

**JOURNAL OF PROCEEDINGS**  
**REGULAR MEETING**  
**City Council of the City of Calumet City**  
**Cook County, Illinois**

**FEBRUARY 09, 2023**

Public Comment

NONE

Pledge Of Allegiance

The City Council of the City of Calumet City met in the City Council Chambers at 6:09 p.m. in a regular meeting on February 09, 2023, with Mayor Thaddeus Jones present and presiding.

ROLL CALL

PRESENT: 7

ALDERMAN: Navarrete, Wilson, Tillman, Williams Gardner, Patton, Smith

ABSENT: 0

ALDERMAN: NONE

Also present was City Clerk Figgs, City Treasurer Tarka, City Attorney Townsend, Police Chief Kolosh, Fire Chief Bachert, City Administrator Jaffrey, Deputy Clerks Jessica Coffee, Quentin Dailey, Economic Development Department Val Williams, Don Aleksy, Chaplain Pastor Stokes, Director of Inspectional Service Sherryl Tillman

There being a quorum present, the meeting was called to order.

Prayer

Pastor Stokes led the City Council in prayer.

Approval of minutes

- A. December 28, 2022: Committee of The Whole Meeting
- B. January 3, 2023: Special Meeting
- C. January 17, 2023: Special Meeting
- D. January 18, 2023: Committee of The Whole Meeting

Alderman Smith moved, seconded by Alderman Tillman to approve the minutes as presented.

**MOTION CARRIED**

**REPORTS OF STANDING COMMITTEES**

Finance

Alderman Gardner had no report.

Public Safety

Alderman Williams had no report.

Public Utilities

Alderman Patton had no report.

Ord. & Res.

Alderman Tillman reported on Committee of The Whole meeting on February 7, 2023. Alderman Tillman gave a report on the bond meeting and reported that the Ordinance and Resolution Committee will have a meeting on February.

H.E.W

Alderwoman Wilson asked for a moment of silence for Tyree Nichols. Alderwoman Wilson reminded everyone of the Read Aloud program. Alderwoman Wilson thanked Impact Church and invited everyone out.

Permits & Licenses

Alderman Smith had no report.

Public Works

Alderman Navarrete announced that there will be a Public Works Committee meeting before the next City Council meeting.

Mayor Jones

Announced that Chief Bendinelli's mother passed and had a Moment of Silence for her.

**CITY COUNCIL REPORTS**

Ald. Navarrete

Alderman Navarrete had no report.

Ald. Wilson

Alderwoman Wilson announced that the 2<sup>nd</sup> Ward meeting will be on February 11, 2023.

Ald. Tillman

Alderman Tillman had no report.

Ald. Williams

Alderman Williams had no report.

Ald. Gardner

Alderman Gardner had no report.

Ald. Patton

Alderman Patton had no report.

Ald. Smith

Alderman Smith had no report

Police Chief Kevin Kolosh

Chief Kolosh reminded residents about the Citizen Police program. Chief Kolosh announced that PD is working with Hyundai to provide Steering Wheel lock to the residents with Hyundais.

Fire Chief Glenn Bachert

Chief Bachert announced that 4 ambulances will now be responding to emergency calls during the hours of 8 a.m. to 6 p.m.

**INFORMATIONAL ITEMS TO BE ACCEPTED AND PLACED ON FILE**

A. Appreciation

RE: Jesus, Shepherd of Souls Parish expressing thanks to Treasurer Tarka for the donation towards the Feast Day of Our Lady of Guadalupe

B. Wildlife Control

RE: Track 'n Trap Wildlife Control report for January 2023

**Approval of Informational Items to be Accepted  
And Placed on File**

Alderman Gardner moved seconded by Alderman Williams to approve informational items to be excepted and placed on file.

**MOTION CARRIED**

**Motion for Closed Session**

Alderman Smith motioned, seconded by Alderman Tillman to go into Executive Session to discuss: The appointment, employment, compensation, discipline, performance, or dismissal of specific volunteers of the public body or legal counsel for the public body including hearing testimony on the complaint lodged against an employee, a specific individual who serves as an independent contractor in a park, recreational, or educational setting, or a volunteer of the public body or against legal counsel for the public body to determine its validity.

And

Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees.

And

Litigation when an action against, affecting or on behalf of the particular public body has been filed and is pending before a court administrative tribunal, or when the public body finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting.

**MOTION CARRIED**

Executive Session

The City Council met in closed session from 6:40 p.m. to 7:39 p.m.

Return to Regular Meeting

Alderman Smith moved, seconded by Alderman Patton to return to regular order of business at 7:39 p.m.

**MOTION CARRIED**

**NEW BUSINESS**

#1: Approve Collective Bargaining

Approve the Collective Bargaining Agreement between the City of Calumet City and the Teamsters Local 700 for the period of May 1, 2022, through April 30, 2025.

Approval of New Business Items

Alderman Williams motioned seconded by Alderman Wilson to approve new business items.

ROLL CALL

YEAS: 7  
NAYS: 0  
ABSENT: 0

ALDERMEN: Navarrete, Wilson, Tillman, Williams, Gardner, Patton, Smith  
ALDERMEN: NONE  
ALDERMAN: NONE

**MOTION CARRIED**

**BUILDING PERMITS**

Privacy Fence

NONE

New Garage Construction

NONE

**RESOLUTIONS AND ORDINANCE**

Res. #1 CDBG Program Year

Resolution approving the submission of an application by the City of Calumet City for a project to be funded by the Cook County Bureau of Economic Development Community Development Block Grant (CDBG) Program (Capital Improvements) for the 2023 CDBG Program Year.

(Res.#23-06)

(See attached page 3A)

Res. #2 Lead Care Pilot Program

Resolution Acknowledging the City of Calumet City's Participation in Cook County's Lead Care Pilot Program that Provides Calumet City Licensed Home-Based Day Cares with Free Water Lead Service Line Replacements.

