To: President and Members of Munster Town Council

From: Town Manager Dustin Anderson

Date: September 30, 2016

Re: Ordinance No. 1698 – 2016 Municipal Bond

As is standard practice, the Town of Munster is preparing to issue $1.97 million in General Obligation Bonds. These funds will be dedicated to long-term equipment and capital investments within the Town. Bond Sale is scheduled for November 1, 2016. The bonds will be amortized over 4 years.

The Town Manager's Office and Clerk-Treasurer's Office have worked closely with department directors over the past few months to prepare the scope of work for the 2016 Municipal Bond. This was a collaborative process that resulted in a defined list of projects that will be paid for out of bond proceeds. The final project list is attached to this memo.

In the process of creating this project list, all department directors were asked to submit anticipated capital expenditures for the next five years (2017-2021). Going forward, staff will continue to use these requests to create a multi-year capital improvement plan, meeting an agreed upon goal from the Town Council as a result of strategic planning this summer.

Bradley Bingham with Barnes & Thornburg, LLP is representing the Town of Munster in this bond process, and has created the Ordinance and notices contained in the agenda packet. Staff will bring to Town Council on October 17, 2016 an ordinance allowing for additional appropriations of the bond proceeds and will conduct a public hearing at that time.

Recommendation: By motion and roll call vote, suspend the rules, waive the readings, and adopt Ordinance No. 1698 on first reading, authorizing the issuance and sale of general obligation bonds.

2016 GO Bond Project List
(For completion calendar year 2017)

Department	Project Name	Expected Cost	Notes
Fire	Vehicle Replace	$ 47,000.00	Replace 2002 Tahoe/ with new Pickup/ 4 WD
Fire	SCBA (updating)	$ 60,200.00	14 SCBA'sPacks/ 14 Spare Bottles/ yr. 1995
Fire Total		**$ 107,200.00**	
Police	Tasers	$ 18,000.00	Annual replacement & cartridges
Police	Radars	$ 2,500.00	Annual replacement
Police	Defibs	$ 7,000.00	Annual replacement
Police	Rifle Sites	$ 60,000.00	Periodic equipment replacement
Police	Tactical Vests	$ 12,000.00	Annual replacement
Police	Tablets	$ 40,000.00	Tablets for officers; replace MDTs
Police	Intersection Cameras	$ 45,000.00	Update, replace, expand current intersection camera system to include station cameras
Police Total		**$ 184,500.00**	
Mechanic	OPTICOM traffic light transmitters	$ 13,500.00	$1,500 per unit for 9 Snow Plow trucks
Mechanic	#330 Dump	$ 140,000.00	Scheduled 2015
Mechanic	#333 Dump	$ 140,000.00	Scheduled 2015
Mechanic	#371 Chipper	$ 75,000.00	Scheduled 2015
Mechanic	Tilt Trailer for Skidsteer	$ 10,000.00	NewAddit (trade Confined Space Trailer)
Mechanic	Blacktop Van	$ 15,000.00	Used
Mechanic	#311 Pickup	$ 30,000.00	Scheduled 2015
Mechanic	#317 Pickup	$ 30,000.00	Scheduled 2015
Mechanic	#349 Wing-Mower	$ 40,000.00	Scheduled 2013
Mechanic	#350 Z - Track	$ 8,000.00	Scheduled 2015
Mechanic	#354 Z - Track	$ 9,000.00	Scheduled 2013
Mechanic	#356 Z - Track	$ 8,000.00	Scheduled 2015
Street	Sidewalk replacement	$ 154,000.00	Identified need
Street	Streetlight LED Upgrade Prog	$ 370,000.00	NIPSCO Test Rate Study
Street	PW/Fire #2 Gate Operator Units	$ 5,000.00	replace 2 outdated control units @ $2,500 ea
Street	Radar Sign Post Units	$ 15,000.00	replacement of 3 outdated units
Street	Street Resurfacing	$ 70,800.00	Street resurfacing, repair and construction
Facilities	Lightning Detector System	$ 8,000.00	new location: Sunnyside Pk (Hohman Ave)
Facilities	LED Light Conversion	$ 35,000.00	PW Garage (interior and exterior), phase in over two years
Public Works Total		**$ 1,176,300.00**	
Infrastructure	Grade Separation	$ 482,000.00	
Costs of Issuance		$ 20,000.00	
Grand Total		**$ 1,970,000.00**	

ORDINANCE NO. 1698

AN ORDINANCE OF THE TOWN OF MUNSTER, INDIANA, AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS TO PROVIDE FUNDS TO BE APPLIED TO THE COSTS OF DESIGN, CONSTRUCTION, RENOVATION, IMPROVEMENT AND/OR EQUIPPING OF CERTAIN CAPITAL PROJECTS WITHIN THE TOWN OF MUNSTER, INDIANA, PURCHASING CERTAIN EQUIPMENT AND PAYING MISCELLANEOUS COSTS IN CONNECTION WITH FOREGOING AND THE ISSUANCE SAID BONDS AND SALE THEREOF.

