

MINUTES OF THE MEETING
OF THE COMMON COUNCIL
VALPARAISO, INDIANA

January 23, 2012

The Common Council of the City of Valparaiso, Indiana, met on Monday January 23, 2012 at 7:00 p.m. in City Hall. Mayor Costas called the meeting to order. The Pledge of Allegiance was said. Clerk Clerk-Treasurer Swihart called roll. Present were Councilmembers Larr, Bowker, Baird, Taylor, Butterfield, Daly and Dick.

MINUTES

Councilmember Dick moved to approve minutes of the January 9, 2011 meeting. Councilmember Bowker seconded the motion. Upon voice vote the motion to adopt the minutes passed with a 7-0 vote.

PRESENTATIONS

Mayor Costas read a Proclamation proclaiming the City's support of the efforts of the Porter County Coalition for Affordable Housing to end homelessness.

Rev. John Albers and Peggy Ridenour addressed the Council. Peggy talked about the Porter County 10-year plan to end homelessness meeting which is January 30, 2012 at Ivy Tech. They both discussed the Overnight Shelter Ministry in Valparaiso. They stressed that funding and volunteers are needed.

Councilmember Baird asked about homeless children. Currently they are not set up for children. There are homeless children, and they attempt to get them into the Caring Place and Gabrielle's Horn.

Councilmember Butterfield asked how citizens can handle encounters with homeless people. The answer was being kind.

ORDINANCE NO. 1, 2012

**AN ORDINANCE APPROPRIATING MONEY RECEIVED FROM PARKING
SOURCES OF THE CITY OF VALPARAISO FOR THE FISCAL YEAR BEGINNING
JANUARY 1, 2012**

Councilmember Dick moved that Ordinance No. 1, 2012 be read a second time by title and a third time in full and be considered for adoption and the opportunity be given for offering of amendments to said Ordinance. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to adopt Ordinance No. 1, 2012. Councilmember Bowker seconded the motion.

Mayor Costas announced this Ordinance requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will consider the appropriation of \$99,500 in the Services Personal, Supplies and Other Services and Charges Funds. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Upon roll call vote the motion to adopt Ordinance No. 1, 2012 passed with a 7-0 vote.

Passed 1/23/12 by a vote of 7-0

ORDINANCE #1, 2012

AN ORDINANCE APPROPRIATING MONEY RECEIVED FROM PARKING SOURCES OF THE CITY OF VALPARAISO FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2012

SECTION 1: BE IT ORDAINED by the Common Council of the City of Valparaiso, Indiana, that for the expenses of the Parking Meter Department for the fiscal year beginning January 1, 2012, the following sums of money are hereby appropriated and ordered set apart out of the funds herein named and for the purposes herein specified subject to the laws governing same.

SECTION 2: That for said fiscal year there is hereby appropriated out of the "Parking Meter Fund" of said City, the following:

SERVICES PERSONAL		
	Salaries	\$ 65,000.00
	Employee Benefits	\$ 11,000.00
SUPPLIES		
	Office Supplies	\$ 6,000.00
OTHER SERVICES AND CHARGES		
	Printing	\$ 2,000.00
	Other Services & Charges	\$ 9,000.00
		\$ 500.00
	Uniform/Replacement Software Maintenance	\$ 6,000.00
	TOTAL	\$ 99,500.00

SECTION 3: Hearing for remonstrance and objections by taxpayers provided for in Section 2 hereof shall be and the same is hereby set for the January 23, 2012 meeting of the Common Council of the City of Valparaiso, Indiana, in the City Hall of said City.

SECTION 4: After such hearing held in accordance with such notices as herein provided, said Council shall by Ordinance confirm or disaffirm its said determination heretofore made and in the event that said determination is confirmed, the City Clerk-Treasurer is ordered to file a transcript of all proceedings herein as required by law with the Department of Local Government Finance.

SECTION 5: This Ordinance shall be in full force and effect from and after its passage in the manner provided by law.

PASSED by the Common Council of the City of Valparaiso, Indiana, by a 7-0 vote of all members present and voting, this 23rd day of January, 2012.

/s/ Jon Costas, Mayor

ATTEST:

/s/ Sharon Emerson Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana this 23rd day of January, 2012.

/s/ Sharon Emerson Swihart, Clerk-Treasurer

This Ordinance approved and signed by me this 23rd day of January, 2012 at 7:35 o'clock PM.

/s/Jon Costas, Mayor

ORDINANCE NO. 2, 2012

AN ORDINANCE APPROPRIATING FUNDS IN THE LOCAL POLICE EDUCATION FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Dick moved that Ordinance No. 2, 2012 be read a second time by title and a third time in full and be considered for adoption and the opportunity be given for offering of amendments to said Ordinance. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to adopt Ordinance No. 2, 2012. Councilmember Bowker seconded the motion.

Mayor Costas announced this Ordinance requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will consider the appropriation of \$40,000 in the Local Police Education Fund. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Upon roll call vote the motion to adopt Ordinance No. 2, 2012 passed with a 7-0 vote.

Passed 1/23/12 by a vote of 7-0

ORDINANCE #2, 2012

AN ORDINANCE APPROPRIATING FUNDS IN THE LOCAL POLICE EDUCATION FUND AND PROVIDING FOR PUBLICATION OF NOTICE

SECTION 1: BE IT ORDAINED, and the Common Council of the City of Valparaiso, Indiana, does hereby make the determination a need exists and that the following amount of money be and the same is hereby appropriated from the Local Police Education Fund for the purpose and use here in after set forth, all for use during the current year of 2012, to-wit:

LOCAL POLICE EDUCATION FUND

Other Services & Charges	\$ 40,000
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SECTION 2: The City Clerk-Treasurer is ordered to give ten (10) days notice by publication in the Vidette Times, a daily newspaper published and printed in the City of

Valparaiso, Indiana, which notice shall inform taxpayers that they and each of them shall have the right to be heard thereon.