(Res.#23-07)

(See attached page 4A)

**A RESOLUTION APPROVING THE SUBMISSION OF AN APPLICATION  
BY THE CITY OF CALUMET CITY FOR A PROJECT TO BE FUNDED BY  
THE COOK COUNTY BUREAU OF ECONOMIC DEVELOPMENT  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM  
(CAPITAL IMPROVEMENTS) FOR THE 2023 CDBG PROGRAM YEAR**

**Resolution No. 23-06**

**Proposed Project**

***Arthur Street – from 159<sup>th</sup> Street to 163<sup>rd</sup> Street (Residential)  
Water Main Replacement Project***

**WHEREAS**, the City of Calumet City, Cook County, Illinois (the "City") is a home rule municipality pursuant to section 6(a), Article VII of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs (the "Home Rule Powers"); and

**WHEREAS**, the Mayor and City Council of the City of Calumet City (the "Corporate Authorities") recognize the Community Development Block Grant (CDBG) program is authorized under Title 1 of the Housing and Community Development Act (HCDA) of 1974, as amended; and

**NOW, THEREFORE BE IT RESOLVED**, by the Mayor and City Council of the City of Calumet City, Illinois as follows; and

**Section 1.** That a request is hereby made to the County of Cook Illinois for Community Development Block Grant (CDBG) funds for program year 2023 in the amount of \$400,000.00 for the following construction phase of the project:

- *This proposed project consists* of the removal of an existing water main that has exceeded its useful life and now subject to replacement. Along with water main removal and replacement, the project also includes construction of new valves and fire hydrants. Existing residential services will be disconnected from existing main and reconnected to the new main - restoration of construction site included.
- *Construction Funding Requested* is in the amount of \$400,000.00 as identified in the Municipality's CDBG 2023 program year application.
- The City will provide the engineering match to the funding request proposed as identified in Section 3 as follows.

**Section 2.** That the Mayor of the City of Calumet City is hereby authorized to sign the application and various forms contained therein, make all required submissions, and do all things necessary to complete the application for the funds requested in Section 1 of this Resolution, a copy of which application is on file with the City Clerk.

**Section 3.** That the Mayor of the City of Calumet City is hereby authorized to certify that engineering design, engineering construction, and construction matching funds (*in the amount of \$80,000.00 – 20%*) which have been identified (as supporting its project as set out within

Regular City Council Mtg. 02.09.23  
RES.#23.06

its application will be made available upon the approval of the project by the County of Cook, Illinois, or the prorated share thereof.

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and City Council of the City of Calumet City, Cook County, Illinois, by and through its Home Rule Powers, as follows:

- Section 1.* That the above recitals and legislative findings are found to be true and correct and are hereby incorporated herein and made a part hereof, as if fully set forth in their entirety.
- Section 2.* If any section, paragraph, clause, or provision of this Resolution shall be held invalid, the invalidity hereof shall not affect any other provision of this Resolution.
- Section 3.* All ordinances, resolutions, motions, or orders in conflict with this Resolution are hereby repealed to the extent of such conflict.
- Section 4.* This Resolution shall be in full force and effect upon its passage, approval, and publication as provided by law.

**APPROVED** by the Mayor and City Council, Cook County, Illinois on this 9<sup>th</sup> day of February, 2023.

  
Thaddeus M. Jones, Mayor

ATTEST:

  
Nyota T. Figs, City Clerk

Regular City Council Mtg. 02.09.23  
RES.#23.06

Bond Presentation

Approval of 2023 Bond Presentation for the City of Calumet City.

Preliminary Bond Statement

Discussion and approval of Preliminary Bond Statement and Strategy for Economic Development and Water Infrastructure program for the City of Calumet City.

General Obligation Bonds

(Ord.#23-04)

Approval of an ordinance providing for the issuance of not to exceed \$12,000,000 General obligation bonds of the City of Calumet City, Cook County, Illinois and for the levy for of a direct annual tax sufficient to pay the principal and interest on said bonds.  
(See attached page 4B)

General Obligation Bonds

(Ord.#23-05)

Approval of an ordinance providing for the issuance of not to exceed \$19,000,000 General Obligation Bonds (Water and Sewer Revenue Pledge), in one of more series, of the City of Calumet City, Cook County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest of said bonds.  
(See attached page 4C)

Approval Resolutions and Ordinances

Alderman Tillman moved, seconded by Alderman Smith to approve Resolutions and Ordinances as presented.

ROLL CALL

YEAS: 7

NAYS: 0

ABSENT: 0

ALDERMEN: Navarrete Wilson, Williams, Tillman, Gardner, Patton, Smith

ALDERMEN: NONE

ALDERMAN: NONE

**MOTION CARRIED**

**FINANCIAL MATTERS**

#1: Payment to Calumet City Plumbing for (Inv #56213)

Approve costs payable to Calumet City Plumbing for invoice 56213, in the amount of \$5,990.90 and direct City Treasurer to remit payment from account #03036-52349.

#2: Payment to Central Square Technologies for (Inv #373776)

Approve payment to Central Square Technologies for invoice #373776; authorize the City Treasurer to remit payment in the amount of \$5,400.00 and charge account #01028-55120.

#3: Payment to SEECO Consultants, Inc.

Approval to direct Treasurer Tarka to remit payment to SEECO Consultants, Inc., in the amount of \$9,434.00, and to charge account #04007-52600 for material testing services provided for the Pulaski Road resurfacing project from 11/1/22 to 11/30/22. This work has been completed and reports provided. The invoice, breakdown, and signed agreement are attached.

