

ORDINANCE NO. 2011-03

An Ordinance of the Town of Cloverdale authorizing the issuance of waterworks revenue bonds for the purpose of providing funds to pay the cost of certain additions, extensions and improvements to the municipal waterworks of said Town, refunding certain outstanding waterworks revenue bonds of the Town, providing for the safeguarding of the interests of the owners of said bonds, other matters connected therewith, and repealing ordinances inconsistent herewith

WHEREAS, the Town of Cloverdale (the "Town") now owns and operates an unencumbered municipal waterworks in accordance with the provisions of Title 8, Article 1.5 of the Indiana Code, as in effect on the date of delivery of the bonds herein authorized (the "Act"), furnishing the public water supply to said Town and its inhabitants; and

WHEREAS, the Town Council of the Town now finds that certain improvements and extensions to said works are necessary; and that plans, specifications, and estimates have been prepared and filed by the engineers employed by the Town for the construction of said improvements and extensions, as more fully described on Exhibit A attached hereto (the "Project"), which plans and specifications have been approved by the Town Council and by all governmental authorities having jurisdiction; and

WHEREAS, the Town has obtained engineers' estimates of the costs for the construction of said Project and has advertised for and received bids therefor, which bids are subject to the Town's obtaining funds to pay for said Project; that on the basis of said estimates and bids, the cost of the Project, including incidental expenses, is in the amount of One Hundred Seventy-Five Thousand Dollars (\$175,000); and

WHEREAS, the Town Council expects that the costs of the Project (together with the Refunding, as defined below) will be financed through the sale of waterworks revenue bonds in the amount not to exceed Seven Hundred Fifty Thousand Dollars (\$750,000); and

WHEREAS, the Town has heretofore issued its Sewage Works Revenue Bonds of 1998, \$535,000 of the principal of which is now outstanding (the "Prior Bonds"); and

WHEREAS, upon the advice of O.W. Krohn & Associates, LLP, the Town has determined that it is advantageous to the Town to restructure the principal of the Prior Bonds to generate savings to the Town and/or to eliminate covenants which impede additional financing (the "Refunding"); and

WHEREAS, the bonds to be issued pursuant to this ordinance will constitute a first charge against the Net Revenues (as hereinafter defined) of the waterworks, and are to be issued subject to the provisions of the laws of the State of Indiana, including, without limitation, the Act, and the terms and restrictions of this ordinance; and

WHEREAS, all conditions precedent to the adoption of an ordinance authorizing the issuance of said bonds have been complied with in accordance with the provisions of the Act; now therefore,

Adopted this 12th day of April, 2011.

TOWN COUNCIL
TOWN OF CLOVERDALE

Amy Tison President
Dennis Judge Vice
Larry Hill
DEllis

Attest:
Cathleen Monaco
Cathleen Monaco, Clerk-Treasurer