

MINUTES OF MEETING OF THE BOARD OF  
TRUSTEES OF THE TOWN OF GREENVILLE,  
INDIANA, HELD FEBRUARY 5, 1980, AT  
7:30 O'CLOCK P.M.

The Board of Trustees of the Town of Greenville, Indiana, met in the Town Hall, its regular meeting place in said Town, on the 5th day of February, 1980, at the hour of 7:30 o'clock P.M. (Local Time) in session pursuant to notice and in accordance with the rules of the Board.

The meeting was called to order by Jack Sprigler, President of the Board, who presided.

On call of the roll, the members of the Board were shown to be present or absent as follows:

Present; V. M. Miller, H. L. Spears, Jack Sprigler

Absent: None

(Other Business)

The president stated that it would now be in order for the Board of Trustees to consider Ordinance 80-01 prepared and submitted to the Board for its consideration by Max C. Mason, Jr., Town Attorney. Said Ordinance concerns the determination of the Town to construct additions, extensions, and improvements to its municipal water system, pursuant to plans and specifications prepared by Environmental Consultants, Inc. The cost of the improvements estimated by the engineers, is \$350,000.00. Said Ordinance further provides that the project be financed by the issuance of revenue bonds in the amount of \$350,000.00, which bonds will be paid solely from the net revenues of the water system, and which will be sold without formality of bidding to the Farmers Home Administration and bear interest at 5% per annum and mature annually over a period ending December 1, 2019, and be junior and subordinate to the outstanding issue of \$560,000.00 dated December 1, 1963.

After a full and complete discussion, the President of the Board stated that it would now be in order for the Board to take action on said Ordinance.

Trustee V. J. Miller then introduced Ordinance 80-01 entitled:

"An Ordinance of the Town of Greenville authorizing the issuance of additional water 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, and other matters connected therewith,"

and moved that the Clerk-Treasurer be instructed to read said Ordinance the first time full. Said motion was seconded by Trustee H. L. Spears and on call of the roll was adopted by the following votes:

Ayes: H. L. Spears, V. J. Miller, Jack Sprigler

Nays: None

Said Ordinance having been read in full and the provisions of the same having been discussed by the Board, Trustee V. J. Miller then moved that all rules of the Board, which, unless suspended, might prevent the final passage and adoption of said Ordinance at this meeting, be suspended, and that Ordinance 80-01 be read a second time by title and a third time in full and placed upon its final passage. This Motion was seconded by Trustee H. L. Spears and on call of the roll was adopted by the following vote:

Ayes: V. J. Miller, H. L. Spears and Jack Sprigler

Nays: None

Ordinance 80-01 having been read a second time by title and a third time in full was then placed upon its final passage, and on call of the roll was passed and adopted by unanimous vote.

At least two-thirds of the members of the Board of Trustees being present at the meeting, and said Ordinance 80-01 having

terms and provisions of the bonds and this ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the Town and the consent of the holders of all the bonds issued pursuant to this ordinance then outstanding.

Section 20. This ordinance shall be in full force and effect from and after its passage.

Passed and adopted by the Board of Trustees of the Town of Greenville, on the 6 day of February, 1980.

BOARD OF TRUSTEES:

Jack Anglin  
W. Pears  
R. J. Miller

ATTEST:

Grace M. Martin  
Clerk-Treasurer

of the Board declared said Ordinance to have been duly passed and adopted. Thereupon, said Ordinance was signed by all members of the Board and attested by the Clerk-Treasurer. On motion duly made, seconded and unanimously carried, the Clerk-Treasurer was directed to sell the bonds authorized at this meeting to the Farmers Home Administration.

The President then stated that it would be in order to consider a rate ordinance for said water system which had been prepared by Max C. Mason, Jr., after consultation with the project engineer and rate consultant and with individual members of the Board, which rate schedule had also been considered by the Farmers Home Administration.

After a full and complete discussion, the President of the Board stated that it would now be in order for the Board to take action on said Ordinance.

Trustee V. J. Miller then introduced Ordinance 80-02 entitled:

"An Ordinance establishing rates and charges for the use of and services rendered by the waterworks system of the Town of Greenville,"

and moved that the Clerk-Treasurer be instructed to read said Ordinance the first time in full. Said motion was seconded by Trustee H. L. Spears and on call of the roll was adopted by the following votes:

Ayes: H. L. Spears, V. J. Miller and Jack Sprigler

Nays: None

Said Ordinance having been read in full and the provisions of the same having been discussed by the Board, Trustee V. J. Miller then moved that all rules of the Board, which, unless suspended, might prevent the final passage and adoption of said Ordinance at this meeting, be suspended, and that Ordinance #80-02 be read a second time by title

was seconded by Trustee H. L. Spears and on call of the roll was adopted by the following vote:

Ayes: H. L. Spears, V. J. Miller and Jack Sprigler

Nays: None

Ordinance #80-02 having been read a second time by title and a third time in full was then placed upon its final passage, and on call of the roll was passed and adopted by unanimous vote.