#4: Payment to Davis Concrete Construction Company

Approval to direct Treasurer Tarka to remit payment to Davis Concrete Construction Company, in the amount of \$96,356.30, and to charge account #04007-52468 for the completion of the 2022 Sidewalk Replacement Program. The

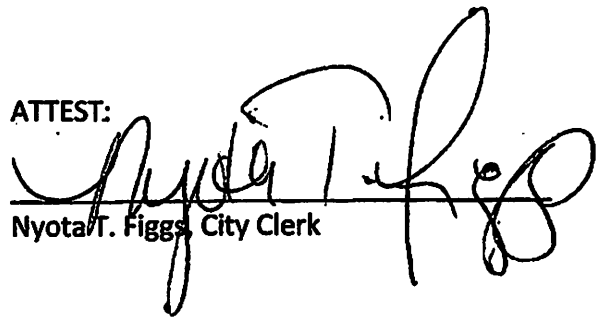


**Section 3.** All ordinances, resolutions, motions, or orders in conflict with this Resolution are hereby repealed to the extent of such conflict.

**Section 4.** This Resolution shall be in full force and effect upon its passage, approval, and publication as provided by law.

**APPROVED** by the Mayor and City Council, Cook County, Illinois on this 9<sup>th</sup> day of February, 2023.

  
Thaddeus M. Jones, Mayor

ATTEST:  
  
Nyota T. Figgs, City Clerk



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**THE CITY OF CALUMET CITY**  
**COOK COUNTY, ILLINOIS**

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**ORDINANCE**  
**NUMBER 23-04**

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**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$12,000,000 GENERAL OBLIGATION BONDS OF THE CITY OF CALUMET CITY, COOK COUNTY, ILLINOIS, AND FOR THE LEVY OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS**

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**THADDEUS M. JONES, Mayor**  
**NYOTA T. FIGGS, City Clerk**

**MICHAEL NAVARRETE**  
**MONET S. WILSON**  
**DEANDRE TILLMAN**  
**RAMONDE D. WILLIAMS**  
**DEJUAN GARDNER**  
**JAMES PATTON**  
**ANTHONY SMITH**

**Aldermen**

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**ORDINANCE NUMBER 23-04**

**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$12,000,000 GENERAL OBLIGATION BONDS OF THE CITY OF CALUMET CITY, COOK COUNTY, ILLINOIS, AND FOR THE LEVY OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS**

WHEREAS, the City of Calumet City, Cook County, Illinois (the "City"), pursuant to the provisions of Article VII, Section 6(a) of the Constitution of the State of Illinois (the "State"), is a home-rule unit and may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt payable from *ad valorem* tax receipts maturing within 40 years from the time it is incurred and without prior referendum approval; and

WHEREAS, the City has outstanding its \$6,760,000 General Obligation Bonds, Series 2015, dated December 15, 2015, due or subject to mandatory redemption on the following dates and in the following amounts:

<b>DATE</b>	<b>PRINCIPAL AMOUNT</b>
03/01/2023	\$ 400,000
03/01/2024	\$ 425,000
03/01/2025	\$ 450,000
03/01/2026	\$ 450,000
03/01/2027	\$ 475,000
03/01/2028	\$ 425,000
03/01/2029	\$ 1,000,000
03/01/2030	\$ 1,000,000
03/01/2031	\$ 1,000,000

(the "Prior Bonds"); and

WHEREAS, the City Council has considered and determined that it is possible, proper and advisable to provide for the timely refunding of the Prior Bonds, and to provide for the payment and redemption thereof as same become due and at their respective earliest dates of redemption; and

WHEREAS, the City Council has determined that all or a portion of the outstanding maturities of the Prior Bonds as provided in the Bond Order (the "Refunded Bonds") shall be refunded (the "Refunding") in order to restructure the debt of the City, or to effect an interest rate savings on the Prior Bonds; and

WHEREAS, it is also deemed to be necessary, essential and for the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to (a) finance the costs of the constructing, renovating, equipping, rehabilitating and/or improving of certain infrastructure within the City (together with all necessary land and rights in land, professional, legal, engineering, electrical, financial and other services, costs of borrowing, reserves, capitalized interest, if any, and other related costs, the "Project"), and (b) pay costs associated therewith and in connection with the issuance of the Bonds; and

WHEREAS, the estimated cost of the Refunding and the Project, including bond discount, bond issuance expenses and capitalized interest, is not less than \$12,000,000; and

WHEREAS, the City Council has determined there are presently not sufficient funds on hand and currently available to pay the cost of the Refunding and the Project; and

WHEREAS, it is in the judgment of the City Council necessary for the Refunding and the Project to issue general obligation bonds of the City; and

WHEREAS, as a home-rule unit, the City by ordinance passed by the City Council is authorized to borrow money and in evidence thereof issue general obligation bonds of the City without referendum in an amount not to exceed \$12,000,000 (the "Bonds") for the purpose of paying all or a portion of the costs of the Refunding and the Project, and paying certain costs incurred in connection with the issuance of the Bonds, all to the extent provided for and allocated in the Bond Order (as hereinafter defined); and

WHEREAS, the City Council does hereby determine that it is advisable and in the best interest of the City at this time to borrow money and in evidence thereof issue the Bonds for the purpose of paying all or a portion of the costs of the Refunding and the Project, and paying certain costs incurred in connection with the issuance of the Bonds, all to the extent provided for and allocated in the Bond Order, and in evidence of such borrowing, issue its full faith and credit bonds, to an aggregate principal amount not to exceed \$12,000,000; and

WHEREAS, the Bonds may be issued bank qualified or non-bank qualified, in one or more series, insured or non-insured, and rated or non-rated, as provided in the Bond Order; and

WHEREAS, the City Council contemplates the issuance of additional general obligation bonds (the "Water/Sewer Bonds") of the City, payable from (i) Net Revenues of the City's waterworks and sewerage system ("Net Revenues" generally, means gross revenues minus operating and maintenance expenses), and (ii) the Pledged Taxes and such other funds legally available and appropriated therefor, to an amount not to exceed \$19,000,000; and

WHEREAS, the aggregate issuance of any Water/Sewer Bonds and the Bonds shall not exceed \$25,000,000.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Calumet City, Cook County, Illinois, as follows:

**Section 1. Definitions.** Words and terms used in this Ordinance shall have the meanings assigned them unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice-versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

**"Act"** means the home rule powers of the City, the Illinois Municipal Code, and the Local Government Debt Reform Act of the State.