WHEREAS, the Town Council of the Town of Munster, Indiana (the "Town Council"), desires to issue bonds of said Town for the purpose of providing funds to be applied to pay the costs of all or any portion of (a) the planning, design, construction, development, equipping and/or improvements to various public works and infrastructure, including, but not limited to, (i) general street replacement, sealing, resurfacing and reconstruction projects, including curbs and sidewalks, and design, engineering and construction supervision related thereto, (ii) various maintenance, improvement and equipping projects for buildings and related facilities, including painting, roofing, lighting, security system upgrades and/or information technology equipment and related infrastructure, and/or (iii) utility system upgrades, equipment and improvements, (b) purchasing, updating and/or replacing certain public safety and mowing equipment, (c) miscellaneous projects or costs related to the foregoing, and (d) costs of the issuance and sale of the Bonds (collectively, the "Project"); and

WHEREAS, the Town Council now finds that the total cost of the Project and all other expenses including bond counsel fees, legal fees, engineering fees, registration and transfer agent expenses, publications, bond printing, expenses of issuance and sale of bonds and miscellaneous expense does not exceed the sum of $1,970,000, with a reasonable contingency to be provided out of investment earnings on said bonds; and

WHEREAS, the Town of Munster, Indiana (the "Town") does not now have on hand funds unappropriated to any other use or provided for in the existing budget sufficient to provide funds to be applied to the costs of the Project, and it is necessary to such purpose that the Town of Munster borrow a sum not exceeding $1,970,000 to be applied on the costs of the Project and to issue and sell its bonds in that amount; and

WHEREAS, the Town Council now finds that the Town expects to use amounts earned from investing the proceeds of said bonds pending disbursement of bond proceeds to pay costs of the Project or interest on the bonds; and

WHEREAS, the Town Council now finds that the Project is necessary and will be of general benefit to the Town and its citizens; and

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Munster, Indiana, as follows:

Section 1. Authorization for Project and Bonds. The Town shall proceed with the Project. In order to provide financing for the Project as described above, including the costs of selling and issuing the Bonds, the Town shall borrow money and shall issue the Bonds (as defined and authorized herein).

Section 2. General Terms of Bonds.

(a) For the purpose of procuring funds to be applied to the cost of the Project and the incidental costs necessary to be incurred in connection therewith and on account of the issuance of bonds therefore, the Clerk-Treasurer of the Town (the "Clerk-Treasurer") is hereby authorized and directed to have prepared and to issue and sell the general obligation bonds of the Town, to be designated as "Town of Munster, Indiana, Municipal Bonds of 2016", in the aggregate principal amount not to exceed $1,970,000 (the "Bonds").

(b) The Bonds shall be issued in denominations of $100,000, plus integral multiples of $1,000 in excess thereof (or such different denominations as may be determined by the Clerk-Treasurer on or before the sale of the Bonds), shall be numbered consecutively from 1 upward, shall either be dated as of the first day of the month in which the Bonds are sold or dated the date of delivery (as determined by the Clerk-Treasurer on or before the sale of the Bonds), shall bear interest at a rate or rates not to exceed six percent (6.00%) per annum (the exact rate or rates to be determined by bidding), which interest shall be payable on June 30 and December 31 of each year, commencing not earlier than December 31, 2016. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months (or in such different manner as may acceptable to the Clerk-Treasurer).

(c) The Bonds shall mature substantially in accordance with the maturity schedule set forth below, as may be modified by the Clerk-Treasurer at the time the Bonds are issued, provided that the final maturity date shall be no later than December 31, 2020:

Maturity Date	**Principal Amount**
June 30, 2017	$250,000
December 31, 2017	250,000
June 30, 2018	250,000
December 31, 2018	250,000
June 30, 2019	250,000
December 31, 2019	250,000
June 30, 2020	250,000
December 31, 2020	220,000

(d) The Bonds shall bear the original issue date, which shall be either the first day of the month in which the Bonds are sold or the date the Bonds are delivered to the purchaser thereof (as determined by the Clerk-Treasurer on or before the sale of the Bonds). Bonds authenticated on or before the fifteenth day of the month preceding the first interest payment date shall bear interest from the original issue date. Each Bond authenticated thereafter shall bear interest from the interest payment date to which interest has been paid next preceding the date on

which it is authenticated, unless it is authenticated on or after the fifteenth day of the month immediately preceding an interest payment date, in which case it shall bear interest from such interest payment date. If at the time of authentication of any bond interest is in default thereon, such bond shall bear interest from the date to which interest has been paid in full.

(e) The Clerk-Treasurer is hereby authorized to contract with a qualified financial institution to serve as Registrar and Paying Agent for the Bonds (the "Registrar" or "Paying Agent"). The Registrar is hereby charged with the responsibility of authenticating the Bonds. The President of the Town Council and Clerk-Treasurer are hereby authorized to enter into such agreements or understandings with such bank as will enable the bank to perform the services required of a registrar and paying agent. The Clerk-Treasurer is further authorized to pay such fees as the bank may charge for the services it provides as registrar and paying agent, and such fees may be paid from the funds established to pay the principal of and interest on the bonds.

