

**Sponsor: Councilman Kalwinski
1st District Councilman**

RESOLUTION NO. R16

**A RESOLUTION OF THE COMMON COUNCIL
OF THE CITY OF HAMMOND, INDIANA,
RELATED TO CERTAIN WATERWORKS REVENUE BONDS**

WHEREAS, the City of Hammond, Indiana (the "City") has heretofore constructed and currently owns and operates a waterworks by and through the Board of Directors (the "Board") of the Department of Waterworks of the City (the "Department"), the governing body of the Waterworks District of the City (the "District"), for the provision of public water supply to the City and its inhabitants (the "Waterworks"), in accordance with the provisions of Indiana Code 8-1.5-4, as amended, and other applicable laws; and

WHEREAS, on January 25, 2018, the Board adopted its Resolution No. 2018-11 (the "Bond Resolution" Exhibit A), authorizing the issuance of City of Hammond, Indiana, Waterworks District Revenue Bonds of 2018 (the "Bonds"), in one or more series, in an aggregate principal amount not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000), which Bonds are payable from the "net revenues" (as defined in the Bond Resolution) of the Waterworks, for the purpose of procuring funds to finance certain improvements to the Waterworks, together with expenses incidental thereto, including all expenses incurred in connection with or on account of the issuance of the Bonds therefor; and

WHEREAS, the Bonds are expected to be purchased by The Hammond Local Public Improvement Bond Bank (the "Bond Bank") with the proceeds of the Bond Bank's Bonds, Series 2018B (the "Bond Bank Bonds"), which Bond Bank Bonds are primarily payable from principal and interest payments made by the District to the Bond Bank related to the Bonds; and

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WHEREAS, the Department has requested that the City provide certain assistance and support to the District with respect to the Bonds, as provided herein; and

WHEREAS, the City has determined that it is in the best interest of the Waterworks and the users thereof that the City provide such assistance and support, as hereinafter provided;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA, AS FOLLOWS:

SECTION 1. Subject to Section 2 hereof, the Common Council hereby agrees that, so long as the Bond Bank Bonds are outstanding, if for any reason the principal of or interest on the Bonds are not anticipated to be paid when due, the City will transfer to the Department, within thirty (30) days of determination of such shortfall, from any legally available funds, amounts sufficient to pay the principal of and interest on the Bonds when due in advance of the date when such amounts are payable so as to prevent any failure to provide timely payment of the principal of and interest on the Bonds.

SECTION 2. The obligation of the City set forth in Section 1 hereof shall be subject to annual appropriation in accordance with Indiana law. The City has no legal obligation or promise to make transfers under Section 1 hereof in future years, and therefore such obligation shall be on a year-to-year basis to be renewed by the annual appropriation of funds for such purpose for additional one-year periods on January 1 of each year until such time as the principal of and interest on all Bond Bank Bonds have been paid.

SECTION 3. In furtherance of the obligation described in Section 1 hereof, the Department shall immediately notify the Common Council as to any anticipated shortfall as described in Section 1 hereof.

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SECTION 4. The Mayor, the Controller and the Clerk of the City and the members of the Common Council are, and each of them is, hereby authorized and directed to take all such further action or execute or attest such agreements, documents, instruments and certificates as are necessary or appropriate to effectuate this Resolution.

SECTION 5. This Resolution shall be in full force and effect from and after its passage by the Common Council.

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ADOPTED AND APPROVED by the Common Council of the City of Hammond, Indiana, this 23rd day of April, 2018.

Janet Venecz, President /s/
Hammond Common Council

ATTEST:

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond, Indiana, to the Mayor, for approval and signature, four (4) pages, this 24th day of April, 2018.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Hammond, Indiana, this 25th day of April, 2018.

Thomas M. McDermott, Jr., Mayor /s/
City of Hammond, Indiana

PASSED by the Common Council on the 23rd day of April, 2018, and approved by the Mayor on the 25th day of April, 2018.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana