

**ENROLLED MINUTES OF THE  
HIGHLAND WATER WORKS BOARD OF DIRECTORS  
THURSDAY, JULY 8, 2021**

The Highland Water Works Board of Directors met in its Special Public Session/Public Hearing on Thursday, July 8, 2021 in the lower meeting chambers of the Highland Municipal Building, 3333 Ridge Road, Highland, Indiana. President Smith opened the meeting at 6:38 pm. A quorum was attained. President Smith appointed Director Jason Tharp as secretary *pro tempore* due to the absence of Director Volbrecht. The minutes were recorded by Kim Webb, Recording Secretary.

**ROLL CALL:** Present on roll call were Directors George A. Smith, Jason Tharp, Curt Schroeder, and Ed Dabrowski. Director Volbrecht was absent with prior notice given. Also present were Brian Bell, Acting Operations Director; Derek Snyder, NIES Engineering; Robert F. Tweedle, Board Attorney; Tom Black, Town Council; Michael Griffin, Clerk Treasurer; and Kim Webb, Recording Secretary.

**Special Orders:**

1. Public Hearing on a Declaratory Resolution, 2021-15, by the Water Works District Board of Directors of the Town of Highland Indiana approved at its meeting of June 24, 2021.

The Public Hearing was opened at 6:42 p.m. Robert Tweedle, Board Attorney, confirmed proof of publication on June 25, 2021. Director Smith called three times for any comments, in favor of or in opposition to the Declaratory Resolution, and any remonstrances from the public. There were no comments nor any remonstrances. The Public Hearing was closed at 6:44 p.m.

Highland Water Works  
Board of Directors  
Resolution No. 2021-17

A Resolution of the Board of Directors of the Department of Waterworks of the Town of Highland, Indiana approving a Resolution adopted on June 24, 2021, authorizing improvements to the Waterworks and the issuance of Notes therefor. Director Dabrowski moved to approve Resolution 2021-17. Director Tharp seconded. Upon a roll call vote there were (4) affirmations and no negatives, (1) absent. The motion passed.

**WATERWORKS BOARD OF DIRECTORS  
RESOLUTION NO. 2021-17**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DEPARTMENT OF WATERWORKS  
OF THE TOWN OF HIGHLAND, INDIANA CONFIRMING A RESOLUTION ADOPTED ON  
JUNE 24, 2021, AUTHORIZING IMPROVEMENTS TO THE WATERWORKS AND THE ISSUANCE  
OF NOTES THEREFOR**

WHEREAS, The Board of Directors of the Department of Waterworks of the Town of Hammond, Indiana (the "Board") did on June 24, 2021, adopt a resolution (the "Declaratory Resolution") approving improvements to the waterworks, consisting of either or both or any part of either of the following improvements: (a) water tank rehabilitation and (b) Martha Street water main replacement project (collectively, the "Improvements") and recommending and proposing that the Improvements be financed by the issuance of notes in an amount not to exceed \$2,000,000 pursuant to Indiana Code 8-1.5-4 and Indiana Code 36-9-41; and,

WHEREAS, As required by statute, this Board has conducted a public hearing on July 8, 2021 to receive and hear remonstrances from persons interested in or affected by these proceedings,

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE DEPARTMENT OF WATERWORKS OF THE TOWN OF HAMMOND, INDIANA, RESOLVES AS FOLLOWS:**

**Section 1.** The Improvements are determined to be of public utility and benefit, and it is necessary for the protection of the public health and welfare of the inhabitants of the Town of Hammond Waterworks District (the "District") and the safeguarding of the property within the District to proceed with the Improvements.

**Section 2.** The Declaratory Resolution adopted by this Board on June 24, 2021, is in all things approved, ratified and confirmed.

**Section 3.** The Board shall, pursuant to the provisions of Indiana Code 8-1.5-4 and Indiana Code 36-9-41, cause to be issued as soon as can be done notes to provide funds for the purposes described above, such notes not to exceed \$2,000,000 in aggregate principal amount.

**Section 4.** This Resolution shall be in full force and effect upon its passage.

Passed and adopted this 8<sup>th</sup> day of July, 2021.

**BOARD OF DIRECTORS OF  
THE DEPARTMENT OF WATERWORKS OF  
THE TOWN OF HIGHLAND, INDIANA**

/s/George A. Smith, President

Attest:

/s/~~Richard Volbrecht~~ Jason Tharp, Secretary *pro tempore*

#  
2.

Highland Water Works  
Board of Directors  
Resolution 2021-18

Note Resolution of the Board of Directors of the Department of Waterworks of the Town of Highland, Indiana for the purpose of providing funds to pay for Waterworks improvements and incidental expenses in connection therewith and on account of the issuance of the Notes. Director Schroeder moved to approve Resolution 2021-18. Director Dabrowski seconded. Upon a roll call vote there were (4) affirmations and no negatives, (1) absent. The motion passed.