At least two-thirds of the members of the Board of Trustees being present at the meeting, and said Ordinance #80-02 having received an affirmative vote of all members present, the President of the Board declared said Ordinance to have been duly passed and adopted. Thereupon, said Ordinance was signed by all members of the Board and attested by the Clerk-Treasurer. On motion duly made, seconded and unanimously carried, the Clerk-Treasurer was directed to cause the filing of same with the Public Service Commission of Indiana, and upon said Commission approval to file a Tariff Certificate containing the rate and charges as adopted in said Ordinance.

There being no further business presented to said meeting, on motion duly made, seconded and unanimously carried, the meeting thereupon adjourned.

  
CLERK-TREASURER

APPROVED:

  
President, Board of Trustees

30 + Mr DeGuzis  
Feb 5, 1980

Greenwell  
Incorporated  
Oct 28, 1979  
Vote 102  
Page 401

Minutes of Board of Trustees of  
Town of Greenwell - Held Feb 5, 1980 7:00

80-01  
80-02  
All members of Board - Present also approx 30 interested citizens  
Ordinance read by Mr Mason  
Mr DeGuzis gave explanation (674  
cont.)

Bob Gibson + Explained 5 yrs ago a resolution <sup>Rate of 17% ago</sup> to pay this inflation price

Felda Gibson <sup>Ques</sup> - What factors used in coming to this rate of 45%  
<sup>increase?</sup>  
ans<sup>r</sup> had experts to study + project cost 1st projection 56% cut out some  
Furacial Performance + divided things

Jim Hartford - New proposed <sup>building</sup> what How many people will  
be able to handle - 812 - Mr  
Advise advise get more numbers

6 in line  
Herb Adam - Will <sup>not</sup> have to increase size of pipes again in near  
future - ans should last 12 yrs before use it up

Merle Harl - Will be <sup>there</sup> improvement at lake - Why do we  
need more customers - ans when get connection line <sup>Outside what size</sup>

Bruce Pelham Against increase - should have increased

5 yrs ago - Don't increase just for sake of number  
+ have another Dixie Highway -- not against raise but  
against amount

Pat Howerton - Am going to have water or mud when  
we increase in pay -

Bill Reed - We've had no service no one does anything  
about it - Poor service promises not kept -

Merle Hall! wants double meter <sup>board</sup> said he could have it  
Mr. Zoeller  
from School Corp. = appreciate interest + good relationship

Robert Earl Evans Good service - but against too  
Many subdivisions - agreed with Mr. Pelham

Hilda Gleser what Mr. Zeller what is your bill  
Have you allowed ~~enough~~ enough in Budget for this in case  
Our taxes will go up on school in case

Bob Gibson Mr. Zeller what ~~also~~ would you do if your water is  
shut off - <sup>and</sup> Shut down school?

Mr. Mason - New people have taken care of inflation in past

<sup>Over</sup> Mr. Zeller is any way to charge new people there - no cant

<sup>Mr. Mason</sup> Cant stop people from developing

Mr. Pelham <sup>Over</sup> Well <sup>will</sup> have to underwrite a subdivision for 100,000 feet  
Mr. Mason <sup>no</sup> try to board <sup>to</sup> well it be worth it -  
<sub>ask</sub>

Mr. Adam How many customers will be helped  
by new 6 in pipe will it help customers who are having trouble

Bob Long Cant drink water - Water pressure OK - friend  
has to use water softener <sup>on</sup> Ramsey <sup>Water</sup> - also benefits  
of updating plan

Mr. Adams Glad to turn faucet on & have water  
Rather not pay more but ↑

Bob Gibson Buck creek Rd &

Mr. Pelham - } informal  
                              } friendly  
                              } discussions  
                              } rest of meetings

People present

- Mr Adams (Herb)
- Mr Adams (School)
- Mr. Zeller        "
- Bob Gibson
- (Helda Gibson
- Mr. Gibson
- Mrs. Merle Harl & Mrs.
- Pat Howerton
- Robert Earl Evans
- Bruce Pelham
- Jim Hartfield
- Bill Neeld
- Bill Martin
- Bob Ivy
- Mrs. Merle Harl

- Mr Mason
- Mr Isgrigg
- Gary Street
- Jack Spuzler
- V I Miller
- Buck Spears
- Grace Martin



M.V

ORDINANCE NO. 80-01

An Ordinance of the Town of Greenville authorizing the issuance of additional water 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, and other matters connected therewith

WHEREAS, the Town of Greenville heretofore constructed and now owns and operates a municipal waterworks in said Town in accordance with the provisions of Chapter 76, Acts of 1913, and the acts amendatory thereof and supplemental thereto, particularly Chapter 190, Acts of 1933 (IC 8-1-2-90 et seq.); and

WHEREAS, said Town has heretofore issued and now has outstanding its Water Revenue Bonds in the principal amount of \$485,000.00 dated December 1, 1963, bearing interest at the rate of Four and One-half percent (4-1/2%) and Four and Three-Quarters percent (4-3/4%) per annum maturing serially on December 1, of each of the years 1964 to 2003, inclusive, and also outstanding matured coupons in the amount of \$ \_\_\_\_\_, bearing interest at the rate of Zero percent (0%) per annum; and

WHEREAS, \$485,000.00, of said bonds constitute a first charge against the net revenues of the waterworks, and outstanding matured coupons shall be subordinate to the issuance proposed by this Ordinance.