**"Authorized Denominations"** means \$5,000 and integral multiples thereof.

**"Bond Counsel"** means, with respect to the original issuance of the Bonds, Ice Miller LLP, Chicago, Illinois, and thereafter, any firm of attorneys of nationally recognized expertise with respect to the tax-exempt obligations of political subdivisions, selected by the City.

**"Bond Fund"** means the Bond Fund created in Section 12 of this Ordinance.

**"Bond Insurer"** is defined in Section 27 of this Ordinance.

**"Bond Order"** means that certain bond order, to be executed by a Designated Officer, setting forth certain details of the Bonds as provided in this Ordinance and includes the levy of the Pledged Taxes.

**"Bond Purchase Agreement"** is defined in Section 11 of this Ordinance.

**"Bond Register"** means the books of the City kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

**"Bond Registrar"** means the City Treasurer, or as otherwise set forth in the Bond Order.

**"Bondholder"** means the owner of a Bond.

**"Bonds"** means the not to exceed \$12,000,000 General Obligation Bonds authorized to be issued by this Ordinance, including bonds issued in exchange for or upon transfer or replacement of bonds previously issued under this Ordinance.

**"Book-Entry Form"** means the form of the Bonds as fully registered and available in physical form only to the Depository.

**"City"** means City of Calumet City, Cook County, Illinois.

**"City Council"** means the Mayor and Aldermen of the City.

**"Code"** means the Internal Revenue Code of 1986, as amended.

**"County Clerk"** means the County Clerk of Cook County, Illinois.

***"Defeasance Obligations"*** means: (a) direct and general full faith and credit obligations of the United States Treasury ("Directs"); (b) certificates of participation or trust receipts in trusts comprised wholly of Directs; or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury or the Federal Deposit Insurance Corporation.

***"Defeased Bonds"*** means such bonds as are described and defined by such term in Section 15 of this Ordinance.

***"Depository"*** means The Depository Trust Company or successor depository duly qualified to act as a securities depository and acceptable to the City.

***"Designated Officers"*** mean the officers of the City as follows: Mayor, City Clerk, and City Treasurer.

***"Expense Account"*** means the account in the Proceeds Fund established hereunder and further described by Section 14 of this Ordinance.

***"Global Book-Entry System"*** means the system for the initial issuance of the Bonds as described in Section 5.

***"Municipal Bond Insurance Policy"*** is defined in Section 27 of this Ordinance.

***"Ordinance"*** or ***"Bond Ordinance"*** means this Ordinance No. 23-04 passed by the City Council on February 9, 2023 and approved by the Mayor on that date.

***"Outstanding"*** when used with reference to any bond, means a bond is outstanding and unpaid; provided, however, such term shall not include bonds: (a) which have matured or for which moneys are on deposit with proper paying agents, or are otherwise properly available, sufficient to pay all principal thereof and interest thereon; or (b) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, or other obligations unconditionally guaranteed as to timely payment by the United States Treasury or the Federal Deposit Insurance Corporation, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal of, redemption premium, if any, and interest on such bonds, and will not result in the loss of exclusion from gross income of the interest thereon under Section 103 of the Code.

***"Paying Agent"*** means the City Treasurer, or as otherwise set forth in the Bond Order.

***"Pledged Taxes"*** is defined in Section 12 of this Ordinance.

***"Prior Bonds"*** is defined in the Preambles of this Ordinance.

***"Prior Project"*** means the facilities financed, directly or indirectly, with the proceeds of the Prior Bonds or other bonds refunded by the Prior Bonds.

***"Proceeds Fund"*** means the Proceeds Fund created in Section 14 of this Ordinance.

*"Project"* is defined in the Preambles of this Ordinance.

*"Project Account"* means the account in the Proceeds Fund established hereunder and further described by Section 14 of this Ordinance.

*"Purchase Price"* means the price to be paid by the Purchaser for the Bonds as set forth in the Bond Purchase Agreement.

*"Purchaser"* shall be set forth in the Bond Order.

*"Record Date"* means the 15th day of the month next preceding any regular or other interest payment date which occurs on the 1st day of any month and the 15th day preceding any interest payment date occasioned by the redemption of the Bonds on other than the 1st day of a month.

*"Refunded Bonds"* is defined in the Preambles of this Ordinance.

*"Refunding"* is defined in the Preambles of this Ordinance.

*"Refunding Account"* means the account in the Proceeds Fund established hereunder and further described by Section 14 of this Ordinance.

*"Representations Letter"* means such agreement or agreements by and among the City, the Bond Registrar, and the Depository as shall be necessary to effectuate a book-entry system for the Bonds and includes the Blanket Letter of Representations executed by the City and the Depository.

*"Stated Maturity"* means, with respect to any Bond, the date specified in such Bond as the fixed date on which the principal of such Bond or such interest is due and payable, whether by maturity or otherwise.

*"Tax-Exempt"* means, with respect to all or any portion of the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes.

*"Term Bonds"* means Bonds subject to mandatory redemption by operation of the Bond Fund and designated as term bonds in the Bond Order.

Definitions also appear in the Preambles hereto or in specific sections, as appear below.

**Section 2. Incorporation of Preambles.** The City Council hereby finds that all of the recitals contained in the Preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

**Section 3. Authorization.** It is hereby found and determined that the City Council has been authorized by law to borrow an aggregate sum not to exceed \$12,000,000 upon the credit of the City and as evidence of such indebtedness to issue at this time bonds to an aggregate

principal amount not to exceed \$12,000,000 (the "Bonds") in order to pay the costs of the Refunding and the Project. The Bonds shall be issued pursuant to the Act.

**Section 4. Bond Details.** There shall be borrowed on the credit of and for and on behalf of the City an aggregate sum not to exceed \$12,000,000 for the Refunding and the Project. The Bonds shall bear interest at a rate not to exceed 6.00% per annum and shall mature on March 1 of each year (not later than 2047) in principal amounts not to exceed \$2,000,000. The Bonds shall be in fully registered form and may be in book-entry form. The Bonds shall be dated as of a date (the "Dated Date") not earlier than the date of passage of this Ordinance and not later than their initial date of issuance as shall be set forth in the Bond Order; each Bond shall also bear its respective date of authentication; and the Bonds shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar. The Bonds shall become due (or be subject to optional or mandatory redemption) on such date of each year as shall be designated as shall be set forth in the Bond Order. The Bonds shall be in Authorized Denominations, but no single such bond shall represent principal maturing on more than one date and shall be numbered 1 and upwards. Each Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for, commencing on a date within one year of the Dated Date, as shall be set forth in the Bond Order, and upon regular semiannual intervals thereafter, at the respective rates percent per annum provided, until the principal thereof shall be paid or duly provided for.

So long as the Bonds are held in Book-Entry Form, interest on each Bond shall be paid to the Depository by check or draft or electronic funds transfer, in lawful money of the United States of America, as may be agreed in the Representations Letter; and if the Bonds are in physical form to registered owners other than the Depository, interest on each Bond shall be paid by check or draft of the Paying Agent, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable Record Date, and mailed to the address of such registered owner as it appears on the Bond Register or at such other address as may be furnished in writing to the Bond Registrar. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The principal of the Bonds shall be payable upon presentation at the office maintained for such purpose by the Bond Registrar.

**Section 5. Global Book-Entry System.** Except as may otherwise be set forth in a Bond Order, the Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds bearing the same rate of interest. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in such name as may be provided by the Depository (the "Book-Entry Owner") and, accordingly, in Book-Entry Form as provided and defined herein. One of the Designated Officers is authorized to execute a Representations Letter or to utilize the provisions of an existing Representations Letter. Without limiting the generality of the authority given with respect to entering into a Representations Letter for the Bonds, it may contain provisions relating to: (a) payment procedures; (b) transfers of the Bonds or of beneficial interests therein; (c) redemption notices and procedures unique to the Depository; (d) additional notices or communications; and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices. With respect to Bonds registered in the



Bond Register in the name of the Book-Entry Owner, neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank, or other financial institution being referred to herein as a "Depository Participant") or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, neither the City nor the Bond Registrar shall have any responsibility or obligation with respect to: (a) the accuracy of the records of the Depository, the Book-Entry Owner, or any Depository Participant with respect to any ownership interest in the Bonds; (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register or as expressly provided in the Representations Letter, of any notice with respect to the Bonds, including any notice of redemption; or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. In the event that: (a) the City determines that the Depository is incapable of discharging its responsibilities described herein or in the Representations Letter; (b) the agreement among the City and the Depository evidenced by the Representations Letter shall be terminated for any reason; or (c) the City determines that it is in the best interests of the City or of the beneficial owners of the Bonds that they be able to obtain certificated Bonds; the City shall notify the Depository of the availability of Bond certificates, and such Bonds shall no longer be restricted to being registered in the Bond Register to the Book-Entry Owner. The City may determine at such time that such Bonds shall be registered in the name of and deposited with a successor depository operating a book entry only system, as may be acceptable to the City, or such depository's agent or designee, but if the City does not select such successor depository, then such Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

**Section 6. Execution; Authentication.** The Bonds shall be signed by the manual or facsimile signatures of the Mayor and the City Clerk and may have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized signatory of the Bond Registrar, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder.

## **Section 7. Redemption.**

A. **Mandatory Redemption.** If so provided in the Bond Order, any Bonds may be issued as Term Bonds and be subject to mandatory redemption by operation of the Bond Fund, at a price of par, without premium, plus accrued interest to the date fixed for redemption, on such date of each year as may be provided in the Bond Order (the "Mandatory Redemption Date") and in the amounts and subject to such provisions as shall be set forth in the Bond Order. Bonds subject to mandatory redemption shall be deemed to become due on the Mandatory Redemption Dates except for any remainder to be paid at maturity. The City covenants that it will redeem any Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds and levy taxes accordingly.

The principal amount of Bonds to be mandatorily redeemed on the Mandatory Redemption Date may be reduced through the earlier optional redemption thereof. In addition, on or prior to the 60th day preceding the Mandatory Redemption Date, the Bond Registrar may, and if directed by the City shall, purchase Bonds required to be retired on the Mandatory Redemption Date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on the Mandatory Redemption Date.

B. **Optional Redemption.** If so provided in the Bond Order, any Bonds may be subject to redemption prior to maturity at the option of the City, in whole or in part on any date, at such times and at such optional redemption prices as may be provided in the Bond Order. If less than all of the Outstanding Bonds are to be optionally redeemed, the Bonds may be called in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar).

C. **General Redemption Terms.** The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least 30 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. The Bonds subject to mandatory redemption shall be called by the Bond Registrar for redemption without any further action of the City. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions thereof to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; provided that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall promptly notify the City in writing of the Bonds or portions thereof selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

**Section 8. Redemption Procedures.** The Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows:

A. **Mandatory Redemption Procedure.** For a mandatory redemption, the Bond Registrar and Paying Agent shall proceed to redeem Bonds without any further order or direction from the City whatsoever.

B. **Optional Redemption Procedure.** Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least 30 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All notices of redemption shall state:

- (1) the redemption date;
- (2) the redemption price;
- (3) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date;
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office maintained for such purpose by the Paying Agent; and
- (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall be given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions thereof which are to be redeemed on that date.

Subject to the provisions for a conditional optional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions thereof so to be redeemed

shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion thereof called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion thereof so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

**Section 9. Registration of Bonds; Persons Treated as Owners.** The City shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office maintained for such purpose by the Bond Registrar which is hereby constituted and appointed the registrar of the City for the Bonds. The City is authorized to prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds. Subject to the provisions of this Ordinance relating to the Bonds in Book-Entry Form, any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office maintained for such purpose by the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount. The Bond Registrar shall not be required to transfer or exchange any Bond during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; provided, however, the principal amount of Bonds and maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of the Bonds and maturity less the amount of such Bonds which have been paid. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his (her) legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of Bonds for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum

sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

**Section 10. Form of Bond.** The Bonds shall be in substantially the following form:

REGISTERED  
NO.