SECTION 3: Hearing for remonstrance and objections by taxpayers provided for in Section 2 hereof shall be and the same is hereby set for the January 23, 2012 meeting of the Common Council of the City of Valparaiso, Indiana, in the City Hall of said City.

SECTION 4: After such hearing held in accordance with such notices as herein provided, said Council shall by Ordinance confirm or disaffirm its said determination heretofore made and in the event that said determination is confirmed, the City Clerk-Treasurer is ordered to file a transcript of all proceedings herein as required by law with the State Board of Tax Commissioners.

SECTION 5: This Ordinance shall be in full force and effect from and after its passage in the manner provided by law.

PASSED by the Common Council of the City of Valparaiso, Indiana, by a 7-0 vote of all members present and voting, this 23rd day of January, 2012.

/s/ Jon Costas, Mayor

ATTEST:

/s/ Sharon E. Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana, this 23rd day of January, 2012 at the hour of 7:40 o'clock P.M.

/s/ Sharon E. Swihart, Clerk-Treasurer

This Ordinance approved and signed by me this 23rd day of January, 2012 at the hour of 7:40 o'clock P. M.

/s/ Jon Costas, Mayor

ORDINANCE NO. 3, 2012

ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO REFINANCE THE CITY'S GENERAL OBLIGATION BONDS OF 2005, SERIES A AND THE CITY'S GENERAL OBLIGATION BONDS OF 2002, SERIES A AND INCIDENTAL EXPENSES IN CONNECTION THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE BONDS

Councilmember Dick moved that Ordinance No. 3, 2012 be read a second time by title and a

third time in full and be considered for adoption and the opportunity be given for offering of amendments to said Ordinance. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to adopt Ordinance No. 3, 2012. Councilmember Bowker seconded the motion.

Bill Oeding explained this is refinancing of two bonds for the Valparaiso Street project. John Julian explained this will save the City approximately \$20,000 per year. There is no reserve required. The refinancing covers just the amount owed on the bonds. No extra money will be received.

Upon roll call vote the motion to adopt Ordinance No. 3, 2012 passed with a 7-0 vote.

Passed 1/23/12 by a vote of 7-0

ORDINANCE NO. 3, 2012

ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO REFINANCE THE CITY'S GENERAL OBLIGATION BONDS OF 2005, SERIES A AND THE CITY'S GENERAL OBLIGATION BONDS OF 2002, SERIES A AND INCIDENTAL EXPENSES IN CONNECTION THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE BONDS

WHEREAS, pursuant to Ordinance No. 17, adopted the Common Council (the "Council") of the City of Valparaiso, Indiana (the "City"), on June 24, 2002 ("Refunded Bond Ordinance"), the City issued (i) the City of Valparaiso, Indiana General Obligation Bonds of 2002, Series A (the "2002 Bonds") in the original principal amount of Three Million Two Hundred Thousand Dollars (\$3,200,000), and (ii) the City of Valparaiso, Indiana General Obligation Bonds of 2005, Series A (the "2005 Bonds") in the original principal amount of One Million Five Hundred Ten Thousand Dollars (\$1,510,000); and

WHEREAS, the 2002 Bonds are currently outstanding in the aggregate principal amount of Two Million Ninety Thousand Dollars (\$2,090,000), and the 2005 Bonds are currently outstanding in the aggregate principal amount of One Million Two Hundred Sixty-Five Thousand Dollars (\$1,265,000); and

WHEREAS, the Refunded Bond Ordinance provides that, if irrevocable instructions to call the 2002 Bonds and the 2005 Bonds for redemption shall have been given, and (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal on and interest of which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys to pay the whole amount of the principal of and interest on and the premium, if any, due and payable upon all of the 2002 Bonds and the 2005 Bonds then outstanding, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in such event the 2002 Bonds and the 2005 Bonds shall no longer be deemed outstanding or entitled to the pledge of sources of repayment described in the Refunded Bond Ordinance; and

WHEREAS, the 2002 Bonds and the 2005 Bonds maturing on or after July 15, 2012, are redeemable at the option of the City, in whole or in part, on January 15, 2012 or any date

thereafter on or prior to January 14, 2013, in order of maturity determined by the City, and by lot within any such maturity or maturities selected by the registrar, at a redemption price of one hundred one percent (101%) of the principal amount of each 2002 Bond and 2005 Bond to be redeemed, plus accrued interest to the redemption date; and

WHEREAS, Indiana Code § 5-1-5-1, *et. seq.* provides that the Council may by ordinance provide for the issuance of bonds to refund outstanding bonds issued at any time by the City, and to pay redemption premiums and costs of refunding, to effect a savings to the City;

WHEREAS, the City desires to authorize the issuance of the “City of Valparaiso, Indiana General Obligation Refunding Bonds, Series 2012 (the “2012 Bonds”) in the aggregate principal amount not to exceed Three Million Seven Hundred Thousand Dollars (\$3,700,000), for the purposes of refinancing all of the 2002 Bonds and 2005 Bonds currently outstanding (the “Refunded Bonds”), including the payment of any redemption premiums and costs of such refunding, the payment of accrued interest on the 2012 Bonds, and the payment of costs of issuance of the 2012 Bonds and any other fees and charges associated with the issuance of the 2012 Bonds, including the payment of any fees and charges associated with obtaining credit enhancement for the 2012 Bonds; and

WHEREAS, the original principal amount of the 2012 Bonds, together with the outstanding principal amount of previously issued bonds which constitute a debt of the City is no more than two percent (2%) of one-third (1/3) of the total net assessed valuation of the City; and

WHEREAS, all conditions precedent to the adoption of an ordinance authorizing the issuance of the 2012 Bonds have been complied with in accordance with Indiana Code § 36-4-6-19, Indiana Code § 5-1-5-1, *et. seq.*, and other applicable provisions of Indiana Code (the “Act”).