**RESOLUTION NO. 2021-18**

**NOTE RESOLUTION THE BOARD OF DIRECTORS OF THE DEPARTMENT OF WATERWORKS OF THE TOWN OF HIGHLAND, INDIANA FOR THE PURPOSE OF PROVIDING FUNDS TO PAY FOR WATERWORKS IMPROVEMENTS AND INCIDENTAL EXPENSES IN CONNECTION THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE NOTES**

**WHEREAS**, The Town of Highland, Indiana (the “Town”), has heretofore constructed and now owns and operates a municipal waterworks utility system (the “Waterworks”) by and through the Board of Directors (the “Board”) of the Department of Waterworks (the “Department”) of the Town, the governing body of the Waterworks District of the Town (the “District”), pursuant to Indiana Code 8-1.5-4, as amended, and other applicable laws;

**WHEREAS**, On June 24, 2021, the Board adopted a declaratory resolution declaring that (i) it had determined that it is necessary to make improvements to the waterworks, consisting of either or both or any part of either of the following improvements: (a) water tank rehabilitation and (b) Martha Street water main replacement project (collectively referred to herein as the “Project”), and (ii) it is of public utility and benefit and it is necessary for the protection of the public health and welfare of the inhabitants of the District and the safeguarding of the property within the District to proceed with the Project and adopted all necessary plans, maps, specifications, drawings, details and estimates relating to the Project;

**WHEREAS**, After notice and a public hearing held on the date hereof in accordance with the Act and Indiana Code 5-3-1, the Board confirmed the declaratory resolution by the adoption of a confirmatory resolution;

**WHEREAS**, It would be of public utility and benefit and in the best interests of the District and its citizens to pay the costs of all or a portion of the Project through the issuance of general obligation notes of the District;

**WHEREAS**, The Board deems it advisable to issue, pursuant to Indiana Code § 8-1.5-4-1, *et. seq.*, § 36-9-41 and other applicable provisions of the Indiana Code (collectively, the “Act”), the “Town of Highland, Indiana Waterworks District General Obligation Notes, Series 2021” (the “Notes”) in an original principal amount not to exceed \$2,000,000 for the purpose of providing for the payment or reimbursement of (i) all or a portion of the costs of the Project, (ii) preliminary expenses related thereto and all incidental expenses incurred in connection therewith, (all of which are deemed to be a part of the Project), and (iii) the costs of selling and issuing the Notes;

**WHEREAS**, The original principal amount of the Notes, together with the outstanding principal amount of previously issued notes or other obligations which constitute a debt of the District, is no more than one-third of eight percent (1/3 of 8%) of the total net assessed valuation of the District;

**WHEREAS**, The amount of proceeds of the Notes allocated to pay costs of the Project, together with estimated investment earnings thereon, does not exceed the cost of the Project as estimated by the Board;

**WHEREAS**, The Board now finds that all conditions precedent to the adoption of an Resolution authorizing the issuance of the Notes have been complied with in accordance with the Act; and,

**WHEREAS**, Section 1.150-2 of the Treasury Regulations on Income Tax (the “Reimbursement Regulations”) specifies conditions under which a reimbursement allocation may be treated as an expenditure of note proceeds, and the District intends by this Resolution to qualify amounts advanced by the District to the Project for reimbursement from proceeds of the Notes in accordance with the requirements of the Reimbursement Regulations,

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE DEPARTMENT OF WATERWORKS OF THE TOWN OF HIGHLAND, INDIANA, RESOLVES AS FOLLOWS:**

Authorization for Notes. In order to provide financing for the Project and incidental expenses incurred in connection therewith and on account of the issuance of the Notes, the Town, acting for and on behalf of the District, shall borrow money and issue the Notes as herein authorized. The District reasonably expects to reimburse expenditures for the Project with proceeds of the Notes and this constitutes a declaration of official intent pursuant to Treasury Regulation 1.150-2(e) and Indiana Code 5-1-14-6(c).

General Terms of Notes. In order to procure said loan for such purposes, the Clerk-Treasurer, as the fiscal officer of the Town (the “Clerk-Treasurer”), is hereby authorized and directed to have prepared and to issue and sell general obligation notes, which shall be issued in the name of the Town, for and on behalf of the District, in an amount not to exceed \$2,000,000 (the “Authorized Amount”), to be designated “Town of Highland, Indiana Waterworks District General Obligation Notes, Series 2021” for the purpose of providing financing for the Project and incidental expenses, such expenses to include without limitation all expenses of every kind incurred preliminarily to the funding of the Project and the costs of selling and issuing the Notes.

The Notes shall be signed in the name of the District by the manual or facsimile signature of the President of the Town Council of the Town (the “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 Notes manually or shall have the seal imprinted or impressed thereon by facsimile or other means. In case any officer whose signature or facsimile signature appears on the Notes shall cease to be such officer before the delivery of the Notes, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery thereof. The Notes shall also be authenticated by the manual signature of the Registrar (as hereafter defined). Subject to the provisions

of this Resolution regarding the registration of the Notes, the Notes shall be fully negotiable instruments under the laws of the State of Indiana.

The Notes are, are, as to all the principal thereof and interest due thereon, special obligations of the District as a special taxing district, payable from special *ad valorem* property taxes on all taxable property within the District pursuant to the Act (the "Special Tax"). The District may pay the Notes from any funds legally available to the District, but is only obligated to pay the Notes from the Special Tax.

The Notes shall be issued in fully registered form in denominations of One Hundred Thousand Dollars (\$100,000), One Thousand Dollars (\$1,000) or any integral multiple thereof, shall be numbered consecutively from R-1 upward, and shall be originally dated the date of issuance of the Notes. The Notes shall bear interest payable semiannually on February 1 and August 1 of each year, beginning on the February 1 and August 1 determined by the Clerk-Treasurer at the time of sale, at a rate or rates not exceeding four percent (4.00%) per annum (the exact rate or rates to be determined by negotiation pursuant to Section 6 of this Resolution). Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months or 365-day calendar year based upon the advice of the municipal advisor to the District. The Notes shall mature serially on **February 1** and **August 1** as finally determined by the Clerk-Treasurer as evidenced by delivery of the executed initial issue of the Notes to the Registrar for authentication, provided that the original aggregate principal amount does not exceed the Authorized Amount, that the first maturity shall be no earlier than August 1, 2021, and that the final maturity shall be no later than ten years of issuance of the Notes.

All payments of interest on the Notes shall be paid by wire transfer, or by check mailed one business day prior to the interest payment date to the registered owners thereof as of the fifteenth (15<sup>th</sup>) day of the month immediately prior to the month in which interest is payable at the addresses as they appear on the registration books kept by the Registrar (the "Registration Record") or at such other address as is provided to the Paying Agent (as hereafter defined) in writing by such registered owner. All principal payments on the Notes shall be made upon surrender thereof at the principal office of the Paying Agent, in any coin or currency of the United States of America which on the date of such payment shall be legal tender for the payment of public and private debts.

Interest on Notes shall be payable from the interest payment date to which interest has been paid next preceding the authentication date thereof unless such Notes are authenticated after the fifteenth (15<sup>th</sup>) day of the month immediately prior to the month in which interest is payable and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless authenticated on or before the fifteenth (15<sup>th</sup>) day of the month immediately prior to the month of the first interest payment date, in which case they shall bear interest from the original date, until the principal shall be fully paid.

Each Note shall be transferable or exchangeable only upon the Registration Record by the registered owner thereof in person, or by his attorney duly authorized in writing, upon surrender of such Note 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 Note or Notes in the same aggregate principal amount, and of the same maturity, 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 costs of such transfer or exchange shall be borne by the District, except for any tax or governmental charge required to be paid in connection therewith, which shall be payable by the person requesting such transfer or exchange. The District, the Registrar and the Paying Agent may treat and consider the persons in whose names such Notes are registered as the absolute owners thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

In the event any Note is mutilated, lost, stolen or destroyed, the District may execute and the Registrar may authenticate a new note of like date, maturity and denomination as that mutilated, lost, stolen or destroyed, which new note shall be marked in a manner to distinguish it from the note for which it was issued, provided that, in the case of any mutilated note, such mutilated note shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed note there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the District and the Registrar, together with indemnity satisfactory to them. In the event any such note shall have matured, instead of issuing a duplicate note, the District and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The District and the Registrar may charge the owner of such Note with their reasonable fees and expenses in this connection. Any note issued pursuant to this paragraph shall be deemed an original, substitute contractual obligation of the District, whether or not the lost, stolen or destroyed Note shall be found at any time, and shall be entitled to all the benefits of this Resolution, equally and proportionately with any and all other Notes issued hereunder.

Terms of Redemption. The President and the Clerk-Treasurer, upon consultation with the District's municipal advisor, may designate maturities of Notes (or portion thereof in integral multiples of \$1,000 principal amount each) that shall be subject to optional redemption and/or maturity sinking fund redemption, and the corresponding redemption dates, amounts and prices (including premium, if any). Except as otherwise set forth in this Resolution, the Clerk-Treasurer, upon consultation with the District's municipal advisor, is hereby authorized and directed to determine the terms governing any such redemption.

Notice of redemption shall be mailed by first-class mail or by registered or certified mail to the address of each registered owner of a Note to be redeemed as shown on the Registration Record not more than sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption except to the extent such redemption notice is waived by owners of Notes redeemed, provided,

however, that failure to give such notice by mailing, or any defect therein, with respect to any Note shall not affect the validity of any proceedings for the redemption of any other Notes. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers (if any) of the Notes called for redemption. The place of redemption may be determined by the District. Interest on the Notes 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 on the date so named, and thereafter, such Notes shall no longer be protected by this Resolution and shall not be deemed to be outstanding hereunder, and the holders thereof shall have the right only to receive the redemption price.

All Notes which have been redeemed shall be canceled and shall not be reissued; provided, however, that one or more new registered notes shall be issued for the unredeemed portion of any Note without charge to the holder thereof.

No later than the date fixed for redemption, funds shall be deposited with the Paying Agent or another paying agent to pay, and such agent is hereby authorized and directed to apply such funds to the payment of, the Notes or portions thereof called for redemption, including accrued interest thereon to the redemption date. No payment shall be made upon any Note or portion thereof called for redemption until such note shall have been delivered for payment or cancellation or the Registrar shall have received the items required by this resolution with respect to any mutilated, lost, stolen or destroyed note.

Appointment of Registrar and Paying Agent. The Clerk-Treasurer is hereby authorized to serve as, or to appoint a qualified financial institution to serve as, registrar and paying agent for the Notes (the “Registrar” or “Paying Agent”). The Registrar is hereby charged with the responsibility of authenticating the Notes, and shall keep and maintain at its principal office or corporate trust office books for the registration and transfer of the Notes. The Clerk-Treasurer is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of the Registrar and Paying Agent. The Clerk-Treasurer is authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent by giving thirty (30) days written notice to the Clerk-Treasurer and to each registered owner of the Notes then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar and Paying Agent by the Clerk-Treasurer. Such notice to the Clerk-Treasurer may be served personally or be sent by first-class or registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the Clerk-Treasurer, in which event the Clerk-Treasurer may appoint a successor Registrar and Paying Agent. The Clerk-Treasurer shall notify each registered owner of the Notes then outstanding of the removal of the Registrar and Paying Agent. Notices to registered owners of the Notes shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the note register. Any predecessor Registrar and Paying Agent shall deliver all the Notes, cash and investments in its possession and the note register to the successor Registrar and Paying Agent. At all times, the same entity shall serve as Registrar and as Paying Agent.

If the purchaser of the Note that does not object to such designation, the Clerk-Treasurer may serve as Registrar and Paying Agent, and in that case, is hereby charged with the performance of all duties and responsibilities of Registrar and Paying Agent.

Form of Notes. (a) The form and tenor of the Notes shall be substantially as follows, all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof:

R-\_\_  
 UNITED STATES OF AMERICA  
 STATE OF INDIANA      COUNTY OF LAKE  
 TOWN OF HIGHLAND, INDIANA  
 WATERWORKS DISTRICT GENERAL OBLIGATION NOTE, SERIES 20\_\_

Interest Rate	Maturity Date	Original Date	Authentication Date	[CUSIP]
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REGISTERED OWNER:

PRINCIPAL SUM:    DOLLARS (\$\_\_\_\_\_) )

The Town of Highland (the “Town”), in Lake County, State of Indiana, for and on behalf of the Waterworks District of the Town (the “District”), the boundaries of which are coterminous with those of the

Town, for value received, hereby promises to pay to the Registered Owner set forth above, the Principal Sum set forth above on the Maturity Date set forth above, and to pay interest thereon until the Principal Sum shall be fully paid, at the Interest Rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this note unless this note is authenticated after the first day of the month in which interest is payable and on or before such interest payment date in which case it shall bear interest from such interest payment date, or unless this note is authenticated on or before \_\_\_\_\_ in which case it shall bear interest from the Original Date, which interest is payable semi-annually on each February 1 and August 1 of each year, beginning on \_\_\_\_\_ 1, 202\_. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of this note is payable at \_\_\_\_\_ (the "Registrar" or "Paying Agent"), in \_\_\_\_\_, Indiana. All payments of interest on this note shall be paid by check mailed one business day prior to the interest payment date to the registered owner hereof as of the first day of the month in which interest is payable at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. All payments of principal of and premium, if any, on this note shall be made upon surrender thereof at the principal [corporate trust] office of the Paying Agent in any coin or currency of the United States of America which on the dates of such payment shall be legal tender for the payment of public and private debts.

This note is one of an authorized issue of general obligation notes of the District, of like original date, tenor and effect, except as to denomination, numbering, interest rates, and dates of maturity, in the total amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), numbered consecutively from R-1 upward, issued for the purpose of providing funds to pay for waterworks improvements of the District, and the costs of the issuance of notes therefor, as authorized by Resolution No. \_\_\_\_\_ adopted by the Board of Directors of the Department of Waterworks of the Town on the \_\_\_\_ day of \_\_\_\_\_, 2021, entitled "NOTE RESOLUTION THE BOARD OF DIRECTORS OF THE DEPARTMENT OF WATERWORKS OF THE TOWN OF HIGHLAND, INDIANA FOR THE PURPOSE OF PROVIDING FUNDS TO PAY FOR WATERWORKS IMPROVEMENTS AND INCIDENTAL EXPENSES IN CONNECTION THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE NOTES" (the "Resolution"), and in accordance with Indiana Code 8-1.5-4, Indiana Code 36-9-41 and other applicable provisions of the Indiana Code, as amended (collectively, the "Act"). The owner of this note, by the acceptance hereof, agrees to all the terms and provisions contained in the Resolution and the Act.

PURSUANT TO THE PROVISIONS OF THE ACT AND THE RESOLUTION, THE PRINCIPAL OF THIS NOTE AND ALL OTHER NOTES OF SAID ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE AS SPECIAL TAXING DISTRICT OBLIGATIONS OF THE TOWN OF HIGHLAND WATERWORKS DISTRICT, AS A SPECIAL TAXING DISTRICT, FROM A SPECIAL *AD VALOREM* PROPERTY TAX TO BE LEVIED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT.