(f) Interest shall be payable by check mailed by first class mail one business day prior to the interest payment date or delivered on the interest payment date to the person in whose name such bond is registered on the bond register maintained at the office of the Registrar and Paying Agent as of the fifteenth (15th) day preceding such interest payment due. Principal of the bonds shall be payable upon presentation of the bonds at the principal office of the Registrar and Paying Agent in lawful money of the United States of America. The bonds are transferable by the registered owner at the principal office of the Registrar and Paying Agent upon presentation and surrender of the bond or bonds and on presentation of a duly executed written instrument of transfer acceptable to the Town and registrar, and thereupon a new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefore. The bonds may be exchanged upon surrender at the principal office of the Registrar and Paying Agent, duly endorsed by the registered owner of the same aggregate principal amount of bonds of the same maturity in authorized denominations as the owner may request.

(g) The Bonds shall be executed in the name of the Town by the manual or facsimile signature of the President of the Town Council and attest by the manual or facsimile signature of the Clerk-Treasurer who shall affix or imprint the seal of the Town to each of the Bonds. The President and Clerk-Treasurer, by the execution of a proper signature identification certificate, shall adopt as and for their own proper signatures their facsimile signatures appearing on said bonds. In case any official whose signature or facsimile signature shall appear on the bonds shall cease to be such officer before the issuance, authentication or delivery of such bonds, such signature or such facsimile signature shall, nevertheless, be valid and sufficient for all purpose, the same as if said official had remained in office until delivery.

(h) No bond shall be valid or obligatory for any purpose, unless and until authenticated by the Registrar. Such authentication may be executed by an authorized representative of the Registrar, but it shall not be necessary that the same representative authenticate all of the bonds issued. The Town and the Paying Agent may deem and treat the person in whose name a bond is registered on the bonds register as the absolute owner thereof for all purposes, notwithstanding any notice to the contrary.

Section 3. Form of Bonds; Authorization for Book-Entry System. The form and tenor of the Bonds shall be substantially as follows, all blanks to be filled in properly and all necessary additions and deletions made prior to delivery thereof:

R-___

UNITED STATES OF AMERICA

State of Indiana **County of Lake**

TOWN OF MUNSTER, INDIANA
MUNICIPAL BOND OF 2016

Interest Rate	Maturity Date	Original Date	Authentication Date
___%	_____ __, 20__	_____ __, 2016	_____ __, 2016

REGISTERED OWNER: _____

PRINCIPAL SUM: _____ Dollars ($_____)

The Town of Munster, Indiana, a municipal corporation organized and existing under the laws of the State of Indiana, in Lake County, Indiana (the "Town"), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner (named above), or registered assigns, the Principal Sum set forth above on the Maturity Date set forth above and to pay interest thereon at the rate per annum stated above from the interest payment date next preceding the date of authentication hereof unless this bond is authenticated on or before [June 15, 2017], in which case interest shall be paid from the Original Date, or unless this bond is authenticated on or after the fifteenth day immediately preceding an interest payment date and on or before such interest payment date in which case interest shall be paid from such interest payment date, which interest is payable commencing on [June 30, 2017], and each June 30 and December 31 thereafter until the Principal Sum has been paid. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The principal of this bond is payable upon presentation thereof at the principal office of [Peoples Bank, Munster, Indiana], which has been designated as the registrar and paying agent (the "Registrar and Paying Agent"), and interest on this bond shall be paid by check or draft mailed (by first class mail) or delivered one business day prior to such payment date to the Registered Owner hereof at the address as it appears on the registration books kept by the Registrar and Paying Agent as of the fifteenth day of the month immediately preceding the interest payment date or at such other address as is provided to the Registrar and Paying Agent in writing by the registered owner. All payments on the bonds shall be made in any coin or currency of the United States of America which on the dates of such payments shall be legal tender for the payment of public and private debts. Subject to the provisions for registration, this bond is negotiable under the laws of the State of Indiana.

This bond is one of an authorized issue of bonds aggregating One Million Nine Hundred Seventy Thousand Dollars ($1,970,000) of like tenor and effect, except as to numbering, date, denomination, rates of interest and dates of maturity, issued by the Town pursuant to Ordinance No. _____ (the "Ordinance") adopted by the Town Council of said Town on _____ __, 2016, and in strict compliance with the governing statutes of the State of Indiana, particularly the Indiana Code, Title 36, Article 4, Chapter 6, for the purpose of procuring funds to be applied to the costs of all or any portion the Project (as defined in the Ordinance), including the costs of issuing the Bonds. Reference is hereby made to the Ordinance for a description of the nature and extent of the rights, duties and obligations of the Registered Owners of the bonds and the Town and the terms on which this bond is issued, and to all provisions of such Ordinance to which the holder hereof by the acceptance of this bond assents.

The bonds maturing in any one year are issuable only in fully registered form in denominations of [$100,000, plus any integral multiple of $1,000 in excess thereof,] not exceeding the aggregate principal amount of the bonds maturing in such year.

