

**UTILITY SERVICE BOARD  
OF THE CITY OF BLOOMINGTON, INDIANA  
RESOLUTION NO. 2023-21**

**A RESOLUTION AUTHORIZING CERTAIN CAPITAL PROJECTS FOR THE CITY OF BLOOMINGTON'S SEWAGE WORKS UTILITY, APPROVING THE ISSUANCE OF REVENUE BONDS THEREFOR, AND DECLARING AN OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR SUCH PROJECTS FROM THE PROCEEDS OF SAID BONDS**

**WHEREAS,** the City of Bloomington, Indiana (the "City"), has previously established and constructed and now owns and operates, through its Utility Service Board (the "Board"), a sewage works system for the collection, treatment and disposal of sewage and other wastes from inhabitants and entities in and around the City (the "Sewage Works"), in accordance with the provisions of Indiana Code 36-9-23, as amended, through the City of Bloomington Utilities Department; and

**WHEREAS,** the Board hereby finds that certain wastewater and storm water improvements, additions and extensions to the Sewage Works, more particularly described on Exhibit A hereto (the "Projects") are necessary; and that preliminary design plans, specifications, detailed descriptions and cost estimates have been prepared and filed by the engineers employed by the City for the construction of said Projects, which plans, specifications, descriptions and estimates have been or will be approved by the Board and by all governmental authorities having jurisdiction thereover; and

**WHEREAS,** the Board further finds that the City has obtained estimates prepared and delivered by the engineers employed by the City for the construction of said Projects and will advertise for and receive construction bids therefor; that on the basis of said estimates, the maximum estimated cost of the projects, as defined in Indiana Code 36-9-23 and Indiana Code 36-9-1, each as amended, including all authorized expenses relating thereto, including the costs of issuance of bonds on account of the financing of all or a portion thereof, is in the amount of Fifty-Five Million Dollars (\$55,000,000); and

**WHEREAS,** the Board further finds that there are not sufficient funds on hand from the Sewage Works to pay the costs of the Projects, and that the financing of the costs of the Projects should be accomplished by the issuance of revenue bonds of the Sewage Works, in an aggregate principal amount not to exceed Fifty-Five Million Dollars (\$55,000,000), and, if necessary, bond anticipation notes, all on the terms and conditions set forth herein; and

**WHEREAS,** this Board finds that it would be beneficial to finance the costs of the Projects and hereby authorizes the same by issuance of one or more series of the City of Bloomington, Indiana Sewage Works Revenue Bonds (collectively, the "Bonds") and, pending the issuance of such Bonds, one or more series of bond anticipation notes (collectively, the "BANs") for such purpose; and

**WHEREAS,** the Board finds that the City has previously issued and there are now outstanding bonds of the Sewage Works consisting of its (a) Amended Sewage Works Revenue Bonds of 2006, Series A-1, originally dated May 4, 2006 and amended on March 26, 2015, currently outstanding in the aggregate principal amount of \$2,016,000 (b) Sewage Works Refunding Revenue Bonds, Series 2013, dated May 17, 2013, currently outstanding in the aggregate principal amount of \$2,320,000, (c) Sewage Works Revenue Bonds of 2017, dated August 8, 2017, currently outstanding in the aggregate principal amount of \$5,360,000, (d) Sewage Works Refunding Revenue Bonds, Series 2019, dated November 6, 2019, currently outstanding in the aggregate principal amount of \$3,380,000, (e) Sewage Works Revenue Bonds of 2020, dated December 23, 2020, currently outstanding in the aggregate principal amount of \$24,445,000, and (f) Sewage Works Revenue Refunding Bonds of 2021, dated December 21, 2021, currently outstanding in the aggregate principal amount of \$5,105,000 (clauses (a) through (f), collectively, the “Outstanding Parity Bonds”), which Outstanding Parity Bonds constitute a first charge on the net revenues of the Sewage Works, defined as the gross revenues of the Sewage Works after deduction only for payment of the reasonable expenses of operation and maintenance, derived from the Sewage Works, including all such net revenues from the existing works and all additions, improvements and replacements thereof subsequently constructed or acquired (the “Net Revenues”); and

**WHEREAS,** each of the respective ordinances authorizing the Outstanding Parity Bonds allow for the issuance of additional bonds payable from the Net Revenues of the City’s Sewage Works ranking on parity with the pledge thereof to the Outstanding Parity Bonds provided certain financial conditions can be met (such financial conditions, the “Parity Tests”); and

**WHEREAS,** based on information presented to the Board at this meeting, the Board finds that the Parity Tests can be met with respect to the bonds to be issued pursuant to this ordinance, and, accordingly, such bonds will constitute a first charge against the Net Revenues (as hereinafter defined) of the Sewage Works on a parity with the pledge thereof to the Outstanding Parity Bonds and are to be issued subject to the provisions of the laws of the State of Indiana, including Indiana Code 36-9-23, as in effect on the date of delivery of the Bonds authorized herein (collectively, the “Act”) and the terms and restrictions of this Ordinance; and

**WHEREAS,** based on information presented to the Board at this meeting, the Board finds that the Parity Tests can be met with respect to the Bonds, and, accordingly, such Bonds, upon the issuance thereof, will constitute a first charge against the Net Revenues of the Sewage Works ranking on a parity with the Outstanding Parity Bonds and are to be issued subject to the provisions of the Act and the terms and restrictions of an ordinance to be adopted by the Bloomington Common Council authorizing the same; and

**WHEREAS,** this Board finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of the Bonds have been complied with in accordance with the provisions of the Act; and

**WHEREAS,** this Board now desires to recommend to the Bloomington Common Council (the “Common Council”) that it adopt an ordinance authorizing the issuance of the Bonds upon the terms set forth below; and