THIS NOTE DOES NOT CONSTITUTE A CORPORATE OBLIGATION OR INDEBTEDNESS OF THE TOWN OF HIGHLAND, INDIANA, BUT IS AN INDEBTEDNESS OF THE TOWN OF HIGHLAND WATERWORKS DISTRICT AS A SPECIAL TAXING DISTRICT. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF TOWN OF HIGHLAND, INDIANA IS PLEDGED TO PAY THE INTEREST OR PREMIUM ON OR THE PRINCIPAL OF THIS NOTE.

[INSERT REDEMPTION TERMS]

Notice of such redemption shall be mailed by first-class mail or by registered or certified mail not more than sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption to the address of the registered owner of each note to be redeemed as shown on the registration record of the District except to the extent such redemption notice is waived by owners of the note or notes redeemed, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any note shall not affect the validity of any proceedings for the redemption of any other notes. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers, if any, of the notes called for redemption. The place of redemption may be determined by the District. Interest on the notes 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 on the date so named, and thereafter, such notes shall no longer be protected by the Resolution and shall not be deemed to be outstanding thereunder.

This note is subject to defeasance prior to payment as provided in the Resolution.

If this note shall not be presented for payment on the date fixed therefor, the District may deposit in trust with the Paying Agent or another paying agent, an amount sufficient to pay such note, and thereafter the

Registered Owner shall look only to the funds so deposited in trust for payment and the District shall have no further obligation or liability in respect thereto.

This note is transferable or exchangeable only upon the books of the District kept for that purpose at the office of the Registrar by the Registered Owner in person, or by his attorney duly authorized in writing, upon surrender of this note 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 note or notes in the same aggregate principal amount, and of the same maturity, 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 District, any registrar and any paying agent for this note may treat and consider the person in whose name this note 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 notes maturing in any one year are issuable only in fully registered form in the denomination of [\$100,000][\$1,000] or any integral multiple thereof.

This note has been designated as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

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 note have been done and performed in regular and due form as provided by law.

This note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the Board of Directors of the Department of Waterworks of the Town of Highland, in Lake County, State of Indiana, has caused this bond to be executed by the President of the Town Council of the Town, in the name of the Town of Highland, for and on behalf of the Waterworks District of the Town, and its corporate seal to be hereunto affixed and attested by the manual or facsimile signature of the Clerk-Treasurer of the Town.

TOWN OF HIGHLAND, INDIANA

(Seal of the Town)

\_\_\_\_\_  
President of the Town Council

ATTEST:

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

It is hereby certified that this note is one of the notes described in the within-mentioned Resolution duly authenticated by the Registrar.

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

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

The following abbreviations, when used in the inscription on the face of this note, 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 of _____ (State)

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

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Please Print or Typewrite Name and Address) \$ \_\_\_\_\_ principal amount (must be a multiple of \$1,000) of the within note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the within note on the books kept for the registration thereof with full power of substitution in the premises.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within note in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

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

(End of Form of Notes)

(b) The Notes may, in compliance with all applicable laws, initially be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the District from time to time (the "Clearing Agency"), without physical distribution of notes to the purchasers. The following provisions of this section apply in such event.

One definitive Note of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The District and the Registrar and Paying Agent may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Notes as are necessary or appropriate to accomplish or recognize such book-entry form Notes.

During any time that the Notes remain and are held in book-entry form on the books of a Clearing Agency, (1) any such Note may be registered upon the books kept by the Registrar in the name of such Clearing Agency, or any nominee thereof, including Cede & Co., as nominee of The Depository Trust Company; (2) the Clearing Agency in whose name such Note is so registered shall be, and the District and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Note for all purposes of this Resolution, including, without limitation, the receiving of payment of the principal of and interest on such Note, the receiving of notice and giving of consent; (3) neither the District nor the Registrar or Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Note, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Note or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any Note, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not



required to present any Note called for partial redemption prior to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption.

If either the District receives notice from the Clearing Agency which is currently the registered owner of the Notes to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the Notes, or the District elects to discontinue its use of such Clearing Agency as a Clearing Agency for the Notes, then the District and Registrar and Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Notes, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the Notes and to transfer the ownership of each of the Notes to such person or persons, including any other Clearing Agency, as the holders of the Notes may direct in accordance with this Resolution. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the Notes, shall be paid by the District.

During any time that the Notes are held in book-entry form on the books of a Clearing Agency, the Registrar shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owner of Notes as of a record date selected by the Registrar. For purposes of determining whether the consent, advice, direction or demand of a registered owner of a Note has been obtained, the Registrar shall be entitled to treat the beneficial owners of the Notes as the noteholders and any consent, request, direction, approval, objection or other instrument of such beneficial owner may be obtained in the fashion described in this Resolution.

During any time that the Notes are held in book-entry form on the books of a Clearing Agency, the President, the Clerk-Treasurer and/or the Registrar are authorized to execute and deliver a Letter of Representations agreement with the Clearing Agency, or a Blanket Issuer Letter of Representations, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth therein. The Registrar, by accepting the duties of Registrar under this Resolution, agrees that it will (i) undertake the duties of agent required thereby and that those duties to be undertaken by either the agent or the issuer shall be the responsibility of the Registrar, and (ii) comply with all requirements of the Clearing Agency, including without limitation same day funds settlement payment procedures. Further, during any time that the Notes are held in book-entry form, the provisions of Section 5 of this Resolution shall control over conflicting provisions in any other section of this Resolution.