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA THAT:

SECTION 1. Refunding; Authorization for Bonds. The Council, after consideration of the estimated or known interest payable to the fixed maturities of the Refunded Bonds, the interest payable on the Refunded Bonds, the costs of issuance of the 2012 Bonds, including any sale discount, the redemption premiums, if any, to be paid, and the probable earned income from the investment of the proceeds of the 2012 Bonds pending redemption of the Refunded Bonds, hereby determines that a savings to the City will be effected by such refinancing. In order to provide for the refinancing of the Refunded Bonds and the costs of selling and issuing the 2012 Bonds, including the costs of obtaining bond insurance, ratings or other credit enhancement, the City shall borrow money, and shall issue the 2012 Bonds as herein authorized. The City covenants that the proceeds of the 2012 Bonds will not be used for any purpose except as described in this Ordinance.

SECTION 2. General Terms of Bonds. In order to procure said loan for such purposes, the Clerk-Treasurer is hereby authorized and directed to have prepared and to issue and sell the 2012 Bonds as negotiable general obligation bonds of the City, in an amount not to exceed Three Million Seven Hundred Thousand Dollars (\$3,700,000) (the “Authorized Amount”) and to be designated “City of Valparaiso, Indiana General Obligation Refunding Bonds, Series 2012”.

The 2012 Bonds shall be signed in the name of the City by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the Clerk-Treasurer of the City, who shall affix the seal of the City, if any, to each of the 2012 Bonds 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 2012 Bonds shall cease to be such officer before the delivery of the 2012 Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery thereof. The 2012 Bonds shall also be authenticated by the manual signature of the Registrar (as hereafter defined). Subject to the provisions of this Ordinance regarding the registration of the 2012 Bonds, the 2012 Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

The 2012 Bonds are, as to all the principal thereof and interest due thereon, general obligations of the City, payable from unlimited *ad valorem* property taxes on all taxable property within the City.

The 2012 Bonds shall be issued in fully registered form in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof, shall be numbered consecutively from R-1 upward, shall be originally dated as of the first day of the month in which the 2012 Bonds are sold or the date of issuance as determined by the Mayor and the Clerk-Treasurer at the time of sale. The 2012 Bonds shall bear interest payable semi-annually on January 15 and July 15 of each year, beginning on the January 15 or July 15 determined by the Mayor and the Clerk-Treasurer at the time of sale, at a rate or rates not exceeding five percent (5.00%) per annum (the exact rate or rates to be determined pursuant to Section 6 of this Ordinance). Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. The 2012 Bonds shall mature serially on January 15 and July 15 as finally determined by the Mayor and the Clerk-Treasurer as evidenced by delivery of the executed initial issue of the 2012 Bonds 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 July 15, 2012, and that the final maturity shall be no later than January 15, 2025.

All payments of interest on the 2012 Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof as of the first (1st) day of 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. Each registered owner of \$1,000,000 or more in principal amount of Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All principal payments on the 2012 Bonds 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, or in the case of a registered owner of \$1,000,000 or more in principal amount of Bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

Interest on Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date thereof unless such Bonds are authenticated after the first (1st) day of 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 first (1st) day of 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 Bond 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 Bond 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 Bond or Bonds 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 City, 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 City, the Registrar and the Paying Agent may treat and consider the persons in whose names such Bonds 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 Bond is mutilated, lost, stolen or destroyed, the City may execute and the Registrar may authenticate a new bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed, which new bond shall be marked in a manner to distinguish it from the bond for which it was issued, provided that, in the case of any mutilated bond, such mutilated bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. In the event any such bond shall have matured, instead of issuing a duplicate bond, the City and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The City and the Registrar may charge the owner of such Bond with their reasonable fees and expenses in this connection. Any bond issued pursuant to this paragraph shall be deemed an original, substitute contractual obligation of the City, whether or not the lost, stolen or destroyed Bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other Bonds issued hereunder.

SECTION 3. Terms of Redemption. The Mayor and the Clerk-Treasurer, upon consultation with the City's financial advisor, may designate maturities of Bonds (or portion thereof in integral multiples of \$5,000 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 Ordinance, the Mayor and the Clerk-Treasurer, upon consultation with the City's financial advisor, are 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 Bond 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 Bonds redeemed, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any Bond shall not affect the validity of any proceedings for the redemption of any other Bonds. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers (if any) of the 2012 Bonds called for redemption. The place of redemption may be determined by the City. Interest on the 2012 Bonds 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 Bonds shall no longer be protected by this Ordinance and shall not be deemed to be outstanding hereunder, and the holders thereof shall have the right only to receive the redemption price.

If any 2012 Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the 2012 Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the City, any 2012

Bonds maturing as term bonds maturing on the same date which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each 2012 Bond maturing as a term bond so delivered or canceled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the 2012 Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such 2012 Bonds maturing as term bonds to the extent received on or before the date forty-five (45) days preceding the applicable mandatory redemption date.