WHEREAS, the Board of Trustees now finds that the waterworks of the Town of Greenville is in need of certain additions, extensions, and improvements, the estimated cost of which, based on bids received, and including incidental expenses necessary to be incurred in connection with the financing thereof, is in the amount of Three Hundred Fifty Thousand Dollars (\$350,000.00); and

WHEREAS, the Town does not have sufficient funds available to pay the cost of said additions, extensions and improvements but has the right to obtain said necessary funds by the issuance of additional water revenue bonds payable out of the revenues of said waterworks, provided such bonds are made junior and subordinate in all respects to the bonds heretofore issued and referred to above; and

WHEREAS, the Board of Trustees has been advised that the Farmers Home Administration, U.S. Department of Agriculture, will purchase pursuant to a Loan Agreement, a junior and subordinate revenue bond in the amount of Three Hundred Fifty Thousand Dollars (\$350,000.00); now therefore,

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF GREENVILLE, INDIANA:

Section 1. That the Town of Greenville, being the owner of and engaging in operating a municipal waterworks furnishing the public water supply to said Town and its inhabitants, now provides for certain needed additions, extensions, and improvements to such waterworks and the financing thereof by the issuance of revenue bonds pursuant to and in the manner prescribed by Chapter 76, Acts of 1913, and the acts amendatory thereof and supplement thereto, particularly Chapter 190, Acts of 1933 (sometimes hereinafter referred to as the "Act"), which additional revenue bond shall be payable solely out of the net revenues (herein defined as gross revenues after deduction only for the reasonable expense of operation and maintenance) of said waterworks, including all extensions thereof and additions and improvements thereto subsequently constructed or acquired, subject to the prior payment from said net revenues of the debt service and reserves required on the now outstanding bonds hereinbefore referred to, in accordance with the terms and provisions thereof.

Section 2. That said additions, extensions and improvements shall be constructed and installed in accordance with the plans and specifications heretofore prepared by Environmental Consultants, Inc., consulting engineers of Clarksville, Indiana, employed by said Town, which plans and specifications are hereby approved.

Section 3. For the purpose of providing funds with which to pay the cost of such additions, extensions and improvements, including incidental expenses, the Town of Greenville shall issue and sell its additional revenue bond, provided, however, that said additional revenue bond shall be junior and subordinate in all respects to the bonds now outstanding and referred to above, and none of the provisions of this ordinance shall be so construed as to adversely affect the rights of the holders of said outstanding revenue bond.

Section 4. The additional bond shall be designated "Water Revenue Bond of 1980" and shall be issued in the amount of Three Hundred Fifty Thousand Dollars (\$350,000.00) for the purpose of procuring funds to pay the cost of said improvements. Said bond shall be fully registered without interest coupons, numbered R-1, shall be dated as of date of delivery, and bear interest until paid at the rate of Five Percent (5%) per annum. The bond shall be sold without formality of bidding pursuant to IC 19-8-5-1 as amended by P.L. 105, 1978, to the Farmers Home Administration, U.S. Department of Agriculture. The bond shall be registered in the name of the holder in a book maintained for that purpose by the Clerk-Treasurer of the Town, and such registration shall be noted thereon by the Clerk-Treasurer as bond registrar, after which no transfer shall be valid except by transfer duly acknowledged by the registered holder or his attorney, such transfer to be made in said book and similarly noted on the bond. No charge shall be made for registration.

Section 5. Principal of said fully registered bond, subject to prior prepayment as hereinafter provided, shall be payable on December 1, in the years and installments as follows:

1981	\$ 3,000	2000	\$ 8,000
1982	\$ 3,000	2001	\$ 8,000
1983	\$ 3,000	2002	\$ 9,000
1984	\$ 4,000	2003	\$ 9,000
1985	\$ 4,000	2004	\$ 9,000
1986	\$ 4,000	2005	\$10,000
1987	\$ 4,000	2006	\$10,000
1988	\$ 4,000	2007	\$11,000
1989	\$ 5,000	2008	\$11,000
1990	\$ 5,000	2009	\$12,000
1991	\$ 5,000	2010	\$13,000
1992	\$ 5,000	2011	\$13,000
1993	\$ 6,000	2012	\$14,000
1994	\$ 6,000	2013	\$15,000
1995	\$ 6,000	2014	\$15,000
1996	\$ 6,000	2015	\$16,000
1997	\$ 7,000	2016	\$17,000
1998	\$ 7,000	2017	\$18,000
1999	\$ 7,000	2018	\$19,000
		2019	\$19,000

Interest shall be payable on the balance of said principal sum, from time to time remaining unpaid from the date of this bond, at the rate of five percent (5%) per annum payable on December 1, in each year beginning December 1, 1980, until the principal amount thereof has been paid. Both interest on and principal of this bond are payable in lawful money of the United States of America by check or draft mailed or delivered to the registered owner at the address of said owner as it appears on the registration records of the Town. Upon final payment, this bond shall be delivered to the Town.