This bond is <u>not</u> subject to optional redemption prior to maturity.

[Insert mandatory sinking fund redemption terms, if any.]

This bond is transferable by the Registered Owner hereof at the principal office of the Registrar or Paying Agent upon presentation and surrender of this bond and on presentation of a duly executed written instrument of transfer acceptable to the Town and Registrar, and thereupon a new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefore. This bond may be exchanged upon surrender hereof at the principal office of the Registrar or Paying Agent duly endorsed by the registered owner for the same maturity in authorized denominations as the owner may request.

The Town and the Registrar and Paying Agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

It is hereby certified and recited that all acts, conditions and things required by law and the constitution of the State of Indiana to be done precedent to and in the issuance, sale and delivery of this bond have been properly done, happened and performed in regular and due form as provided by law, and that the bonds of this issue do not exceed any constitutional or statutory limitation of indebtedness. The full faith and credit of the Town of Munster, Indiana, together with all of its taxable property, both real and personal, are hereby irrevocably pledged to the punctual payment of the principal and interest of this bond according to its terms.

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

IN WITNESS WHEREOF, the Town of Munster, Lake County, Indiana, has caused this bond to be executed in its name by the manual or facsimile signature of the President of its Town Council, and attested by the manual or facsimile signature of its Clerk-Treasurer, with the corporate seal of such Town impressed or a facsimile thereof printed hereon.

TOWN OF MUNSTER, INDIANA

By: _____
President of the Town Council

ATTEST:

_____
Clerk-Treasurer

(Seal)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Ordinance.

[PEOPLES BANK, MUNSTER, INDIANA],
as Registrar and Paying Agent

By: _____
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (insert name and address) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

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

Signature Guarantee:

_____

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 Bonds)

The Bonds 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 Town from time to time (the "Clearing Agency"), without physical distribution of bonds to the purchasers. The following provisions of this Section apply in such event.

One definitive Bond of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The Town 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 Bonds as are necessary or appropriate to accomplish or recognize such book-entry form Bonds.

During any time that the Bonds remain and are held in book-entry form on the books of a Clearing Agency, (1) any such Bond may be registered upon the Registration Record in the name of such Clearing Agency, or any nominee thereof, including Cede & Co.; (2) the Clearing Agency in whose name such Bond is so registered shall be, and the Town and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Bond for all purposes of this ordinance, including, without limitation, the receiving of payment of the principal of and interest and premium, if any, on such Bond, the receiving of notice and the giving of consent; (3) neither the Town nor the Registrar or Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17(a) of the Securities Exchange Act of 1933, 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 Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any Bond, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not required to present any Bond called for partial redemption, if any, 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 Town receives notice from the Clearing Agency which is currently the registered owner of the Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the Bonds, or the Town elects to discontinue its use of such Clearing Agency as a Clearing Agency for the Bonds, then the Town

and the 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 Bonds, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the Bonds and to transfer the ownership of each of the Bonds to such person or persons, including any other Clearing Agency, as the holders of the Bonds may direct in accordance with this ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the Bonds, shall be paid by the Town.

During any time that the Bonds 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 Bonds 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 Bond has been obtained, the Registrar shall be entitled to treat the beneficial owners of the Bonds as the bondholders and any consent, request, direction, approval, objection or other instrument of such beneficial owner may be obtained in the fashion described in this ordinance.

During any time that the Bonds are held in book-entry form on the books of the Clearing Agency, the provisions of its standard form of Letter of Representations, if executed in connection with the issuance of the Bonds, as amended and supplemented, or any Blanket Issuer Letter of Representations filed by the Town, or any successor agreement shall control on the matters set forth therein. The Executive is authorized to execute and deliver such a Letter of Representations. The Registrar, by accepting the duties of Registrar under this ordinance, 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 Bonds are held in book-entry form, the provisions of this Section shall control over conflicting provisions in any other section of this ordinance.

Section 4. Sale of Bonds. The Bonds shall be sold in a competitive sale. The Clerk-Treasurer shall cause to be published a notice of sale once each week for two consecutive weeks in accordance with Indiana Code 5-3-1-2, and the date fixed for the sale shall 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. As an alternative to the publication of a notice of sale, the Clerk-Treasurer may sell the Bonds through the publication of a notice of intent to sell the Bonds and compliance with related procedures, pursuant to Indiana Code Section 5-1-11-2(b).

All bids for the Bonds shall be sealed and shall be presented to the Clerk-Treasurer or its designee in accord with the terms set forth in the sale notice. Bidders for the Bonds shall be required to name the rate or rates of interest which the Bonds are to bear, which shall be the same for all Bonds maturing on the same date and the interest rate bid on any maturity of Bonds must be no less than the interest rate bid on any and all prior maturities, not exceeding six percent (6.0%) per annum. The Clerk-Treasurer shall award the Bonds to the bidder who offers the lowest interest cost, to be determined by computing the total interest on all the Bonds to their maturities and deducting therefrom the premium bid, if any. No conditional bid or bids for less

than ninety-eight percent (98%) of the par value of the Bonds shall be considered. The Clerk-Treasurer may require that all bids be accompanied by certified or cashier's checks payable to the order of the Town, or a surety bond, in an amount not to exceed one percent (1%) of the aggregate principal amount of the Bonds as a guaranty of the performance of said bid, should it be accepted. 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 re-advertisement; provided, however, that if said sale is 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 bond sale notice. The Clerk-Treasurer shall have full right to reject any and all bids.