All Bonds which have been redeemed shall be canceled and shall not be reissued; provided, however, that one or more new registered bonds shall be issued for the unredeemed portion of any Bond 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 2012 Bonds or portions thereof called for redemption, including accrued interest thereon to the redemption date. No payment shall be made upon any Bond or portion thereof called for redemption until such bond 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 bond.

SECTION 4. 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 2012 Bonds (the "Registrar" or "Paying Agent"). The Registrar is hereby charged with the responsibility of authenticating the 2012 Bonds, and shall keep and maintain at its principal office or corporate trust office books for the registration and transfer of the 2012 Bonds. The Clerk-Treasurer and the Mayor are 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 2012 Bonds 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 2012 Bonds then outstanding of the removal of the Registrar and Paying Agent. Notices to registered owners of the 2012 Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the bond register. Any predecessor Registrar and Paying Agent shall deliver all the 2012 Bonds, cash and investments in its possession and the bond register to the successor Registrar and Paying Agent. At all times, the same entity shall serve as Registrar and as Paying Agent.

SECTION 5. Form of Bonds. (a) The form and tenor of the 2012 Bonds 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:

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UNITED STATES OF AMERICA
STATE OF INDIANA COUNTY OF PORTER
CITY OF VALPARAISO, INDIANA
GENERAL OBLIGATION REFUNDING BOND, SERIES 2012

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

PRINCIPAL SUM: DOLLARS (\$_____)

The City of Valparaiso, Porter County, Indiana (the "City") 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 bond unless this bond 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 bond is authenticated on or before _____ in which case it shall bear interest from the Original Date, which interest is payable semi-annually on each January 15 and July 15 of each year, beginning on _____. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of this bond is payable at _____ (the "Registrar" or "Paying Agent"), in _____, Indiana. All payments of interest on this bond 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. Each registered owner of \$1,000,000 or more in principal amount of bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All payments of principal of and premium, if any, on this bond 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, or in the case of a Registered Owner of \$1,000,000 or more in principal amount of bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

This bond is one of an authorized issue of negotiable general obligation

bonds of the City, 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 of providing funds to refinance certain bonds of the City previously issued to finance road improvements in the City, and the costs of the issuance of bonds therefor, as authorized by Ordinance No. _____ adopted by the Common Council on the _____ day of _____, 2012, entitled "ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO REFINANCE THE CITY'S GENERAL OBLIGATION BONDS OF 2005, SERIES A AND THE CITY'S GENERAL OBLIGATION BONDS OF 2002, SERIES A AND INCIDENTAL EXPENSES IN CONNECTION THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE BONDS" (the "Ordinance"), and in accordance with Indiana Code § 36-4-6-19, Indiana Code § 5-1-5-1, *et. seq.*, and other applicable provisions of the Indiana Code, as amended (collectively, the "Act"). The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Ordinance and the Act.

PURSUANT TO THE PROVISIONS OF THE ACT AND THE ORDINANCE, THE PRINCIPAL OF THIS BOND AND ALL OTHER BONDS OF SAID ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE AS A GENERAL OBLIGATION OF THE CITY, FROM AN UNLIMITED *AD VALOREM* PROPERTY TAX TO BE LEVIED ON ALL TAXABLE PROPERTY WITHIN THE CITY.

[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 bond to be redeemed as shown on the registration record of the City except to the extent such redemption notice is waived by owners of the bond or bonds redeemed, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any bond shall not affect the validity of any proceedings for the redemption of any other bonds. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers, if any, of the bonds called for redemption. The place of redemption may be determined by the City. Interest on the bonds 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 bonds shall no longer be protected by the Ordinance and shall not be deemed to be outstanding thereunder.

This bond is subject to defeasance prior to payment as provided in the Ordinance.

If this bond shall not be presented for payment on the date fixed therefor, the City may deposit in trust with the Paying Agent or another paying agent, an

amount sufficient to pay such bond, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the books of the City 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 bond 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 bond or bonds 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 City, any registrar and any 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.

The bonds maturing in any one year are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof.

The bonds have been designated as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

A Continuing Disclosure Agreement from the City to each registered owner or holder of any Bond, dated as of the date of initial issuance of the Bonds (the "Agreement"), has been executed by the City, a copy of which is available from the City and the terms of which are incorporated herein by this reference. The Agreement contains certain promises of the City to each registered owner or holder of any Bond, including a promise to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond assents to the Agreement and to the exchange of such payment and acceptance for such promises.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law.

This bond 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 City of Valparaiso, Indiana, has caused this bond to be executed in its corporate name by the manual or facsimile signatures of its duly elected, qualified and acting Mayor, its corporate seal, if any, to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by the Clerk-Treasurer of the City.

CITY OF VALPARAISO, INDIANA

By: _____
Mayor

(SEAL)

ATTEST:

Clerk-Treasurer

It is hereby certified that this bond is one of the bonds described in the within-mentioned Ordinance duly authenticated by the Registrar.

_____, as Registrar

By: _____
Authorized Representative

The following abbreviations, when used in the inscription on the face of this bond, 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	_____ (Cust.) Custodian (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 \$5,000) of 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.

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 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 Bonds)

(b) The 2012 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 City from time to time (the "Clearing Agency"), without physical distribution of 2012 Bonds to the purchasers. The following provisions of this section apply in such event.

One definitive 2012 Bond of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The City 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 2012 Bonds as are necessary or appropriate to accomplish or recognize such book-entry form bonds.

