior to the date fixed for redemption by mail unless the notice is waived by the registered owner of a Bond. Such notice shall be mailed to the address of the registered owners as shown on the registration records of the District as of the date which is forty-five (45) days prior to such redemption date. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption shall be determined by the District. Interest on the Bonds so called for redemption shall cease on the redemption date fixed in such notice if



2023[A/B],” aggregating \$ \_\_\_\_\_, issued concurrently with the issuance of the Town of Griffith, Indiana, [Taxable] Sanitary District Revenue Bonds, Series 2023[A/B] for the purpose of procuring funds to be applied to the cost of certain Sanitary District projects, and the incidental expenses in connection therewith, all as more particularly described in the Bond Resolution adopted by the Board of Sanitary Commissioners of the Town of Griffith, Indiana, Sanitary District on October 3, 2023 (the “Resolution”), authorizing the issuance and sale of bonds of said Town for the purpose of procuring funds for said projects of the District, and in accordance with the provisions of Indiana law, including without limitation Ind. Code § 36-9-25, as in effect on the date of delivery of the bonds of this issue, and other applicable laws, as amended (collectively, the “Act”).

[The 2023[A/B] Bonds are redeemable on \_\_\_\_\_ 1, 20\_\_\_\_, or any date thereafter, at the option of the District, on thirty (30) days’ written notice, in whole or in part, in the order of maturity as determined by the District and by lot within a maturity, at face value, plus in each case accrued interest to the date fixed for redemption, without premium.]

[The 2023[A/B] Bonds maturing on \_\_\_\_\_ 1, 20\_\_\_\_ 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 One Hundred Thousand Dollars (\$100,000) principal amount shall be considered a separate bond for purposes of redemption. If less than an entire maturity is called for redemption, the 2023B Bonds to be called for redemption shall be selected by lot by the Registrar. [If some 2023B Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the 2023B Bonds for optional redemption before selecting the 2023B Bonds by lot for the mandatory sinking fund redemption.]

Notice of redemption shall be mailed to the address of the registered owner as shown on the registration record of the Registrar, as of the date which is forty-five (45) days prior to the date fixed for redemption, not less than thirty (30) days prior to such redemption date, unless said notice is waived by the registered owner of this 2023[A/B] Bond. Any notice shall specify the date and place of redemption and sufficient identification of the 2023[A/B] Bonds called for redemption. The place of redemption may be determined by the District. Interest on the 2023[A/B] 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, including interest accrued to the redemption date, on the date so named. Failure to give such notice by mailing, or any defect in such notice, with respect to any bond shall not affect the validity of any proceedings for redemption of other 2023[A/B] Bonds.

If this 2023[A/B] Bond shall not be presented for payment or redemption on the date fixed therefor, the Town may deposit in trust with its depository bank, an amount sufficient to pay such 2023[A/B] Bond or the redemption price, as the case may be, and thereafter the registered owner shall look only to the funds so deposited in trust with said bank for payment, and the District shall have no further obligation or liability in respect thereto.

This 2023[A/B] Bond is transferable or exchangeable only upon the books of the Town kept for that purpose at the office of the Registrar, by the Registered Owner hereof or by its attorney duly authorized in writing, upon surrender of this 2023[A/B] 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 2023[A/B] Bond or 2023[A/B] Bonds in the same aggregate principal amount and of the same maturity and series, shall be executed and delivered in the name of the transferee or transferees or to the Registered Owner, as the case may be, in exchange therefor. The District, the Registrar and any Paying Agent for this 2023[A/B] Bond may treat and consider the person in whose name this 2023[A/B] 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 2023[A/B] Bonds are subject to defeasance prior to payment or redemption as provided in the Resolution, and the owner of this 2023[A/B] Bond, by the acceptance hereof, hereby agrees to all the terms and provisions contained in the Resolution.

The 2023[A/B] Bonds maturing in any one year are issuable only in fully registered form in the denomination of \$1,000 or integral multiples thereof not exceeding the aggregate principal amount of the 2023[A/B] Bonds maturing in such year.

Pursuant to the provisions of the Act and the Resolution, the principal of and interest on this 2023[A/B] Bond and all other bonds of said issue are payable solely from the Net Revenues of the sewage works of the District. The Series 2023A Bonds shall rank on a parity with the Series 2023B Bonds. THIS 2023[A/B] BOND DOES NOT CONSTITUTE A CORPORATE OBLIGATION OR INDEBTEDNESS OF THE TOWN OF GRIFFITH, INDIANA, BUT IS AN INDEBTEDNESS OF THE DISTRICT, AS A SPECIAL TAXING DISTRICT. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF TOWN OF GRIFFITH, INDIANA IS PLEDGED TO PAY THE INTEREST OR PREMIUM ON OR THE PRINCIPAL OF THIS 2023[A/B] BOND.

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 2023[A/B] Bond have been done and performed in regular and due form as provided by law; and that this 2023[A/B] Bond and the total issue of the 2023[A/B] Bonds is within every limit of indebtedness as prescribed by the constitution and laws of the State of Indiana.