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

In connection with the sale of the Bonds, the President of the Town Council, the Clerk-Treasurer and any officers of the Town Council are each authorized to take such actions and to execute and deliver such agreements and instruments as they deem advisable to obtain a rating and/or to obtain bond insurance for the Bonds, and the taking of such actions and the execution and delivery of such agreements and instruments are hereby approved.

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

Section 5. Delivery of Bonds; Deposit of Funds.

(a) The Clerk-Treasurer is hereby authorized and directed to have the Bonds prepared, the President is hereby authorized and directed to execute said Bonds, and the Clerk-Treasurer is hereby authorized to attest said Bonds, in the form and manner herein provided. After the Bonds shall have been properly executed, the Clerk-Treasurer shall receive payment therefore, deliver the same to the purchaser thereof, take a receipt therefore, and pay the proceeds from the sale into the Town treasury.

(b) The Clerk-Treasurer is hereby authorized to invest moneys pursuant to the provisions of Indiana law and this Ordinance at a restricted yield (subject to applicable requirements of federal law to insure such yield is then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the bonds, or the tax exempt status of interest on the Bonds, under federal law.

(c) The Clerk-Treasurer shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts created or referenced herein. In order to comply with the provisions of the Ordinance, the Clerk-Treasurer is hereby authorized and directed to employ consultants or attorneys from time to time to advise the Town as to requirements of federal law to preserve the tax exclusion or exemption.

Section 6. Defeasance. If, when the Bonds or any portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or any portion thereof for redemption have been given, and the whole amount of the principal, premium, if any, and the interest so due and payable upon such bonds or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of or unconditionally guaranteed by (including obligations issued or held in book entry form on the books of) the U.S. Department of the Treasury, and to the extent permitted by Indiana law and by each rating agency maintaining a rating on the Bonds, Refcorp interest strips, CATS, TIGRS, STRPS, defeased municipal bonds or other investments rated in the highest category for such obligations by Standard & Poor's Corporation or Moody's Investors Service (or any combination thereof), 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 Bonds or such designated portion thereof shall no longer be deemed outstanding or secured by this Ordinance.

Section 7. Tax Matters. In order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Bonds, the Town represents, covenants and agrees that:

(a) No person or entity, other than the Town or another state or local governmental unit, will use proceeds of the Bonds or property financed by the Bond proceeds other than as a member of the general public. No person or entity other than the Town or another state or local governmental unit will own property financed by Bond proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as take-or-pay or output contract, or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

(b) No Bond proceeds will be loaned to any entity or person other than a state or local governmental unit. No Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a non-governmental person in any manner that would in substance constitute a loan of the Bond proceeds.

(c) The Town will not take any action or fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder as applicable to the Bonds, including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on Bond proceeds or other monies treated as Bond 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.

(d) The Town will file an information report on Form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

(e) The Town will not make any investment or do any other act or thing during the period that any Bond is outstanding hereunder which would cause any Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations thereunder as applicable to the Bonds.

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

Section 8. 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 Bonds then outstanding shall have the right, from time to time, 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 amending 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 or premium, if any, on any Bond or an advancement of the earliest redemption date on any Bond, without the consent of the holder of each Bond so affected; or

(b) A reduction in the principal amount of any Bond or the redemption premium or 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 Bond so affected; or

(c) A preference or priority of any Bond over any other Bond, without the consent of the holders of all Bonds then outstanding; or

(d) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental ordinance, without the consent of the holders of all Bonds then outstanding.

If the Town 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 Record. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the Bonds. The Registrar shall not, however, be subject to any liability to any owners of the Bonds by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental ordinance 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 Town shall receive any instrument or instruments purporting to be executed by the owners of the Bonds of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the Bonds then outstanding, which instrument or instruments shall refer to the proposed supplemental ordinance 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 Town may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the Bonds, whether or not such owners shall have consented thereto.

No owner of any Bond shall have any right to object to the adoption of such supplemental ordinance 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 Town or its officers from adopting the same, or from taking any action pursuant to the 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 owners of Bonds 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, duties and obligations of the Town and of the owners of the Bonds, and the terms and provisions of the Bonds and this ordinance, or any supplemental ordinance, may be modified or amended in any respect with the consent of the Town and the consent of the owners of all the Bonds then outstanding.

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

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

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

(c) To procure a rating on the Bonds from a nationally recognized securities rating agency designated in such supplemental ordinance, if such supplemental ordinance will not adversely affect the owners of the Bonds; or

(d) To obtain or maintain bond insurance with respect to the Bonds; or

(e) To provide for the refunding or advance refunding of the Bonds; or

(f) To make any other change which, in the determination of the Town in its sole discretion, is not to the prejudice of the owners of the Bonds.