During any time that the 2012 Bonds remain and are held in book-entry form on the books of a Clearing Agency, (1) any such 2012 Bond 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 2012 Bond is so registered shall be, and the City and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such 2012 Bond for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest on such 2012 Bond, the receiving of notice and giving of consent; (3) neither the City 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 2012 Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any 2012 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 2012 Bond, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not required to present any 2012 Bond 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 City receives notice from the Clearing Agency which is currently the registered owner of the 2012 Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the 2012 Bonds, or the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the 2012 Bonds, then the City 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 2012 Bonds, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the 2012 Bonds and to transfer the ownership of each of the 2012 Bonds to such person or persons, including any other Clearing Agency, as the holders of the 2012 Bonds may direct in

accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the 2012 Bonds, shall be paid by the City.

During any time that the 2012 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 2012 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 2012 Bond has been obtained, the Registrar shall be entitled to treat the beneficial owners of the 2012 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 2012 Bonds are held in book-entry form on the books of a Clearing Agency, the Mayor, 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 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 2012 Bonds are held in book-entry form, the provisions of Section 5 of this Ordinance shall control over conflicting provisions in any other section of this Ordinance.

SECTION 6. Sale of 2012 Bonds. (a) The Clerk-Treasurer of the City is hereby authorized and directed to have the 2012 Bonds prepared, the Mayor and the Clerk-Treasurer are hereby authorized and directed to execute or to cause the execution of the 2012 Bonds in the form and manner herein provided. The Clerk-Treasurer is hereby authorized and directed to delivery the 2012 Bonds to the purchaser or purchasers thereof upon compliance with the requirements established hereunder and under the Act for the sale thereof, and to collect the full amount which the purchaser or respective purchasers have agreed to pay therefor. The 2012 Bonds, when fully paid for and delivered to the purchaser or purchasers, shall be the binding general obligations of the City payable from an unlimited ad valorem property tax to be levied on all taxable property within the City, and the proceeds derived from the sale of the 2012 Bonds shall be and are hereby set aside for the application to the costs of refinancing the Refunded Bonds. The authorized officers of the City are hereby authorized and directed to draw all proper and necessary warrants and to do whatever other acts and things that may be necessary or appropriate to carry out the provisions of this Ordinance.

(b) The Council hereby authorizes the sale of the 2012 Bonds to such underwriter (the "Underwriter"), as is chosen by the Mayor and the Clerk-Treasurer with the advice of the City's financial advisor. The Council hereby approves, and authorizes and directs the Mayor and the Clerk-Treasurer, for and on behalf of the City, to execute and deliver, and to perform the obligations of the City under, a bond purchase agreement, between the City and the Underwriter, in the form the Mayor and the Clerk-Treasurer, with the advice of counsel, determine to be necessary or appropriate, such determination to be conclusively evidenced by such Mayor's and such Clerk-Treasurer's execution of such bond purchase agreement.

(c) As an alternative to the negotiation of the sale of the bonds to an underwriter, the 2012 Bonds shall be sold in a competitive sale. If the Clerk-Treasurer determines, with the

advice of the financial advisor of the City, that such a competitive sale is in the best interests of the City, the Clerk-Treasurer shall 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 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. Said bond sale notice shall state the time and place of sale, the purpose for which the 2012 Bonds 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 2012 Bonds 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"), in which case the Clerk-Treasurer may set the minimum authorized denomination of the 2012 Bonds at One Hundred Thousand Dollars (\$100,000) as contemplated by the SEC Rule. As an alternative to the publication of a notice of sale, the Clerk-Treasurer may sell the 2012 Bonds through the publication of a notice of intent to sell the 2012 Bonds and compliance with related procedures pursuant to Indiana Code § 5-1-11-2(b).

All bids for the 2012 Bonds shall be sealed and shall be presented to the Clerk-Treasurer in accord with the terms set forth in the bond sale notice. Bidders for the 2012 Bonds shall be required to name the rate or rates of interest which the 2012 Bonds are to bear, which shall be the same for all 2012 Bonds maturing on the same date and the interest rate bid on any maturity of 2012 Bonds must be no less than the interest rate bid on any and all prior maturities, not exceeding five percent (5.00%) per annum, and such interest rate or rates shall be in multiples of one-hundredth of one per cent. The Clerk-Treasurer shall award the 2012 Bonds to the bidder who offers the lowest interest cost, to be determined by computing the total interest on all the 2012 Bonds 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 99% of the par value of the 2012 Bonds and accrued interest, if any, shall be considered. The Clerk-Treasurer may require that all bids shall be accompanied by certified or cashier's checks payable to the order of the City of Valparaiso, Indiana, or a surety bond, in an amount not to exceed one percent of the aggregate principal amount of the 2012 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 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 bond sale notice. The Clerk-Treasurer shall have full right to reject any and all bids.

(d) After the 2012 Bonds have been properly sold and executed, the City Treasurer shall receive from the purchasers' payment for the 2012 Bonds and shall provide for delivery of the 2012 Bonds to the purchasers.

(e) The Clerk-Treasurer is hereby authorized and directed to obtain legal opinion as to the validity of the 2012 Bonds from Barnes & Thornburg LLP, and to furnish such opinion to the purchasers of the 2012 Bonds or to cause a copy of said legal opinion to be printed on each 2012 Bond. The cost of such opinion shall be paid out of the proceeds of the 2012 Bonds.