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA,  
STATE OF ILLINOIS  
COOK COUNTY  
CITY OF CALUMET CITY  
GENERAL OBLIGATION BOND, SERIES 20\_\_

Interest            Maturity                            Dated  
Rate: \_\_\_\_%    Date: March 1, \_\_\_\_\_    Date: \_\_\_\_\_, 2022    CUSIP: \_\_\_\_\_

Registered Owner:    CEDE & Co.

Principal Amount:    \_\_\_\_\_ Dollars

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Calumet City, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the Dated Date identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above on March 1 and September 1 of each year, commencing on \_\_\_\_\_, 20\_\_ until said Principal Amount is paid or duly provided for, except as the hereinafter stated provisions for redemption prior to maturity may be and become applicable hereto. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the office maintained for such purpose by \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as paying agent (the "Paying Agent") and bond registrar (the "Bond Registrar"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar, at the close of business on the Record Date for each interest payment date and shall be paid by check or draft of the Paying Agent, payable upon presentation at the Bond Registrar in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed by the City and Cede & Co., as nominee, or successor, for so long as this Bond is held by The Depository Trust Company, New York, New York, the depository, or nominee, in book entry only form as provided for same. Record Date means the 1st day of the month in which any regular or other interest payment date occurs on the 15th day of any month and the 15th day preceding any interest payment date occasioned by the redemption of the Bonds on other than the 15th day of a month.

The Bonds shall be direct and general obligations of the City. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the City are hereby irrevocably pledged.

[Mandatory redemption and optional redemption provisions, as applicable, to be inserted here.]

[Notice of any optional redemption shall be sent by first class mail not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.]

This Bond is one of the Bonds issued by the City to pay for the costs of the Refunding and the Project, all as authorized pursuant to the provisions of Illinois law, including, specifically, the Illinois Municipal Code, as amended, the Local Government Debt Reform Act of the State of Illinois, as amended, and as further supplemented and, where necessary, superseded, by the powers of the City as a home-rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970 under Ordinance No. 23-04, duly passed by the City Council on February 9, 2023 authorizing the Bonds (the "Bond Ordinance") as supplemented by a Bond Order executed by the Mayor.

The Bonds are secured by the general obligation of the City for the payment of which the City in the Bond Ordinance has pledged its full faith and credit and levied *ad valorem* taxes, unlimited as to rate or amount, upon all taxable property within the City sufficient to pay the principal and interest thereon. The City reserves the right to issue obligations on a parity basis with the Bonds.

The Bonds shall initially be issued in a Global Book Entry System (as provided in the Bond Ordinance). The provisions of this Bond and of the Bond Ordinance are subject in all respects to the provisions of the Representations Letter between the City and The Depository Trust Company, or any substitute agreement, affecting such Global Book-Entry System.

The City and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered in the Bond Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of or on account of the principal of or interest thereon, and for all other purposes whatsoever; all such payments so made to any such registered owner or upon such registered owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid; and neither the City nor the Bond Registrar shall not be affected by any notice to the contrary. This Bond may be transferred or exchanged, but only in the manner, subject to the limitations and upon payment of the charges as set forth in the Bond Ordinance.


[The City has designated each of the Bonds as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.]

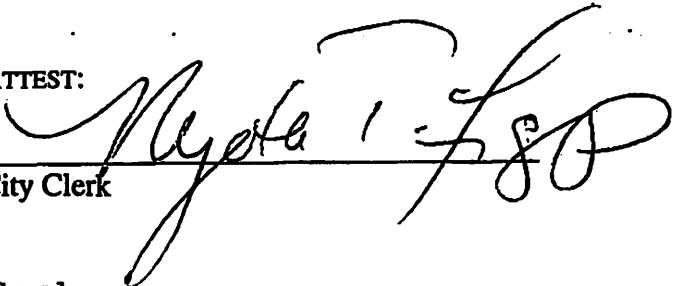
It is hereby certified and recited that all acts, conditions, and things required by law to exist or to be done precedent to or in the issuance of this Bond did exist, have happened, been

done and performed in regular and due form and time as required by law; that the indebtedness of the City including the issuance of the Bonds of which this is one, does not exceed any limitation imposed by law, and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, the City of Calumet City, Cook County, Illinois, by its City Council, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the Mayor and the City Clerk, all as appearing hereon and as of the Dated Date as identified above.

  
\_\_\_\_\_  
Mayor

ATTEST:  
  
\_\_\_\_\_  
City Clerk

[SEAL]

Date of Authentication: February 9, 2023

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Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