Section 9. Approval of Official Statement and Continuing Disclosure Undertaking. If necessary, the Clerk-Treasurer is hereby authorized to deem final an official statement with respect to the Bonds, as of its date, in accordance with the provisions of Rule 15c2-12 of the United States Securities and Exchange Board, as amended (the "SEC Rule"), subject to completion as permitted by the SEC Rule, and the Town 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 Clerk-Treasurer in the form of a final official statement. If necessary, in order to assist any underwriter of the Bonds in complying with paragraph (b)(5) of the SEC Rule by undertaking to make available appropriate disclosure about the Town and the Bonds to participants in the municipal securities market, the Town hereby covenants, agrees and undertakes, in accordance with the SEC Rule, unless excluded from the applicability of the SEC Rule or otherwise exempted from the provisions of paragraph (b)(5) of the SEC Rule, that it will execute and deliver a continuing disclosure contract and will comply with and carry out all of the provisions thereof. "Continuing disclosure contract" shall mean that certain continuing disclosure contract executed by the Town, dated the date of issuance of the Bonds, 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 Town of the continuing disclosure contract, and the performance by the Town of its obligations thereunder by or through any employee or agent of the Town, are hereby approved, and the Town shall comply with and carry out the terms thereof.

Section 10. No Conflict. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed. After the issuance of the Bonds and so long as any of the Bonds or interest or premium, if any, thereon remains unpaid, except as expressly provided herein, this ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the holders of the Bonds, nor shall the Town adopt any law, ordinance or resolution which in any way adversely affects the rights of such holders.

Section 11. Severability. If any section, paragraph or provision of this ordinance 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 ordinance.

Section 12. Non-Business Days. 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 ordinance, shall be a legal holiday or a day on which banking institutions in the Town or the jurisdiction 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 ordinance, and no interest shall accrue for the period after such nominal date.

Section 13. Other Actions. The President of the Town Council, the Clerk-Treasurer and any other officer or member of the Town Council, or any official, employee or representative of the Town, are each hereby authorized, empowered and directed, on behalf of the Town, to take any other action as required or appropriate to effectuate the foregoing Ordinance, and any actions heretofore made or taken be, and hereby are, ratified and approved.

Section 14. 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.

Section 15. Effectiveness. This Ordinance shall be in full force and effect immediately upon its passage and signing by the President of the Town Council.

ORDAINED AND ADOPTED by the Town Council of the Town of Munster, Lake County, Indiana, this 3rd day of October, 2016, by a vote of ___ ayes and ___ nays.

TOWN COUNCIL OF THE TOWN OF MUNSTER, LAKE COUNTY, INDIANA

_____

John P. Reed, President

ATTEST:

_____

David F. Shafer, Clerk-Treasurer

DMS BJB 4357378v2

NOTICE OF BOND SALE
$1,970,000
TOWN OF MUNSTER, INDIANA
MUNICIPAL BONDS OF 2016

NOTICE IS HEREBY GIVEN that on November 1, 2016, separate electronic and sealed bids will be received by the Clerk-Treasurer (the "Clerk-Treasurer") of the Town of Munster, Indiana ("Town"), at the Town's Municipal Center, located at 1005 Ridge Road, Munster, Indiana 46321, (219) 836-6945 (telephone), (219) 836-8350 (facsimile), dshafer@munster.in.gov (e-mail), until 11:00 a.m. (Central time), in the manner as set forth herein for the purchase of the bonds of the Town designated as "Town of Munster, Indiana, Municipal Bonds of 2016" (the "Bonds"), in the aggregate principal amount of One Million Nine Hundred Seventy Thousand Dollars ($1,970,000), bearing interest at a rate or rates not to exceed six percent (6.00%) per annum. It is anticipated that the Bonds will be ready for delivery on or about November 16, 2016.

TYPES OF BIDS ALLOWED. Bidders shall submit bids in sealed envelopes addressed to the Town at the address described above, or via facsimile or e-mail as described above, not later than 11:00 a.m. (Central time) on November 1, 2016.

FORM, MATURITY AND PAYMENT OF BONDS. Interest on the Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred and sixty (360)-day year and shall be payable semi-annually on June 30 and December 31 in each year, commencing June 30, 2017. The Bonds will be issued as fully registered bonds, in either certificated form or in book-entry-only form (as selected by the successful bidder), in denominations of $100,000, plus integral multiples of $1,000 in excess thereof (or such different denominations as may be requested by the purchaser thereof and as shall be acceptable to the Town), not exceeding the aggregate principal amount of such Bonds maturing in any one year, and when issued, will be registered in the name of the successful bidder.