Section 6. Said bond shall be issued in the name of the Town of Greenville, Indiana, and shall be executed by the President of the Board of Trustees, and attested by the Clerk-Treasurer who shall affix the seal of said Town. Said bond shall be the obligation of said Town, and said bond on its face shall state that the Town shall not be obligated to pay the same or the interest thereon except from the special revenue fund provided from the net revenues of the waterworks. This bond shall have all the qualities and the incidents of negotiable instruments by laws of the State of Indiana.

Section 7. The form and tenor of said fully registered bond and the transfer registry thereon shall be substantially as follows, all blanks to be filled in properly prior to delivery thereof:

NO. 1

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF FLOYD

TOWN OF GREENVILLE  
WATER REVENUE BOND OF 1980

The Town of Greenville in Floyd County, State of Indiana, for value received, hereby promises to pay to the registered holder solely out of the special revenue fund hereinafter referred to, the principal amount of

THREE HUNDRED FIFTY THOUSAND DOLLARS

on December 1, in the years and installments as follows:

1981	\$ 3,000	2000	\$ 8,000
1982	\$ 3,000	2001	\$ 8,000
1983	\$ 3,000	2002	\$ 9,000
1984	\$ 4,000	2003	\$ 9,000
1985	\$ 4,000	2004	\$ 9,000
1986	\$ 4,000	2005	\$10,000
1987	\$ 4,000	2006	\$10,000
1988	\$ 4,000	2007	\$11,000
1989	\$ 5,000	2008	\$11,000
1990	\$ 5,000	2009	\$12,000
1991	\$ 5,000	2010	\$13,000
1992	\$ 5,000	2011	\$13,000
1993	\$ 6,000	2012	\$14,000
1994	\$ 6,000	2013	\$15,000
1995	\$ 6,000	2014	\$15,000
1996	\$ 6,000	2015	\$16,000
1997	\$ 7,000	2016	\$17,000
1998	\$ 7,000	2017	\$18,000
1999	\$ 7,000	2018	\$19,000
		2019	\$19,000

(subject to any prepayments of principal as hereinafter provided) and to pay interest from the same source on the unpaid balance thereof from time to time remaining unpaid from the dates of payment for this bond, at the rate of five percent (5%) per annum, payable annually on December 1, of each year, beginning December 1, 1980.

Both principal and interest of this bond are payable in lawful money of the United States of America, by check or draft mailed or delivered to the registered owner at the address of said owner as it appears on the registration records of the Town. Upon final payment, this bond shall be delivered to the Town.

This bond constitutes the entire authorized issue of the Town, in the aggregate principal amount of Three Hundred Fifty Thousand Dollars (\$350,000.00), issued for the purpose of providing funds to apply on the cost of waterworks, as authorized by an ordinance adopted by the Board of Trustees of the town on \_\_\_\_\_, 1980, entitled "An Ordinance of the Town of Greenville authorizing the issuance of additional water 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, and other matters connected therewith," and in strict compliance with the provisions of IC 8-2-1, and all acts amendatory thereof and supplemental thereto.

Pursuant to the provisions of said Act and said ordinance, the principal and interest of this bond, and any bonds hereafter issued ranking on a parity therewith, are payable solely from the Waterworks Revenue and Interest Sinking Fund Account to be provided from the net revenues (herein defined as gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) of the waterworks of the Town, including the works constructed or acquired by the use of the proceeds of this bond, and all additions and improvements thereto and replacements thereof subsequently constructed or acquired, subject however, to the prior payments for debt service, and creating certain reserves, for certain outstanding Water Revenue Bonds in the principal amount of \$485,000.00, dated December 1, 1963 bearing interest at the rate of 4-1/2% and 4-3/4% per annum and maturing serially on December 1 of each year through 2003. This bond shall not constitute an indebtedness of the Town of Greenville within the meaning of the provisions and limitations of the constitution of the State of Indiana, and the Town shall not be obligated to pay this bond or the interest thereon except from said special fund provided from said net revenues.

The Town of Greenville irrevocably pledges the entire net revenues of said waterworks to the creation of required reserves and the prompt payment of the principal and interest of all bonds issued on account of the construction of said waterworks, of which this bond is one, and any bonds ranking on a parity therewith, to the extent necessary for that purpose, and covenants that it will cause to be fixed, maintained and collected such rates and charges for service rendered by said works as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of said works, and for the payment of the sums required to be paid into its waterworks funds and accounts under the provisions of said Ordinance and said Acts.