(f) The Mayor and/or Clerk-Treasurer are hereby authorized to deem final an official statement with respect to the 2012 Bonds, as of its date, in accordance with the provisions of the

SEC Rule, subject to completion as permitted by the SEC Rule, and the Council 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 Mayor and/or Clerk-Treasurer in the form of a final official statement.

In order to assist any underwriter of the 2012 Bonds in complying with paragraph (b)(5) of the SEC Rule by undertaking to make available disclosure about the City and the 2012 Bonds to participants in the municipal securities market, the City 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 City and dated the date of issuance of the 2012 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 Mayor and the Clerk Treasurer of the continuing disclosure contract and the performance by the City of its obligations thereunder by or through any employee or agent of the City are hereby approved, and the City shall comply with and carry out the terms thereof.

SECTION 7. Use of Bond Proceeds. Any accrued interest received at the time of delivery of the 2012 Bonds will be applied to payments on the 2012 Bonds on the earliest interest payment dates. The remaining proceeds received from the sale of the 2012 Bonds shall be deposited in the "City of Valparaiso 2012 General Obligation Refunding Bond Fund" (the "Refunding Fund"). The Refunding Fund shall consist of the Refunded Bonds Account and the Costs of Issuance Account.

All amounts deposited into the Refunded Bonds Account shall be deposited, held, secured, invested and expended in accordance with an escrow agreement between the City and a financial institution selected by the Mayor and Clerk-Treasurer to serve as escrow agent (the "Escrow Agent") (such escrow agreement, the "Escrow Agreement"). The Council hereby approves, and authorizes and directs the Mayor and Clerk-Treasurer, for and on behalf of the City, to execute or deliver, and to perform the obligations of the City under, the Escrow Agreement, in the form as the Mayor and Clerk-Treasurer with the advice of counsel, determine to be necessary or appropriate, such determination to be conclusively evidenced by such execution thereof.

All amounts in the Costs of Issuance Account shall be expended only for the purpose of paying the costs of issuance of the 2012 Bonds and any other fees and charges associated with the issuance of the 2012 Bonds, including any fees and charges associated with obtaining credit enhancement for the 2012 Bonds. Any balance remaining unexpended in the Costs of Issue Account after payment of all such costs, fees and charges shall, not later than thirteen (13) months after the date of issuance of the 2012 Bonds, be used to pay principal of or interest on the 2012 Bonds.

SECTION 8. Defeasance. If, when the 2012 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 2012 Bonds 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 bonds 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 2012 Bonds or such designated portion thereof shall no longer be deemed outstanding or secured by this Ordinance.

SECTION 9. Tax Covenants. In order to preserve the exclusion of interest on the 2012 Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the 2012 Bonds, the City represents, covenants and agrees that:

(a) The City will not take any action or fail to take any action with respect to the 2012 Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2012 Bonds pursuant to Section 103 of the Internal Revenue Code of 1986 as in effect on the date of issuance of the 2012 Bonds (the "Code"), including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on 2012 Bond proceeds or other monies treated as 2012 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.

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

(c) The City will not make any investment or do any other act or thing during the period that any 2012 Bond is outstanding hereunder which would cause any 2012 Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the 2012 Bonds.

(d) The 2012 Bonds qualify for the exception in Section 265 of the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to tax-exempt obligations because the 2012 Bonds are not private activity bonds within the meaning of Section 141 of the Code; the 2012 Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code; the reasonably anticipated amount of qualified tax-exempt obligations (including qualified 501(c)(3) bonds but excluding other private activity bonds) which will be issued by or on behalf of the City, all entities which issue obligations on behalf of the City, and all subordinate entities during the current calendar year 2011 will not exceed \$10,000,000; and the City, all entities which issue obligations on behalf of the City, and all subordinate entities have not designated more than \$10,000,000 of qualified tax-exempt obligations during the year of issuance.

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 2012 Bonds from gross income under federal income tax law (the "Tax Exemption") need not be complied with to the extent the City receives an opinion of nationally recognized bond

counsel that compliance with such Tax Section is unnecessary to preserve the Tax Exemption.

SECTION 10. 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 2012 Bonds then outstanding shall have the right, from time to time, to consent to and approve the adoption by the City of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

(e) An extension of the maturity of the principal of or interest on any 2012 Bond, without the consent of the holder of each 2012 Bond so affected; or

(f) A reduction in the principal amount of any 2012 Bond 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 2012 Bond so affected; or

(g) A preference or priority of any 2012 Bond over any other 2012 Bond, without the consent of the holders of all 2012 Bonds then outstanding; or

(h) A reduction in the aggregate principal amount of the 2012 Bonds required for consent to such supplemental ordinance, without the consent of the holders of all 2012 Bonds then outstanding.

If the City 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 ordinance and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the 2012 Bonds. The Registrar shall not, however, be subject to any liability to any owners of the 2012 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 City shall receive any instrument or instruments purporting to be executed by the owners of the 2012 Bonds of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the 2012 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 City may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the 2012 Bonds, whether or not such owners shall have consented thereto.

No owner of any 2012 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 City 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 City and all owners of 2012 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 and obligations of the City and of the owners of the 2012 Bonds, and the terms and provisions of the 2012 Bonds and this Ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the 2012 Bonds then outstanding.

Without notice to or consent of the owners of the 2012 Bonds, the City 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),

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

(j) To grant to or confer upon the owners of the 2012 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the 2012 Bonds; or

(k) To modify, amend or supplement this Ordinance to permit the qualification of the 2012 Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, to obtain or maintain bond insurance with respect to payments of principal of and interest on the 2012 Bonds, or to procure a rating on the 2012 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 2012 Bonds; or;

(l) To provide for the refunding or advance refunding of the 2012 Bonds; or

(m) To make any other change which, in the determination of the Council in its sole discretion, is not to the prejudice of the owners of the 2012 Bonds.