**Sale of Notes.** The Clerk-Treasurer, upon the advice of the municipal advisor and bond counsel, may elect to issue any series of Notes upon the terms and conditions set forth in a purchase agreement (the "Purchase Agreement"), to be entered into between the Town and, if permitted by Indiana Code 5-1-11-1, as amended, to an underwriter or a financial institution selected by the Clerk-Treasurer (the "Purchaser"). The Board hereby approves the sale of the Notes to the Purchaser, and authorizes the Clerk-Treasurer, for and on behalf of the District, to execute and deliver, and to perform the obligations of the District under the Purchase Agreement, in the form the Clerk-Treasurer, with the advice of counsel, determine to be necessary or appropriate, such determination to be conclusively evidenced by such Clerk-Treasurer's execution thereof.

As an alternative to a negotiated sale, the Notes may be sold in a competitive sale. The Clerk-Treasurer may cause to be published a notice of sale once each week for two consecutive weeks per Indiana Code § 5-3-1-2. The date fixed for the sale will not be earlier than fifteen (15) days after the first of such publications and not earlier than three (3) days after the second of such publications. Said note sale notice will state the time and place of sale, the purpose for which the Notes are being issued, the total amount thereof, the amount and date of each maturity, the maximum rate or rates of interest thereon, their denominations, the time and place of payment, that specifications and information concerning the Notes are on file in the office of the Clerk-Treasurer and are available on request, the terms and conditions upon which bids will be received and the sale made and such other information as is required by law or as the Clerk-Treasurer shall deem necessary, including any terms and conditions of sale which provide an exclusion or exemption from the applicability of all or a portion of the provisions of Rule 15c2-12 of the U.S. Securities and Exchange Commission as amended (the "SEC Rule").

As an alternative to the publication of a notice of sale, the Clerk-Treasurer may sell the Notes through the publication of a notice of intent to sell the Notes and compliance with related procedures pursuant to Indiana Code § 5-1-11-2(b).

All bids for the Notes may be sealed and presented to the Clerk-Treasurer in accord with the terms set forth in the note sale notice. Bidders for the Notes will be required to name the rate or rates of interest which the Notes are to bear, which will be the same for all Notes maturing on the same date and the interest rate may not exceed four percent (4.00%) per annum, and such interest rate or rates shall be in multiples of one-hundredth of one per cent. The Clerk-Treasurer will award the Notes to the bidder who offers the lowest interest cost, to be determined by computing the total interest on all the Notes to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of the discount, if any. No bid for less than 98% of the par value of the Notes and accrued interest, if any, shall be considered. The Clerk-Treasurer may require that the accepted bid shall be accompanied by certified or cashier's checks payable to the order of the Town of Highland, Indiana, in an amount not to exceed one percent of the aggregate principal amount of the Notes. In the event no satisfactory bids are received on the day named in the sale notice, the sale may be continued from day to day thereafter for a period of thirty (30) days without readvertisement; provided, however, that if said sale be continued, no bid shall be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for sale in the note sale notice. The Clerk-Treasurer shall have full right to reject any and all bids.

After the Notes have been properly sold and executed, the Clerk-Treasurer will receive from the purchasers' payment for the Notes and will provide for delivery of the Notes to the purchasers.

The Clerk-Treasurer is hereby authorized and directed to obtain legal opinion as to the validity of the Notes from Barnes & Thornburg LLP, and to furnish such opinion to the purchasers of the Notes or to cause a copy of said legal opinion to be printed on each Note. The cost of such opinion shall be paid out of the proceeds of the Notes.

The President and/or Clerk-Treasurer are hereby authorized to deem final an official statement with respect to the Notes, as of its date, in accordance with the provisions of the SEC Rule, subject to completion as permitted by the SEC Rule, and the Board further authorizes the distribution of the deemed final official statement, and the execution, delivery and distribution of such document as further modified and amended with the approval of the President and/or Clerk-Treasurer in the form of a final official statement.

In order to assist any underwriter of the Notes in complying with paragraph (b)(5) of the SEC Rule by undertaking to make available disclosure about the District and the Notes to participants in the municipal securities market, the District hereby covenants, agrees and undertakes, in accordance with the SEC Rule, unless excluded from the applicability of the SEC Rule or otherwise exempted from paragraph (b)(5) of the SEC Rule, that it will comply with and carry out all of the provisions of the continuing disclosure contract. "Continuing disclosure contract" shall mean that certain continuing disclosure contract executed by the District and dated the date of issuance of the Notes, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The execution and delivery by the President and the Clerk-Treasurer of the continuing disclosure contract and the performance by the District of its obligations thereunder by or through any employee or agent of the District are hereby approved, and the District shall comply with and carry out the terms thereof.

Use of Note Proceeds. Any accrued interest received at the time of delivery of the Notes will be applied to payments on the Notes on the earliest interest payment dates. The remaining proceeds received from the sale of the Notes shall be deposited in the Town of Highland Waterworks District, 2021 Project Fund (the "Project Fund"). The proceeds deposited in the Project Fund shall be expended only for the purpose of paying expenses incurred in connection with the Project together with the expenses incidental thereto and on account of the issuance of the Notes. Any balance remaining in the Project Fund after the completion of the Project which is not required to meet unpaid obligations incurred in connection therewith and on account of the issuance of the Notes may be used to pay debt service on the Notes or otherwise used as permitted by law.