**WHEREAS,** the Common Council has previously adopted Ordinance No. 22-33 and Ordinance No. 22-34 (collectively, the “Rate Ordinance”), imposing fees and charges for the several classes of users or property to be served by the Sewage Works utility, which Rate Ordinance, as the same may be amended from time to time, is incorporated herein by reference as if fully included and set forth in this Resolution; and

**WHEREAS,** the City expects to pay for certain costs of the Projects (collectively, the “Expenditures”) prior to the issuance of the Bonds from the Sewage Works operating account, and to reimburse the Expenditures with proceeds received by the City upon the issuance of the Bonds or the BANs, and the Board, on behalf of the City, desires to declare its intent to reimburse the Expenditures pursuant to Treas. Reg. §1.150-2 and Indiana Code §5-1-14-6(c); and

**WHEREAS,** this Board now desires to recommend to the Bloomington Common Council that it adopt an ordinance authorizing the issuance of the proposed Bonds in substantially the form attached as Exhibit B hereto and incorporated herein (the “Ordinance”).

**NOW, THEREFORE, BE IT RESOLVED BY THE UTILITY SERVICE BOARD OF THE CITY OF BLOOMINGTON, INDIANA, AS FOLLOWS:**

1. The Board hereby recommends and requests that the Common Council adopt an ordinance authorizing the issuance of the Bonds, in one or more series, in a maximum aggregate principal amount not to exceed \$55,000,000 with a maximum interest rate of 7.00% and with a final maturity date no later than January 1, 2049, for the purpose of providing funds to (i) pay all or a portion of the costs of the Projects, (ii) fund a debt service reserve fund or pay the premium for a debt service reserve surety policy, and (iii) pay the costs incurred on account of the issuance and sale of the Bonds, including any premiums for any municipal bond insurance policies.
2. The Board hereby estimates that the fees for the several classes of users or property to be served by the Sewage Works utility are equal to the fees and charges set forth in the Rate Ordinance.
3. The Board hereby declares its official intent, to the extent permitted by law, to issue the Bonds in one or more series, in an aggregate principal amount not to exceed \$55,000,000, and to reimburse costs of the Projects consisting of the Expenditures from proceeds of the sale of such Bonds or the BANs.

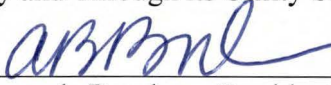
4. The Secretary of the Board is hereby authorized and directed to present a copy of this Resolution to the Bloomington City Clerk for presentation to the Bloomington Common Council as soon as may be done.
5. This Resolution shall be in full force and effect after its adoption by the Board.

Resolution 2023-21

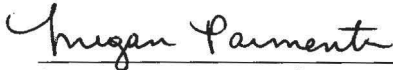
**PASSED AND ADOPTED THIS 6<sup>th</sup> DAY OF NOVEMBER, 2023.**

**CITY OF BLOOMINGTON, INDIANA**

By and Through its Utility Service Board

 11-6-23  
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Amanda Burnham, President

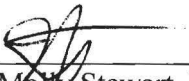
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Jeff Ehman, Member

 11-6-23  
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Megan Parmenter, Vice President

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Seth Debro, Member

  
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Jim Sherman, Member

  
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Kirk White, Member

  
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Molly Stewart, Member

**ATTEST:**

  
\_\_\_\_\_  
Secretary

## EXHIBIT A

### DESCRIPTION OF PROJECTS

#### **Dillman Road Wastewater Treatment Plant Project:**

The Dillman Road Wastewater Treatment Plant project is the first phase of the treatment plant expansion and modernization plan. The focus of this phase of the project is the replacement of select electrical and mechanical systems due to age and condition. The equipment replacement will include process modernization of the mixed liquor and aerobic digestion aeration systems. The project also includes the addition of a new disc filter and building to expand filtration capacity from 15 million gallon per day (mgd) to 20 mgd. Other improvements will include, but not be limited to, replacement and upgrade of the administrative building heating and cooling system, replacement of the main entry gate with an electronic operated gate, replacement of polymer blending units for the belt press, and design, site safety and miscellaneous improvements at all or any portion of the Dillman Road Wastewater Treatment Plant.

#### **Blucher Pool Wastewater Treatment Plant Project:**

The Blucher Pool Wastewater Treatment Plant Project includes replacement, upgrade and improvement projects at the existing wastewater treatment facility, including, but not limited to, repair of the damaged belt press, replacement of three (3) RAS pumps, completion of a hydraulic capacity study for the north sewer basin and the Blucher Poole Wastewater Treatment Plant, design of a plant hydraulic system to include an equalization basin and primary clarifier, replacement of plumbing in the solids handling building, switching current PCL (HMI) over to an ignition system with replacement units, replacement of intake pumps and flow meters, rehabilitation of influent flume, replacement of yard valves, replacement of the primary splitter gate to aeration basin No. 3, and miscellaneous design and equipment replacement projects related thereto.

#### **Collection System Project:**

The Collection System Project includes collection system replacement, upgrade and improvement projects, including, but not limited to, a sump pump disconnect program, rehabilitation of sewer pipes and manholes, replacement and upgrade of existing lift stations, coordination with INDOT and the City engineering on road improvement and relocation projects, design of capacity upgrades and all equipment related thereto.

#### **Other Projects:**

Other projects include construction and equipping projects at a proposed new Service Center, including, but not limited to, demolition of the existing buildings at the Winston Thomas

property, design of a proposed new Service Center and maintenance facility and any other costs or equipment related thereto.

EXHIBIT B  
FORM OF ORDINANCE

(Attached)