The Bonds shall be numbered consecutively from R-1 upward, shall bear an original issue date which shall be the date the Bonds are delivered, and shall mature on the dates and in the amounts as follows:

MATURITY SCHEDULE

Maturity Date	Principal Amount
June 30, 2017	$250,000
December 31, 2017	250,000
June 30, 2018	250,000
December 31, 2018	250,000
June 30, 2019	250,000
December 31, 2019	250,000
June 30, 2020	250,000
December 31, 2020	220,000

As an alternative to part or all of the above series of maturities, the Town will consider bids for a term bond or bonds, subject to mandatory sinking fund redemption by lot prior to maturity consistent with the dates and the amounts set forth above at a price equal to the principal amount thereof, plus accrued interest to the date of redemption without premium.

All payments of interest on the Bonds will be paid by check or draft mailed one business day prior to each interest payment date, to the registered owners of the Bonds as of the fifteenth (15th) day of the month in

which such interest is payable at the address as it appears on the registration books kept by Peoples Bank SB, in Munster, Indiana, as the registrar and paying agent (the "Registrar" and "Paying Agent") as of the fifteenth (15th) day of the month of the interest payment date or at such other address as is provided to the Registrar and/or Paying Agent in writing by such registered owner. Principal on the Bonds will be payable at the principal corporate trust office of the Paying Agent. Notwithstanding the foregoing, if DTC or its nominee is the registered owner of the Bonds, principal of and interest on the Bonds will be paid directly by the Paying Agent to DTC as provided hereinabove.

REDEMPTION PROVISIONS. The Bonds are not subject to optional redemption prior to maturity.

INTEREST RATES AND STATUS OF BANK QUALIFICATION. Each bid must be for all of the Bonds and must state the rate or rates of interest therefor, not exceeding the maximum per annum interest rate hereinbefore specified. Such interest rate or rates must be in multiples of one-eighth (1/8), one-twentieth (1/20), or one-hundredth (1/100) of one percent (1.00%). Bids specifying more than one interest rate must also specify the amount and maturities of the Bonds bearing each rate. All Bonds maturing on the same date shall bear the same rate of interest and the interest rate bid on any maturity of Bonds shall be equal to or greater than the interest rate bid on any and all prior maturities of Bonds. Although not a term of sale, it is requested that each bid show the net dollar cost to final maturity and the net effective interest rate on the entire issue.

The Bonds will **not** be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BIDDING DETAILS. No conditional bid or bids for less than one-hundred percent (100%) of the par value of the Bonds will be considered. The Town reserves the right to reject any and all bids and to waive any informality in any bid. If no acceptable bid is received on the date fixed for sale of the Bonds, the sale may be continued from day to day thereafter without further advertisement for a period not to exceed thirty (30) days, but if so continued, no bid will be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for the sale.

Each of the bids for the Bonds shall (i) if mailed, be sealed in an envelope addressed to the Town and marked "Bid for Town of Munster, Indiana, Municipal Bonds of 2016," (ii) must be on the form approved by the Town, without additions, alterations or erasures, which form may be obtained from the Town's Clerk-Treasurer at the address set forth herein, and (iii) delivered to the Clerk-Treasurer as required hereinabove.

AMENDMENTS. The Town reserves the right to amend any information contained in this Notice of Bond Sale. The Town also reserves the right to postpone, from time to time, the date established for the receipt of bids on the Bonds. Any such amendment or postponement will be announced via publication at any time prior to the date and time established for the receipt of bids.

BASIS FOR AWARD. The sale of the Bonds will be awarded to the bidder making a bid that conforms to the specifications herein and which produces the lowest net interest cost to the Town. The lowest net interest cost is determined by computing the total interest on all of the Bonds to their maturities based upon the schedule provided herein and adding thereto the discount bid, if any, and deducting therefrom the premium bid, if any. In the event of a bidder's error in interest cost calculations, the interest rates, premium, if any, set forth or incorporated by reference in the Official Bid Form will be considered as the intended bid.

GOOD FAITH DEPOSIT. The successful bidder will be required to deliver to the Clerk-Treasurer a certified or cashier's check, wire transfer consisting of immediately available funds to the Town as

instructed by the Clerk-Treasurer, or a financial surety bond in the amount of Nineteen Thousand Seven Hundred and 00/100 Dollars ($19,700) (the amount of such check or financial surety bond being referred to hereinafter as the "Deposit") within 24 hours after the bid is accepted. If a check is submitted, it must be drawn on a bank or trust company, which is insured by the Federal Deposit Insurance Corporation. If a financial surety bond is used, it must be from an insurance company. In either case, the Deposit must be submitted to the Town within 24 hours after the bid is accepted in order to qualify the bid and shall be made payable to "Town of Munster, Indiana," to be held uncashed (in the case of a check) or not drawn upon (in the case of a financial surety bond) as a guarantee of the good faith of the bidder. The checks of unsuccessful bidders will be returned immediately following the award of the Bonds. No interest will be allowed on any checks. If the Bonds are awarded to a bidder who has submitted a financial surety bond to the Town, then such bidder must submit its Deposit to the Town in the form of a certified or cashier's check (or a wire transfer consisting of immediately available funds to the Town as instructed by the Clerk-Treasurer) not later than 3:30 p.m. (local time) on the next business day following the award by the Town. If such check or wire transfer is not received by that time, the financial surety bond may be drawn upon by the Town to satisfy the Deposit requirements.