SECTION 11. Other Action. The appropriate officers are hereby authorized to take all actions to obtain a rating, bond insurance or any other form of credit enhancement for the Bonds if economically feasible and desirable and with the favorable recommendation of the financial advisors to the City. In addition, the appropriate officers of the City are hereby authorized and directed to take any other action deemed necessary or advisable in order to effectuate the refinancing of the Refunded Bonds, the issuance of the 2012 Bonds, or any other purposes of this Ordinance.

SECTION 12. 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 2012 Bonds and so long as any of the 2012 Bonds or interest 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 2012 Bonds, nor shall the City adopt any law, ordinance or resolution which in any way adversely affects the rights of such holders.

SECTION 13. Severability; Interpretation. 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. 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 14. 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 City or the city 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 15. Effectiveness. This Ordinance 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 Bonds 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 Ordinance shall cease.

PASSED AND ADOPTED by the Common Council of the City of Valparaiso, Indiana, this 23rd day of January, 2012.

COMMON COUNCIL
CITY OF VALPARAISO, INDIANA

/s/ Jon Costas
Presiding Officer

Attest:

/s/ Sharon Emerson Swihart
Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso at 7:40 p.m., on the 23rd day of January, 2012.
/s/ Sharon Emerson Swihart
Clerk-Treasurer

This Ordinance approved and signed by me, the Mayor of the City of Valparaiso, at 7:40 p.m., on the 23rd day of January, 2012.

/s/ Jon Costas, Mayor

ORDINANCE NO. 4, 2012

**AN ORDINANCE APPROPRIATING FUNDS IN THE LOCAL ROAD & STREET
FUND AND PROVIDING FOR PUBLICATION OF NOTICE**

Councilmember Dick moved that Ordinance No. 4, 2012 be read a second time by title and a third time in full and be considered for adoption and the opportunity be given for offering of amendments to said Ordinance. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to adopt Ordinance No. 4, 2012. Councilmember Bowker seconded the motion.

Clerk-Treasurer Swihart explained this is a little more than usually appropriated. There was approximately \$291,000 left over from 2011 which was added to this appropriation.

Mayor Costas announced this Ordinance requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will consider the appropriation of \$600,000 in the Local Road and Street Fund. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Upon roll call vote the motion to adopt Ordinance No. 4, 2012 passed with a 7-0 vote.

Passed 1-23-12 by a vote of 7-0

ORDINANCE # 4, 2012

AN ORDINANCE APPROPRIATING FUNDS IN THE LOCAL ROAD & STREET FUND AND PROVIDING FOR PUBLICATION OF NOTICE

SECTION 1: BE IT ORDAINED, and the Common Council of the City of Valparaiso, Indiana, does hereby make the determination a need exists and that the following amount of money be and the same is hereby appropriated from the Local Road & Street Fund for the purpose and use here in after set forth, all for use during the current year of 2012, to-wit:

LOCAL ROAD & STREET FUND

Materials	\$100,000
Other Services & Charges	
Paving	\$500,000

SECTION 2: The City Clerk-Treasurer is ordered to give ten (10) days notice by publication in the Vidette Times, a daily newspaper published and printed in the City of Valparaiso, Indiana, which notice shall inform taxpayers that they and each of them shall have the right to be heard thereon.

SECTION 3: Hearing for remonstrance and objections by taxpayers provided for in Section 2 hereof shall be and the same is hereby set for the January 23, 2012 meeting of the Common Council of the City of Valparaiso, Indiana, in the City Hall of said City.

SECTION 4: After such hearing held in accordance with such notices as herein provided, said Council shall by Ordinance confirm or disaffirm its said determination heretofore made and in the event that said determination is confirmed, the City Clerk-Treasurer is ordered to file a transcript of all proceedings herein as required by law with the State Department of Local Government Finance.

SECTION 5: This Ordinance shall be in full force and effect from and after its passage in the manner provided by law.

PASSED by the Common Council of the City of Valparaiso, Indiana, by a 7-0 vote of all members present and voting, this 23rd day of January, 2012.

/s/ Jon Costas, Mayor

ATTEST:

/s/ Sharon E. Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana, this 23rd day of January, 2012 at the hour of 7:45 o'clock P.M.

/s/ Sharon E. Swihart, Clerk-Treasurer

This Ordinance approved and signed by me this 23rd day of January, 2012 at the hour of 7:45 o'clock P. M.

/s/ Jon Costas, Mayor

ORDINANCE NO. 5, 2012

AN ORDINANCE APPROPRIATING FUNDS IN FIREFIGHTING FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Dick moved that Ordinance No. 5, 2012 be read a second time by title and a third time in full and be considered for adoption and the opportunity be given for offering of amendments to said Ordinance. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to adopt Ordinance No. 5, 2012. Councilmember Bowker seconded the motion.

Mayor Costas announced this Ordinance requires a Public Hearing and presented Proof of Publication that at tonight's meeting the Council will consider the appropriation of \$85,000 in the Firefighting Fund. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Upon roll call vote the motion to adopt Ordinance No. 5, 2012 passed with a 7-0 vote.