Defeasance. If, when the Notes 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 Notes or any portion thereof for redemption have been given, and the whole amount of the principal and the interest so due and payable upon such notes or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, the principal of and the interest on which when due without reinvestment will provide sufficient money, or (iii) any combination of the foregoing, shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment, then and in that case the Notes or such designated portion thereof shall no longer be deemed outstanding or secured by this Resolution.

Tax Covenants. In order to preserve the exclusion of interest on the Notes from gross income for federal income tax purposes and as an inducement to purchasers of the Notes, the District represents, covenants and agrees that:

The District will not take any action or fail to take any action with respect to the Notes that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Notes pursuant to Section 103 of the Internal Revenue Code of 1986 as in effect on the date of issuance of the Notes (the "Code"), including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on Note proceeds or other monies treated as Note proceeds to the federal government as provided in Section 148 of the Code, and will set aside such monies, which may be paid from investment income on funds and accounts notwithstanding anything else to the contrary herein, in trust for such purposes.

The District will file an information report Form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

The District will not make any investment or do any other act or thing during the period that any Note is outstanding hereunder which would cause any Note to be an "arbitrage note" within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the Notes.

Notwithstanding any other provisions of this Resolution, the foregoing covenants and authorizations (the "Tax Sections") which are designed to preserve the exclusion of interest on the Notes from gross income under federal income tax law (the "Tax Exemption") need not be complied with to the extent the District receives an opinion of nationally recognized note counsel that compliance with such Tax Section is unnecessary to preserve the Tax Exemption.

Amendments. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Notes then outstanding shall have the right, from time to time, to consent to and approve the adoption by the District of such Resolution or Resolutions supplemental hereto as shall be deemed necessary or desirable by the District 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 Note, without the consent of the holder of each Note so affected; or

A reduction in the principal amount of any Note or the rate of interest thereon, or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each Note so affected; or

A preference or priority of any Note over any other Note, without the consent of the holders of all Notes then outstanding; or

A reduction in the aggregate principal amount of the Notes required for consent to such supplemental Resolution, without the consent of the holders of all Notes then outstanding.

If the District shall desire to obtain any such consent, it shall cause the Registrar to mail a notice, postage prepaid, to the addresses appearing on the registration books held by the Registrar. Such notice shall briefly set forth the nature of the proposed supplemental Resolution and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the Notes. The Registrar shall not, however, be subject to any liability to any owners of the Notes by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental Resolution when consented to and approved as herein provided.

Whenever at any time within one year after the date of the mailing of such notice, the District shall receive any instrument or instruments purporting to be executed by the owners of the Notes of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the Notes then outstanding, which instrument or instruments shall refer to the proposed supplemental Resolution described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar, thereupon, but not otherwise, the District may adopt such supplemental Resolution in substantially such form, without liability or responsibility to any owners of the Notes, whether or not such owners shall have consented thereto.

No owner of any Note 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 District 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 District and all owners of Notes 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 District and of the owners of the Notes, and the terms and provisions of the Notes and this Resolution, or any supplemental Resolution, may be modified or altered in any respect with the consent of the District and the consent of the owners of all the Notes then outstanding.

Without notice to or consent of the owners of the Notes, the District may, from time to time and at any time, adopt such Resolutions supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental Resolutions shall thereafter form a part hereof),

(a) To cure any ambiguity or formal defect or omission in this Resolution or in any supplemental Resolution; or

To grant to or confer upon the owners of the Notes any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Notes; or

To procure a rating on the Notes from a nationally recognized securities rating agency designated in such supplemental Resolution, if such supplemental Resolution will not adversely affect the owners of the Notes; or

To obtain or maintain note insurance with respect to the Notes; or

To provide for the refunding or advance refunding of the Notes; or

To make any other change which, in the determination of the Board in its sole discretion, is not to the prejudice of the owners of the Notes.

Other Action. The appropriate officers are hereby authorized to take all actions to obtain a rating, note insurance or any other form of credit enhancement for the Notes if economically feasible and desirable and with the favorable recommendation of the municipal advisors to the District. In addition, the appropriate officers of the District are hereby authorized and directed to take any other action deemed necessary or advisable in order to effectuate the acquisition, construction and equipping of the Project, the issuance of the Notes, or any other purposes of this Resolution.

Qualified Tax-Exempt Obligations. The Board hereby authorizes the Clerk-Treasurer to determine whether any series of Notes qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax-exempt obligations. Such designation, if made, will be set forth in the arbitrage certificate delivered in connection with the Notes.

No Conflict. All Resolutions, resolutions, and orders or parts thereof in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed. After the issuance of the Notes and so long as any of the Notes or interest thereon remains unpaid, except as expressly provided herein, this Resolution shall not be repealed or amended in any respect which will adversely affect the rights of the holders of the Notes, nor shall the District adopt any law, Resolution or resolution which in any way adversely affects the rights of such holders.