The Town further covenants that it will set aside and pay into its Waterworks Revenue Bond and Interest Sinking Fund Account a sufficient amount of the net revenues of said works to meet (a) the interest on this bond and all other bonds which, by their terms, are payable from said account, as such interest shall fall due, (b) the necessary fiscal agency charges for paying such bonds and interest (c) the principal of this bond and all other bonds payable from said account, as such principal shall fall due, and (d) an additional amount as a margin of safety to create the reserve required by the ordinance authorizing the issuance of this bond. Such required payments shall constitute a first charge upon all the net revenues of said works; subject, however, to the requirements for the senior bonds referred to above.

This bond may be transferred upon presentation of the bond and an executed assignment to the Clerk-Treasurer of the Town for notation of the same upon this bond and the registration record of the Town kept for that purpose.

Installments of principal of the fully registered bond may at the option of the Town be prepaid on any interest payment date in inverse chronological order of maturity upon thirty (30) days' notice to the registered owner at par and accrued interest to the date of prepayment, without any premium. Interest on the installments of principal so prepaid shall cease on such date of prepayment. This bond must be presented at the Office of the Clerk-Treasurer for any such prepayments.

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.

IN WITNESS WHEREOF, the Town of Greenville, in Floyd County, State of Indiana, has caused this bond to be executed in its corporate name by the President of its Board of Trustees and its corporate seal to be hereunto affixed and attested by its Clerk-Treasurer, as of Feb 5, 1980.

TOWN OF GREENVILLE

BY: *Jack Griffin*  
President, Board of Trustees

(Seal)

ATTEST:

*Grace M. Martin*

(Form of Registration)

REGISTRATION ENDORSEMENT

This bond can be transferred and registered only at the office of the Clerk-Treasurer in the Town of Greenville, Indiana. No writing hereon except by the Clerk-Treasurer.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Clerk-Treasurer</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

RECORD OF PAYMENT FOR BOND

<u>Date of Payment</u>	<u>Amount</u>	<u>Acknowledgment of Receipt by Clerk-Treasurer</u>	<u>Guarantee of Clerk-Treasurer's Signature</u>
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PREPAYMENT RECORD

Principal Installments on Which Payments Have Been Made Prior to Maturity

<u>Principal Date</u>	<u>Amount</u>	<u>Principal Payment</u>	<u>Balance</u>	<u>Date Paid</u>	<u>Name Authorized Official and Title</u>
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Section 7. Any one or more installments of principal of the fully registered bond shall be prepayable at the option of the Town from any funds regardless of source on any interest payment date; provided that if less than all the then remaining installments are prepaid the installment first to be prepaid shall be the last installment due and subsequent prepayments shall be applied to installments of principal in inverse order of the due dates of such installments. Notice of prepayment shall be given by registered mail, postmarked at least thirty (30) days prior to the date of prepayment, to the registered holder at his address as shown on the registration record of the Town. The notice shall specify the date of prepayment. The place of prepayment shall be the Office of the Clerk-Treasurer of the Town who shall record the prepayments on the bond. Interest on installments of principal to be prepaid shall cease on the date fixed in the notice if sufficient funds are available at the place of prepayment to pay the installments on the date so named, including interest to said date. If the fully registered bond shall not be presented on the date and at the place designated in the notice, the Town shall hold in trust in the Town's depository bank, sufficient funds to effect such prepayment of installments as specified in the notice, and thereafter the registered holder shall be entitled to payment only from such trust funds, and the prepayment shall be deemed to have been effected, and the installments no longer due.

This bond which constitutes all bonds of this issue, and any bonds ranking on a parity therewith as to both principal and interest, shall be payable from and secured by an irrevocable pledge of and shall constitute a first charge upon all the net revenues (herein defined as gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) of the water-works of the Town, including the works herein authorized to be constructed and all additions and improvements thereto and replacements thereof subsequently

constructed or acquired; subject, however, to the requirements to be met from the net revenues pursuant to the ordinance on the now outstanding bonds. The Town shall not be obligated to pay said bonds or the interest thereon except from the net revenues of said works, and said bonds shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana.

Section 8. The Clerk-Treasurer is hereby authorized and directed to execute said bond in the form and manner herein provided. The Clerk-Treasurer is hereby authorized and directed to deliver said bond to the purchaser thereof. The bond herein authorized, when fully paid for and delivered, shall be the binding special revenue obligation of the Town, payable out of the revenues of the waterworks to be set aside into the Waterworks Revenue Bond and Interest Sinking Fund Account as herein provided, and the proceeds derived from the sale of said bond shall be and are hereby set aside for application on the cost of construction and installation of said waterworks hereinbefore referred to, and the expenses necessarily incurred in connection therewith. The proper officers of the Town are hereby directed to draw all proper and necessary warrants, and to do whatever acts and things which may be necessary to carry out the provisions of this ordinance.