Passed 1/23/12 by a vote of 7-0

ORDINANCE #5, 2012

AN ORDINANCE APPROPRIATING FUNDS IN FIREFIGHTING FUND AND PROVIDING FOR PUBLICATION OF NOTICE

SECTION 1: BE IT ORDAINED, and the Common Council of the City of Valparaiso, Indiana, does hereby make the determination a need exists and that the following amount of money be and the same is hereby appropriated from the Firefighting Fund for the purpose and use here in after set forth, all for use during the current year of 2012, to-wit:

FIREFIGHTING FUND	
Personal Services	\$ 50,000
Supplies	\$ 5,000
Other Services & Charges	\$ 30,000

SECTION 2: The City Clerk-Treasurer is ordered to give ten (10) days notice by publication in the Vidette Times, a daily newspaper published and printed in the City of Valparaiso, Indiana, which notice shall inform taxpayers that they and each of them shall have the right to be heard thereon.

SECTION 3: Hearing for remonstrance and objections by taxpayers provided for in Section 2 hereof shall be and the same is hereby set for the January 23, 2012, meeting of the Common Council of the City of Valparaiso, Indiana, in the City Hall of said City.

SECTION 4: After such hearing held in accordance with such notices as herein provided, said Council shall by Ordinance confirm or disaffirm its said determination heretofore made and in the event that said determination is confirmed, the City Clerk-Treasurer is ordered to file a transcript of all proceedings herein as required by law with the State Board of Tax Commissioners.

SECTION 5: This Ordinance shall be in full force and effect from and after its passage in the manner provided by law.

PASSED by the Common Council of the City of Valparaiso, Indiana, by a 7-0 vote of all members present and voting, this 23rd day of January, 2012.

Jon Costas, Mayor

ATTEST:

/s/ Sharon E. Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana, this 23rd of January, 2012 at the hour of 7:45 o'clock P.M.

/s/ Sharon E. Swihart, Clerk-Treasurer

This Ordinance approved and signed by me this 23rd day of January, 2012 at the hour of 7:45 o'clock P. M.

/s/ Jon Costas, Mayor

ORDINANCE NO. 6, 2012

AN ORDINANCE APPROPRIATING FUNDS IN THE RIVERBOAT FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Dick moved that Ordinance No. 6, 2012 be read a first time and considered on first reading. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to carry Ordinance No. 6, 2012 to the February 13, 2012 meeting. Councilmember Bowker seconded the motion.

Bill Oeding addressed the Council. The balance in this Fund is \$711,000 with another \$170,000 coming in this year. This \$93,000 appropriation is \$75,000 for the comp plan and \$18,000 for the ADA study.

Upon voice vote the motion to carry Ordinance No. 6, 2012 to the February 13, 2012 meeting passed with a 7-0 vote.

ORDINANCE NO. 7, 2012

AN ORDINANCE APPROPRIATING FUNDS IN THE CAPITAL EQUIPMENT FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Dick moved that Ordinance No. 7, 2012 be read a first time and considered on first reading. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to carry Ordinance No. 7, 2012 to the February 13, 2012 meeting. Councilmember Bowker seconded the motion.

Bill Oeding addressed the Council. This \$300,000 appropriation is for ongoing lease purchase agreements.

Upon voice vote the motion to carry Ordinance No. 7, 2012 to the February 13, 2012 meeting passed with a 7-0 vote.

ORDINANCE NO. 8, 2012

AN ORDINANCE APPROPRIATING FUNDS IN THE MAJOR MOVES FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Dick moved that Ordinance No. 8, 2012 be read a first time and considered on first reading. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to carry Ordinance No. 8, 2012 to the February 13, 2012 meeting. Councilmember Bowker seconded the motion.

Bill Oeding addressed the Council. This \$241,543 is the balance remaining in the Major Moves Fund. The funds will be used to improve the intersection of Evans and Sturdy. It will be similar to the intersection of Evans and Silhavy. This appropriation should cover all of the costs.

Upon voice vote the motion to carry Ordinance No. 8, 2012 to the February 13, 2012 meeting passed with a 7-0 vote.

ORDINANCE NO. 9, 2012

AN ORDINANCE APPROPRIATING FUNDS IN THE EDIT FUND AND PROVIDING FOR PUBLICATION OF NOTICE

Councilmember Dick moved that Ordinance No. 9, 2012 be read a first time and considered on first reading. Councilmember Bowker seconded the motion. Clerk-Treasurer Swihart read the Ordinance. Councilmember Dick moved to carry Ordinance No. 9, 2012 to the February 13, 2012 meeting. Councilmember Bowker seconded the motion.

Bill Oeding addressed the Council. He anticipates bringing in the same amount this year which is \$1,666,250. They are getting a \$100,000 grant through IDEM. The EDIT budget for this year is \$2,154,127.

Upon voice vote the motion to carry Ordinance No. 9, 2012 to the February 13, 2012 meeting passed with a 7-0 vote.

REPORTS

Councilmember Bowker reported INDOT is holding a meeting on Monday at 6:30 in City Hall regarding Burlington Beach Road. Also, the Redevelopment Commission will meet shortly after 5:00 p.m. in City Hall on February 8th.

Councilmember Baird reported on the School Board. They realize they have a serious problem and need to work to regain the trust and confidence of citizens. There is a public meeting at 6:00 on February 2nd at the High School. In April the Council will begin asking for applications for the School Board appointment.

Councilmember Dick reported that last Thursday the Park Department won two awards from the Indiana Park and Recreation Association. The awards were for the Downtown Park and the Night Ride. John Seibert added this is a reflection on the City as a whole.

AUDIENCE

No one wished to address the Council.

The meeting adjourned at 8:00 p.m.

/s/ Sharon Swihart, Clerk-Treasurer