This 2023[A/B] Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the Board of Sanitary Commissioners of the Town of Griffith, Indiana, Sanitary District, in Lake County, Indiana, has caused this 2023[A/B] Bond to be executed in the name of the Town of Griffith for and on behalf of the Sanitary District of said Town, by the manual or facsimile signature of the Town Council President, and the seal of said Town (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of the Clerk-Treasurer.

TOWN OF GRIFFITH, INDIANA

By: \_\_\_\_\_  
Town Council President

(SEAL)

ATTEST:

\_\_\_\_\_  
Clerk-Treasurer

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

It is hereby certified that this 2023[A/B] Bond is one of the 2023[A/B] Bonds described in the within-mentioned Resolution duly authenticated by the Registrar.

\_\_\_\_\_, as Registrar

By: \_\_\_\_\_  
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this 2023[A/B] 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 \_\_\_\_\_  
(State)

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

### ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Please Print or Typewrite Name and Address and Social Security or Other Identifying Number) \$ \_\_\_\_\_ principal amount (must be a multiple of \$100,000) of the within 2023[A/B] Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the within 2023[A/B] Bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

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

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within 2023[A/B] Bond in every particular, without alteration or enlargement or any change whatever.

(End of Bond Form)

SECTION 15. **Sale of Bonds.** The Bonds shall be sold by private negotiation. Prior to the delivery of the Bonds, the Clerk-Treasurer shall obtain a legal opinion as to the validity of the Bonds from Barnes & Thornburg LLP, bond counsel, of Indianapolis, Indiana, and shall furnish such opinion to the purchaser of the Bonds. The cost of said opinion shall be considered as part of the costs incidental to these proceedings and shall be paid out of proceeds of the Bonds.

SECTION 16. **Preparation of and Payment for Bonds.** The Clerk-Treasurer is hereby authorized and directed to have the Bonds prepared, and the Town Council President and the Clerk-Treasurer are hereby authorized and directed to execute said Bonds in the form and manner herein provided. The Clerk-Treasurer is hereby authorized and directed to deliver said Bonds to the purchaser thereof after sale made in accordance with the provisions of this resolution, provided that at the time of said delivery the Clerk-Treasurer shall collect the full amount which the purchaser has agreed to pay therefor, which amount shall not be less than 100% of the face value of said Bonds.



SECTION 17. **Defeasance.** (a) If, when the Bonds issued hereunder or any portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or any portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds or any portion thereof then outstanding shall be paid, or (i) sufficient moneys, or (ii) direct, non-callable obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds issued hereunder or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the System.

SECTION 18. **Tax Exemption.** Notwithstanding any other provisions of this resolution, the covenants and authorizations contained in this resolution (“Tax Sections”) which are designed to preserve the exclusion of interest on the Series 2023B Bonds from gross income under federal law (“Tax Exemption”) need not be complied with if the District receives an opinion of nationally recognized bond counsel that any Tax Section or portion thereof is unnecessary to preserve the Tax Exemption.

SECTION 19. **Resolution to be Filed with Clerk-Treasurer.** The Secretary to the Board of Sanitary Commissioners is hereby directed to file a certified copy of this resolution with the Clerk-Treasurer for preparation of the Bonds.

SECTION 20. **Severability.** If any section, paragraph or provisions of this resolution 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 resolution.

SECTION 21. **Repeal of Conflicting Provisions: Amendments to Resolution.** All resolutions, or parts thereof, in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed and/or amended.

Subject to the terms and provisions contained in this Section, the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds issued pursuant to this resolution and then outstanding shall have the right, from time to time, to consent to and approve the adoption by the Board of such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable by the Board for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this resolution, or in any supplemental resolution; provided, however, that nothing herein contained shall permit or be construed as permitting;

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

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

(c) A preference or priority of any Bond or Bonds issued pursuant to this resolution over any other Bond or Bonds issued pursuant to the provisions of this resolution; or

- (d) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution; or
- (e) The extension of mandatory sinking fund redemption dates, if any; or
- (f) The creation of a lien upon or a pledge of the Net Revenues of the System ranking prior to the pledge thereof created by this Resolution; or
- (g) A reduction in the Reserve Requirement.


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

SECTION 22. **Parties Interested Herein**. Nothing in this resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Town, the District and the registered owners of the Bonds, any right, remedy or claim under or by reason of this resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this resolution contained by and on behalf of the Town and District shall be for the sole and exclusive benefit of the Town, the District and the registered owners of the Bonds.

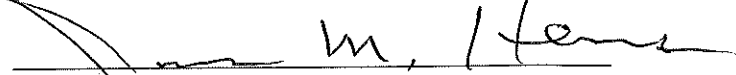
SECTION 23. **Effective Date**. This resolution shall be in full force and effect immediately upon its passage.

Passed and adopted by the Board on the 3rd day of October, 2023.

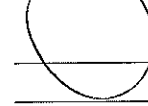
BOARD OF SANITARY COMMISSIONERS  
OF THE GRIFFITH SANITARY DISTRICT

  
\_\_\_\_\_, President

\_\_\_\_\_, Vice President

 \_\_\_\_\_

\_\_\_\_\_, Member

 \_\_\_\_\_, Member

\_\_\_\_\_, Member