Section 9. The proceeds from the sale of said bond shall be deposited in The Floyd County Bank, in the Town of New Albany, Indiana, in a special account or accounts, separate and apart from other bank accounts of the Town, to be designated as "Town of Greenville Waterworks Construction Account." All moneys deposited to the credit of said Waterworks Construction Account shall be deposited, held, secured or invested in direct obligations of the United States of America, in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including particularly Chapter 9 of the Acts of 1945, as amended and supplemented. Any income from such investment shall become a part of the Waterworks Construction Account. The funds

in said special account shall be expended only for the purpose of paying the cost of the waterworks improvements and extensions, including service connections, the incidental expenses incurred in connection with the construction or the issuance of the bonds, including the necessary engineering and legal expenses, and to provide for necessary equipment and working capital. Any balance or balances remaining unexpended in such special account or accounts of the Waterworks Construction Account, after completion of the works, which are not required to meet unpaid obligations incurred in connection with such construction, shall, within sixty (60) days after completion of the project, be deposited in the Waterworks Revenue Bond and Interest Sinking Fund Account, credited to the Debt Service Reserve Account thereof, and shall be used solely for the purposes of said Fund.

Section 10. All revenues derived from the operation of the waterworks and from the collection of water rates and charges shall be segregated and kept separate and apart from all other funds and bank accounts of the Town. Out of said revenues the proper and reasonable expenses of operation, repair and maintenance of the works shall be paid, the principal and interest of all bonds and fiscal agency charges of bank paying agents shall be paid, and the cost of replacements, extensions, additions, and improvements shall be paid as hereinafter provided. No moneys derived from the revenues of the waterworks shall be transferred to the general fund of the Town or be used for any purpose not connected with the waterworks so long as any bonds payable from the revenues of the waterworks are outstanding.

Section 11. The "Operation and Maintenance Account" created by Ordinance W-2, November 15, 1963, is hereby continued and there shall be credited to said Fund as of the last day of each calendar month a sufficient amount of the revenues of the waterworks so that the balance in said Fund shall be sufficient to pay the expenses of operation, repair and maintenance for the then next succeeding two (2) calendar months.

The moneys credited to this Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the water utility 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 balance in said Fund in excess of the expected expenses of operation, repair and maintenance for the next succeeding month may be transferred if necessary to prevent a default in the payment of principal or interest on the then outstanding bonds.

Section 12. (a) The Waterworks Revenue Bond and Interest Sinking Fund Account created by Ordinance W-2, adopted November 15, 1963, is hereby continued and there shall be set aside and deposited in said Sinking Fund, as available and as hereinafter provided, a sufficient amount of the net revenues of said water utility (defined as gross revenues of the water utility after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) to meet the requirements of the Bond and Interest Account and the Debt Service Reserve Account heretofore created in said Fund, as applicable to all outstanding bonds including the bond authorized herein. Said payments shall continue until the balance in the Bond and Interest Account, plus the balance in the Debt Service Reserve Account equal the principal and interest on all the outstanding bonds to the final maturity thereof.

(b) Bond and Interest Account. In addition to the requirements of Ordinance W-2, but exclusive of those Water Revenue Bonds and coupons, dated December 1, 1963, which are matured, there shall be credited on the first day of each calendar month to the Bond and Interest Account in said Fund an amount equal to the sum of one-twelfth (1/12) of the principal and interest payable the next succeeding December 1, on the Water Revenue Bond of 1963, until the amount of interest and principal payable on the then next succeeding respective principal and interest payment date 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 said bonds as the same become payable. The Town shall, from the sums deposited in the Waterworks Revenue Bond and Interest Sinking Fund Account and credited to the Bond and Interest Account, remit promptly to the bank fiscal agency sufficient moneys to pay the principal and interest on the due dates thereof together with the amount of bank fiscal agency charges.

(c) Debt Service Reserve Account. On the first day of each calendar month, after making the credits to the Bond and Interest Account, there shall be credited three-fourths (3/4) of the remaining net revenues to the Debt Service Reserve Account. Said credits to the Debt Service Reserve Account shall continue until the balance therein shall equal not less than the maximum annual principal and interest requirements of the then outstanding bonds payable from the Waterworks Revenue Bond and Interest Sinking Fund Account, but exclusive of those Water Revenue Bonds and coupons, dated December 1, 1963, which are matured. The Debt Service Reserve Account shall constitute the margin for safety and a protection against default in the payment of principal of and interest on all bonds, and the moneys in the Debt Service Reserve Account shall be used to pay current principal and interest on said bonds to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. In the event moneys in the Debt Service Reserve Account are transferred to the Bond and Interest Account to pay principal and interest on bonds, then such depletion of the balance in the Debt Service Reserve Account shall be made upon from the next available net revenues after the credits into the Bond and Interest Account hereinbefore provided for. Any moneys in the Debt Service Reserve Account in excess of the maximum annual principal and interest requirements of the then outstanding bonds, but exclusive of those Water Revenue Bonds and coupons, dated December 1, 1963, which are matured, may be used for the redemption of those Water Revenue Bonds and coupons, dated December 1, 1963, which are matured. Any moneys in the Debt Service Reserve Account in excess of the maximum

annual principal and interest requirements of the then outstanding bonds but exclusive of those Water Revenue Bonds and coupons, dated December 1, 1963, which are matured, may be used for the redemption of coupon bonds or prepayment of installments of principal on fully registered bonds which are then callable or prepayable, or for the purchase of outstanding bonds or installments of principal of fully registered bonds at a price not exceeding par and accrued interest and the then applicable premium for redemption, if any, or may be transferred to the Special Water Works Utility Account Fund created by said Ordinance W-2, dated November 15, 1963, which Fund as provided in said ordinance may be used for improvements, replacements, additions, and extensions. The Special Water Works Utility Account may be also used for the purpose of redeeming the Water Revenue Bonds and coupons, dated December 1, 1963, which are matured.