Severability; Interpretation. If any section, paragraph or provision 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. Unless the context or laws clearly require otherwise, references herein to statutes or other laws include the same as modified, supplemented or superseded from time to time.

Holidays, Etc. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Resolution, shall be a legal holiday or a day on which banking institutions in the District or the District in which the Registrar or Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Resolution, and no interest shall accrue for the period after such nominal date.

Interpretation. Unless the context or laws clearly require otherwise, references herein to statutes or other laws include the same as modified, supplemented or superseded from time to time.

Effectiveness. This Resolution shall be in full force and effect from and after its adoption and the procedures required by law. Upon payment in full of the principal and interest respecting the Notes authorized hereby or upon deposit of an amount sufficient to pay when due such amounts in accord with the defeasance provisions herein, all pledges, covenants and other rights granted by this Resolution shall cease.

ADOPTED AND APPROVED at a meeting of the Board of Directors of the Waterworks Department of the Town of Highland, Indiana, held on the 8<sup>th</sup> day of July, 2021.

**BOARD OF DIRECTORS OF  
THE DEPARTMENT OF WATERWORKS OF  
THE TOWN OF HIGHLAND, INDIANA**

/s/George A. Smith, President

Attest:

/s/~~Richard Vollbrecht~~ Jason Tharp, Secretary *pro tempore*

3. Public Hearing concerning appropriation of the proceeds of the Highland Waterworks District General Obligation Notes, Series 2021

The Public Hearing was opened at 6:49 p.m. Robert Tweedle, Board Attorney, confirmed proof of publication on June 25, 2021. Director Smith called three times for any comments, in favor of or in opposition to the appropriation of the proceeds, and any remonstrances from the public. There were no comments nor any remonstrances. The Public Hearing was closed at 6:53 p.m.

Highland Water Works  
Board of Directors  
Resolution No. 2021-19

A Resolution appropriating additional moneys in excess of the Annual Budget for the Waterworks District Capital Fund, pursuant to I.C. 6-1.1-18, I.C. 8-1.5-4 Et Seq. Director Tharp moved to approve Resolution 2021-19. Discussion ensued. Director Dabrowski seconded. Upon a roll call vote there were (4) affirmations and no negatives, (1) absent. The motion passed.

**TOWN of HIGHLAND DEPARTMENT OF WATERWORKS  
APPROPRIATION RESOLUTION  
WATERWORKS DISTRICT RESOLUTION NO. 2021-19**

**A RESOLUTION APPROPRIATING ADDITIONAL MONEYS IN EXCESS of the ANNUAL BUDGET for the WATERWORKS DISTRICT CAPITAL FUND, PURSUANT to I.C. 6-1.1-18, I.C. 8-1.5-4 ET SEQ.**

**WHEREAS**, Following a public hearing advertised pursuant to I.C. 5-3-1, it has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget for the **Waterworks District Capital Fund**;

**WHEREAS**, It has been determined that such additional appropriations as may be approved by this enactment, will not increase the levy set under I.C. 6-1.1-17, all pursuant to I.C. 36-5-3-5;

**NOW, THEREFORE BE IT HEREBY RESOLVED** by the Board of Waterworks Directors of the Town of Highland Waterworks Department, Lake County, Indiana, as follows:

**Section 1.** That for the expenses of said municipality, the following additional sums of money are hereby appropriated and ordered set apart out of the fund herein named and for the purposes herein specified, subject to the laws governing the same:

Increase		
068-0000-31005 Utility Imp. Project: Construction Engineering		\$ 52,000.00
068-0000-31001 Bond Legal Services		\$ 46,625.00
068-0000-31006 Bond Financial Advisory Services		<u>\$ 30,000.00</u>
<b>Total:</b>		<b>\$ 128,625.00</b>

Increase		
068-0000-45010 Utility Imp. Project: Kennedy Ave to Longwood Dr.		\$ 606,000.00
068-0000-45090 Water Tank Rehabilitation		<u>\$ 868,510.00</u>
<b>Total:</b>		<b>\$ 1,474,510.00</b>

**Total for the Fund: \$ 1,603,135.00**

**Section 2.** That the Clerk-Treasurer is hereby authorized and instructed to inform the Department of Local Government Finance of this action and that these moneys be made available for expenditure pursuant to I.C. 6-1.1-18.

**DULY, PASSED AND ADOPTED** by the Board of Waterworks Directors of the Town of Highland Department of Waterworks, Lake County, Indiana this 8th day of July 2021 having passed by a vote of 4 in favor and 0 opposed.

**BOARD of WATERWORKS DIRECTORS  
DEPARTMENT of WATERWORKS  
of the TOWN of HIGHLAND, INDIANA**

/s/George A. Smith, President

Attest:

/s/~~Richard Volbrecht~~ Jason Tharp, Secretary *pro tempore*

**Next Meeting:**

The next Plenary Meeting will be held on Thursday, July 22, 2021 at 6:30 p.m.

**ADJOURNMENT:** With no other business to come before the Board of Water Works Directors, the meeting was adjourned.

Meeting Adjourned at 6:55 p.m.

Respectfully Submitted,

Kim Webb, Recording Secretary