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**ASSIGNMENT**

**FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto**

**Here insert Social Security Number, Employer Identification Number or other Identifying Number**

\_\_\_\_\_  
\_\_\_\_\_

**(Name and Address of Assignee)**

**the within Bond and does hereby irrevocably constitute and appoint**

\_\_\_\_\_

**as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.**

**Dated:** \_\_\_\_\_

**Signature guaranteed:** \_\_\_\_\_

**NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.**

**Section 11. Sale of Bonds.** The Designated Officers are hereby authorized to proceed, without any further authorization or direction from the City Council, to sell and deliver the Bonds upon the terms as prescribed in this Ordinance and the Bond Order. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Order as may be, and thereupon be deposited with the Treasurer of the City, and, after authentication thereof by the Bond Registrar, be by said Treasurer delivered to the purchaser set forth in the Bond Order (the "Purchaser"), upon receipt of the purchase price therefor, the same being not less than 98% of par, exclusive of original issue discount, if any, as shall be set forth in the Bond Order; the contract for the sale of the Bonds heretofore entered into (the "Purchase Contract") is in all respects ratified, approved and confirmed, it being hereby found and determined that the Bonds have been sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received upon such sale exceed the maximum rate otherwise authorized by Illinois law and that the Purchase Contract is in the best interests of the City and that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract. The Purchase Contract shall be substantially in the form of purchase contracts commonly used in transactions similar to that described in this Ordinance, with such changes as necessary to reflect the terms and provisions of the Bonds, this Ordinance and such other changes as the President or Treasurer shall determine are necessary or desirable in connection with the sale of the Bonds. No person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract. The Purchaser shall be (a) in a negotiated underwriting, Mesirow Financial, Inc., Chicago, Illinois ("Mesirow"), or (b) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Local Government Debt Reform Act of the State of Illinois, as amended, or (iii) an "accredited investor" as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; provided, however, that the Purchaser as set forth in (b) shall only be selected by the City if the sale of the Bonds on a private placement basis to the Purchaser is in the best interests of the City because of (i) the pricing of the Bonds by the Purchaser, (ii) then current market conditions or (iii) the timing of the sale of the Bonds; and further provided, that the Purchaser as set forth in (b) may be selected through the utilization of a placement agent selected by the Designated Representatives if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the City.

The Purchaser is authorized to pay all or a portion of the cost of issuance of the Bonds and to receive a credit against the Purchase Price of the Bonds therefor. Upon the sale of the Bonds, any of the Designated Officers and any other officers of the City as shall be appropriate shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Bond Order, the Bond Purchase Agreement and closing documents including such certification and documentation as may be required by counsel approving the Bonds, including, specifically, a tax agreement, to render their opinion as to the Tax-Exempt status of the interest on any Bond pursuant to the Code. It is hereby found that no person holding any office of the City, either by

election or appointment, is in any manner financially interested, either directly, in his or her own name, or indirectly, in the name of any other person, association, trust or corporation, in the sale of the Bonds.

A bond purchase agreement for the sale of the Bonds to the Purchaser (the "Bond Purchase Agreement") substantially in the form as approved for execution by the City Attorney, is hereby in all respects authorized and approved. The Mayor by signing the Bond Purchase Agreement is hereby authorized to execute the same, and execution shall constitute full and complete approval of all necessary or appropriate completions and revisions as shall appear therein. Upon the sale of the Bonds, the Mayor shall execute the Bond Order which shall include the pertinent details of sale as provided herein, and such shall be entered into the records of the City and made available to the City Council at the next public meeting thereof.

In the event the Purchaser or placement agent certifies to the City that it would be economically advantageous for the City to acquire a municipal bond insurance policy for the Bonds, the City hereby authorizes and directs the Mayor to obtain such an insurance policy. The acquisition of a municipal bond insurance policy is hereby deemed economically advantageous if the difference between the present value cost of: (a) the total debt service on the Bonds if issued without municipal bond insurance; and (b) the total debt service on the Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "Official Statement") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the City are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Bond Purchase Agreement, this Ordinance, the Bond Order, the Preliminary Official Statement, the Official Statement and the Bonds. The Mayor and the City Clerk are hereby each authorized to designate the Official Statement as "final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**Section 12. Security; Tax Levy, Bond Fund and Abatement.** The Bonds are a general obligation of the City, for which the full faith and credit of the City are irrevocably pledged, and are payable from the levy of the taxes on all of the taxable property in the City, without limitation as to rate or amount, in an amount sufficient to produce the sums necessary to pay the interest on the Bonds as it falls due and to pay and discharge the principal thereof at maturity (the "Pledged Taxes"). For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all the taxable property within the City, in the years for which any of the Bonds are Outstanding, a direct annual tax sufficient for that purpose commencing not before 2022 and ending not later than 2045, in amounts not to exceed \$2,900,000 per levy year, all as shall be specified in the Bond Order.

The Mayor is hereby directed to file with the County Clerk as part of the Bond Order, a levy of taxes upon all taxable property in the City in addition to all other taxes, a direct annual

tax in an amount sufficient to produce the sums necessary to pay the interest on the Bonds as it falls due and to pay and discharge the principal thereof at maturity. It shall be the duty of said County Clerk to ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the City in connection with other taxes levied in said year for general and special purposes, in order to raise the respective amounts as provided in the Bond Order and in said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general and special purposes of the City, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated "Series 20\_\_ Bond Fund" (the "Bond Fund"), which fund is hereby irrevocably pledged to and shall be used only for the purpose of paying the principal and interest on the Bonds.

Principal or interest coming due at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the City, and the fund from which such payment was made shall be reimbursed from the Pledged Taxes when the same shall be collected.

The City covenants and agrees with the purchasers and the holders of the Bonds that so long as any of the Bonds remains Outstanding, except as herein otherwise specifically provided, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund. To the extent that the City has funds available on March 1 of each year sufficient to pay the principal and interest on the Bonds on the next two ensuing principal and interest payment dates, the City Treasurer and the City Clerk are each hereby authorized to abate the tax levy for the Bonds by filing a certificate of abatement with the County Clerk.

**Section 13. Tax Intercept; Deposit of Moneys.** A tax intercept escrow agreement (the "Tax Escrow Agreement") among the County Collector (the "Collector") of the County, the District, and a trustee, to be set forth in the Bond Order (the "Trustee"), may (if applicable, as set forth in said Bond Order) require that the Pledged Taxes with respect to the Bonds while outstanding, when collected by the Collector, shall be paid by the Collector via a Segregation Order and Authorization Agreement for Automatic Deposits, as further set forth in the Bond Order, for deposit into the Bond Fund. All Pledged Taxes received by the Trustee with respect to the Bonds while outstanding shall be paid to the Bond Fund and segregated therein for the payment of the principal installments of and interest on the Bonds while outstanding. The Trustee shall not be liable in connection with performance of its duties except for its own negligence.