Section 13. The Waterworks Revenue Bond and Interest Sinking Fund Account consisting of a Bond and Interest Account and a Debt Service Reserve Account, shall be deposited in and maintained as a separate bank account or accounts apart from all other bank accounts of the Town. The Operation and Maintenance Account and the Special Waterworks Utility Account may be maintained in a single bank account or accounts but such bank account or accounts shall likewise be maintained separate and apart from all other bank accounts of the Town and apart from the Waterworks Revenue Bond and Interest Sinking Fund Account. All moneys deposited in said bank accounts shall be deposited, held and secured as public funds in accordance with the public depository laws of the State of Indiana; provided that moneys therein may be invested in accordance with the applicable laws, 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 ordinance.

Section 14. The Town 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 said utility and all disbursements made on account of the utility, also all transactions relating to said utility. There shall be prepared and furnished to the original purchaser of

the bond, not more than ninety (90) days after the close of each fiscal year, complete operating income and expense statements of the works, covering the preceding fiscal year and the balances in the several Funds and Accounts of the waterworks. The fiscal year of the water utility shall be from January 1 to December 31, both inclusive. Copies of all such statements and reports, together with all audits of the water utility made available to the Town by the Indiana State Board of Accounts or any successor body authorized by law to audit municipal accounts, shall be kept on file in the office of the Clerk-Treasurer. Any holder or holders of the bonds then outstanding shall have the right at all reasonable times to inspect the works and all records, accounts, statements, audits, reports and data of the Town relating to the water utility. Such inspections may be made by representatives duly authorized by written instrument.

Section 15. The Town shall by ordinance establish, maintain and collect just and equitable rates and charges for services afforded and rendered by said water utility, which shall to the extent permitted by law produce sufficient revenues at all times to pay all the legal and other necessary expense incident to the operation of such utility, to include maintenance costs, operating charges, upkeep, repairs, interest charges on bonds or other obligations, to provide the sinking fund for the liquidation of bonds or other evidences of indebtedness to provide adequate funds to be used as working capital, as well as funds for making extensions, additions, and replacements, and also, for the payment of any taxes that may be assessed against such utility, it being the intent and purpose hereof that such charges shall produce an income sufficient to maintain such utility property in a sound physical and financial condition to render adequate and efficient service. So long as any of the bonds herein authorized are outstanding, none of the facilities or services afforded or rendered by said system

shall be furnished without a reasonable and just charge being made therefor. The Town shall pay like charges for any and all services rendered by said utility to the Town, and all such payments shall be deemed to be revenues of the utility. Such rates or 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, and said requirements of the Waterworks Revenue Bond and Interest Sinking Fund Account.

Section 16. The Town reserves the right to authorize and issue additional bonds, payable out of the revenues of its waterworks ranking on a parity with the bonds authorized by this ordinance to complete the planned project, according to the plans and specifications, upon certification of the engineer of the amount necessary without any further conditions; or for the purpose of financing the cost of future additions, extensions, and improvements to the waterworks, subject to the following conditions:

(a) The interest on and principal of all bonds payable from the revenues of the waterworks shall have been paid to date in accordance with the terms thereof and all credits required to be made to the sinking fund and the accounts thereof shall have been made to date.

(b) The net revenues of the waterworks in the fiscal year immediately preceding, or the average of the two fiscal years immediately preceding, the issuance of any such bonds ranking on a parity with the bonds authorized by this ordinance shall not be less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds to become in parity and the proposed additional parity bonds to the final maturity of the then outstanding bonds to become in parity. For the purposes of this subsection, the records of the waterworks shall be analyzed and all showings shall be prepared by a certified public accountant retained by the Town for that purpose.



(c) The interest on the additional parity bonds shall be payable annually on December 1, and the principal shall be payable annually on December 1 in the years in which principal and interest are payable.

Parity bonds may also be issued to refund less than all of the then outstanding bonds, or prepayment of a part of the principal on a single bond, issued pursuant to this ordinance 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 refunding bonds shall be substituted for the interest on and principal of the bonds being refunded.

Section 17. For the purpose of further safeguarding the interests of the holder of the bond herein authorized, it is specifically provided as follows:

(a) All contracts let by the Town in connection with the construction of said waterworks shall be let after due advertisement as required by the laws of the State of Indiana, and all contractors shall be required to furnish surety bonds in an amount equal to one hundred per cent (100%) of the amount of such contracts, to insure the completion of said contracts, in accordance with their terms, and such contractors shall also be required to carry such employers' liability and public liability insurance as are required under the laws of the State of Indiana in the case of public contracts, and shall be governed in all respects by the laws of the State of Indiana relating to public contracts.