In the event the bidder to whom the Bonds are awarded shall fail or refuse to comply with the provisions of the bid and this notice, such Deposit shall become the property of the Town and shall be taken and considered as liquidated damages of the Town on account of such failure or refusal.

The successful bidder will be required to make payment for the Bonds in Federal Reserve or other immediately available funds and accept delivery of the Bonds within five (5) days after being notified that the Bonds are ready for delivery, at a bank designated by the Town. Any premium bid must be paid in cash at the time of delivery as a part of the purchase price of the Bonds. The Bonds will be ready for delivery within forty-five (45) days after the date on which the award is made, if not deliverable within that period, the successful bidder will be entitled to rescind the sale and the good faith check will be returned. Any notice of rescission must be in writing.

It is anticipated that CUSIP identification numbers will NOT be printed on the Bonds. The successful bidder may, at its own expense, arrange for CUSIP numbers for the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of its bid. No CUSIP identification number shall be deemed to be a part of any Bond or the contract evidenced thereby and no liability shall hereafter attach to the Town or any of its officers or agents because of or on account of such numbers. All expenses in relation to the printing or typing of CUSIP numbers on the Bonds shall be paid for by the successful bidder, and any CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of, and shall be paid for by, the successful bidder. The successful bidder will also be responsible for any other fees or expenses it incurs in connection with its purchase or the resale of the Bonds.

AUTHORITY, PURPOSE AND SOURCE OF SECURITY. The Bonds are being issued under the provisions of the Indiana Code for the purpose of procuring funds to pay the costs of all or any portion of (a) the planning, design, construction, development, equipping and/or improvements to various public works and infrastructure, including, but not limited to, (i) general street replacement, sealing, resurfacing and reconstruction projects, including curbs and sidewalks, and design, engineering and construction supervision related thereto, (ii) various maintenance, improvement and equipping projects for buildings and related facilities, including painting, roofing, lighting, security system upgrades and/or information technology equipment and related infrastructure, and/or (iii) utility system upgrades, equipment and improvements, (b) purchasing, updating and/or replacing certain public safety and mowing equipment, (c) miscellaneous projects or costs related to the foregoing, and (d) costs of the issuance and sale of the Bonds. The principal of and interest on the Bonds will be payable as a general obligation of the Town

from *ad valorem* property taxes to be levied on all taxable property in the Town, and the Bonds will constitute an indebtedness of the Town within the provisions and limitations of the Constitution of the State of Indiana. However, the Town's collection of the property tax levy may be limited by operation of Indiana Code 6-1.1-20.6, which provides taxpayers with credits against property tax liability for property taxes levied against certain classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The Town is required by law to fully fund the payment of debt service on the Bonds in an amount sufficient to pay the principal of and interest on the Bonds, regardless of any reduction in property tax collections due to the application of such tax credits under Indiana Code 6-1.1-20.6. The Town may not be able to levy or collect additional property taxes to make up any deficiency. The Town is a municipal corporation under the laws of the State of Indiana, duly created and existing under Indiana Code 36-5, as amended.

INVESTMENT LETTER. The successful bidder will be required to execute an investment letter at closing, in a form satisfactory to the Town and/or Bond Counsel, certifying, among other things, that it is purchasing the Bonds for its own account and not with the current intent to resell all or any portion of the Bonds.

BOND DELIVERY. At the time of delivery of the Bonds, the approving opinion of Barnes & Thornburg LLP, Indianapolis, Indiana, bond counsel ("Bond Counsel"), as to the validity of the Bonds, together with a transcript of bond proceedings, the printed Bonds and closing certificates in the customary form showing no litigation, will be furnished to the successful bidder at the expense of the Town. In addition, unless Bond Counsel is able, on the date of delivery, to render an opinion to the effect that (1) under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds, and the regulations thereunder (collectively, the "Code"), and (2) the interest on the Bonds is exempt from income taxation in the state of Indiana for all purposes except the state financial institutions tax, the successful bidder shall have the right to rescind the sale, and in such event the Deposit will be returned.

MISCELLANEOUS. At the request of the Town and/or Bond Counsel, the successful bidder shall furnish to the Town, simultaneously with or before delivery of the Bonds, a certificate, in a form satisfactory to the Town and/or Bond Counsel, to the effect that the successful bidder is purchasing the Bonds for its own account and not with the current intent to resell all or any portion of the Bonds.

Dated this 7th day of October, 2016.

/s/ David F. Shafer
Clerk-Treasurer, Town of Munster, Indiana

[TO BE **PUBLISHED** (INCLUDING POSTING ON NEWSPAPER WEBSITE)
TWO (2) TIMES IN *THE TIMES*, ONCE ON **FRIDAY, OCTOBER 7, 2016**, AND
AGAIN ON **FRIDAY, OCTOBER 14, 2016**.]

DMS BJB 4357555v2