(b) The works shall be constructed under the supervision and subject to the approval of Environmental Consultants, Inc., or such other competent engineer as shall be designated by the Town. All estimates for work done or material furnished shall first be checked by the engineer and approved by the Town prior to payment therefor.

(c) The Town shall at all times maintain its water utility in good condition and operate the same in an efficient manner and at a reasonable cost.

(d) So long as any of the bonds herein authorized are outstanding, the Town shall maintain insurance on the insurable parts of said works of a kind and in an amount such as would normally be carried by private companies engaged in a similar type of business. All insurance shall be placed with reasonable insurance companies qualified to do business under the laws of the State of Indiana. Insurance proceeds shall be used in replacing the property destroyed or damaged; or if not used for that purpose shall be deposited in the Waterworks Revenue Bond and Interest Sinking Fund Account and credited to the Debt Service Reserve Account.

(e) So long as any of the bonds are outstanding, the Town shall not mortgage, pledge or otherwise encumber such works or any part thereof, nor shall it sell, lease or otherwise dispose of any portion thereof except equipment or property which may become worn out, obsolete or no longer suitable for use in the waterworks.

(f) Except as hereinbefore provided in Section 16, so long as any of the bonds herein authorized are outstanding, no additional bonds or other obligations pledging any portion of the revenues of said waterworks shall be authorized, executed or issued by the Town except such as shall be made subordinate and junior in all respects to the bonds herein authorized, unless all of the bonds herein authorized have been duly called for redemption and sufficient funds to effect the redemption and retirement have been deposited at the place of redemption on the date fixed for redemption in accordance with the terms and conditions of said bonds and this ordinance.

(g) The provisions of this ordinance shall constitute a contract by and between the Town and the holders of the water revenue bond herein authorized, and after the issuance of said bond, and subject to the provisions of Section 16 and 19, hereof, this ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the holders of said bonds, nor shall the Board of Trustees adopt any law, ordinance or resolution which in any way adversely affects the rights of such holders so long as any of said bonds or the interest thereon remain unpaid.

(h) The provisions of this ordinance shall be construed to create a trust in the proceeds of the sale of the bond herein authorized for the uses and purposes therein set forth, and the holders of the bond shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this ordinance and of said governing Acts. The provisions of this ordinance shall also be construed to create a trust in the portion of net revenues herein directed to be set apart and paid into the Waterworks Revenue Bond and Interest Sinking Fund Account for the uses and purposes of said Fund as in this ordinance set forth. The holders of said bonds shall have all of the rights, remedies and privileges set forth in the provisions of the governing Acts hereinbefore referred to, including the right to compel the collection of sufficient rates and charges to provide for the operation and maintenance of the water utility system and for the payment of the bonds and interest thereon; also, the right to apply to have a receiver appointed to maintain and operate said water utility system, in the event the Town shall fail or refuse to fix and collect sufficient rates and charges for said 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 bonds for a period of thirty (30) days after such payment shall be due. However, no rights

herein granted shall be construed as giving the holder of any junior and subordinate bond any right which interferes with the holder of a senior obligation.

Section 18. So long as the United States of America, acting through the Farmers Home Administration, is the holder of any of the bonds, the Town covenants that in addition to the other covenants, terms and conditions applicable to the bonds authorized by this ordinance, that:

(a) The Clerk-Treasurer shall maintain a fidelity bond in an amount not less than <sup>20,000</sup> Sixty Thousand Dollars (\$60,000.00), which shall name the Farmers Home Administration as a co-obligee.

(b) All disbursements and payments from the Construction Account established by Section 9 hereof shall be countersigned by such official as shall be designated in writing by the Farmers Home Administration.

(c) The Town, to the extent permitted by state law, shall make such periodic reports on the waterworks and its funds and accounts as shall be specified by the Farmers Home Administration.

(d) To the extent permitted by law, the Town shall comply with the terms and conditions of the Farmers Home Administration Loan Agreement dated Feb 6, 1981.

Section 19. Subject to the terms and provisions contained in this section, and not otherwise, the holders of not less than seventy-five per cent (75%) in aggregate principal amount of the 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 Town of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the Town 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 bond issued pursuant to this ordinance; or

(b) A reduction in the principal amount of any 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 waterworks ranking prior to the pledge thereof created by this ordinance; or

(d) A preference or priority of any bond or bonds issued pursuant to this ordinance over any other bond or bonds issued pursuant to the provisions of this ordinance; or

(e) A reduction in the aggregate principal amount of the bonds required for consent to such supplemental ordinance.

The holders of not less than seventy-five per cent (75%) in aggregate principal amount of the 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 Clerk-Treasurer of the Town, no holder of any 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 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 Town and all holders of 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 Town and of the holders of the bonds authorized by this ordinance, and the