**Section 14. Creation of Proceeds Funds; Appropriation.** The Proceeds Fund is hereby created for the Bonds which shall consist of the Expense Account, the Refunding Account, and the Project Account. Bond proceeds and other funds of the City as noted are hereby appropriated and shall be deposited for use as follows:

A. Accrued interest, if any, and capitalized interest, if any, on the Bonds shall be used to pay the first interest due on the Bonds and to such end are hereby appropriated for such purpose and ordered to be deposited into the Bond Fund.

B. The amount necessary from the proceeds of the Bonds is hereby appropriated for and shall be used to pay costs of issuance of the Bonds; and shall be deposited into a separate account, hereby created, designated as the Expense Account. Any disbursement from such account shall be made from time to time as necessary. Any excess in the Expense Account shall be deposited into the Project Fund within 30 days from the date of issuance of the Bonds. At the time of issuance of the Bonds, the costs of issuance may, at the request of the City, be paid by the Purchaser on behalf of the City from the proceeds of the Bonds.

C. The amount necessary from the proceeds of the Bonds, together with such money in the existing bond fund for the Prior Bonds, and such additional amounts as may be necessary from the general funds of the City, are hereby appropriated for, and shall be used to pay for the costs of the current refunding of the Prior Bonds, shall be deposited into the Refunding Account, hereby established, and shall be paid at closing to the paying agent for the Prior Bonds. Pending disbursement, the Refunding Account may be invested by the City Treasurer in Defeasance Obligations or in U.S. Treasury Securities – State and Local Government Series ("SLGS"). If necessary, the Mayor and City Clerk are authorized to enter into an Escrow Agreement for the purchase of such investments. The City Treasurer is also authorized to a third party to facilitate the purchase of such investments.

D. The remaining proceeds of the Bonds are hereby appropriated for and shall be used to pay for the costs of the Project, and shall be deposited into the Project Account, hereby established.

**Section 15. Call of the Prior Bonds.** In accordance with the redemption provisions of the ordinance under which the Prior Bonds were issued, the City hereby makes provision for

the payment of and does hereby authorize a Designated Officer to call (subject only to the delivery of the Bonds) the Refunded Bonds for redemption and payment prior to maturity.

**Section 16. Defeasance of the Bonds.** Any Bond or Bonds: (a) which are paid and canceled; (b) which have matured and for which sufficient sums have been deposited with a bank or trust company authorized to keep trust accounts to pay all principal and interest due thereon; or (c) for which sufficient United States funds and Defeasance Obligations have been deposited with a bank or trust company authorized to keep trust accounts, taking into account investment earnings on such obligations, to pay all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement (such Bonds as described in this clause (c) being "Defeased Bonds"), shall cease to have any lien on or right to receive or be paid from the Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security of the Outstanding Bonds. All covenants relative to the Tax-Exempt status of such Bond or Bonds; and payment, registration, transfer, and exchange are expressly continued for all Bonds whether Outstanding Bonds or not.

**Section 17. General Tax Covenants.** The City hereby covenants that it will not take any action, omit to take any action, or permit the taking or omission of any action, within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service (the "IRS") of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the City may be treated as a "taxpayer" in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such examination.

The City also agrees and covenants with the Purchaser and holders of the Bonds from time to time Outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the Tax-Exempt status of the Bonds.

The City Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, City Clerk, and City Treasurer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be Tax-Exempt. In furtherance therewith, the City and the City Council further agree: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by the Designated Officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

**Section 18. Not Private Activity Bonds.** None of the Bonds is a “private activity bond” as defined in Section 141(a) of the Code. In support of such conclusion, the City certifies, represents and covenants as follows:

A. None of the proceeds of the Bonds or the Prior Bonds were or are to be used, directly or indirectly, in any trade or business carried on by any person other than a state or local governmental unit.

B. No direct or indirect payments were or are to be made on the Bonds (or the Prior Bonds) with respect to any private business use by any person other than a state or local governmental unit other than generally as a ratepayer.

C. None of the proceeds of the Bonds (or the Prior Bonds) were or are to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

D. No user of the Project or the Prior Project, other than the City, did or will use the same on any basis other than the same basis as the general public; and no person will be a user as a result of (1) ownership, (2) actual or beneficial use pursuant to a lease, a management or incentive payment contract, or (3) any other arrangement.

**Section 19. Continuing Disclosure Undertaking.** The Designated Officers are each hereby authorized, empowered and directed to execute and deliver a continuing disclosure undertaking under Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the “Continuing Disclosure Undertaking”). When such Continuing Disclosure Undertaking is executed and delivered on behalf of the City, it will be binding on the City and the officers, agents, and employees of the City, and the same are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Continuing Disclosure Undertaking as executed. Notwithstanding any other provisions of this Ordinance, the sole remedies for failure to comply with such Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

**Section 20. Qualified Tax-Exempt Obligations.** The Bonds shall be qualified tax-exempt obligations, if set forth in a Bond Order.

**Section 21. Noncompliance with Tax Covenants.** Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance and other documents executed by the City which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law need not be complied with if the City receives an opinion of nationally recognized bond counsel that any such provision is unnecessary to preserve the exemption from federal taxation.

**Section 22. Registered Form.** The City recognizes that Section 149(j) of the Code, as amended, requires the Bonds to be issued and to remain in fully registered form in order that interest thereon not be includable in gross income for federal income tax purposes under laws in force at the time the Bonds are delivered. The City will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

**Section 23. Reimbursement.** None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the City prior to 60 days from the date hereof, other than preliminary expenses allowed by the Code.**Ordinance to Constitute a Contract.** The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds. Any pledge made in this Ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the owners of the Bonds. Each of the Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Ordinance. This Ordinance shall constitute full authority for the issuance of the Bonds.

**Section 25. Amendments of and Supplements to the Ordinance.**

A. *Without Consent of Bondholders.* The City may amend or supplement this Ordinance or the Bonds without notice to or consent of any Bondholder to:

- (1) cure any ambiguity, inconsistency or formal defect or omission;
- (2) grant for the benefit of the Bondholders additional rights, remedies, powers or authority;
- (3) provide for additional collateral for the Bonds or to add other agreements of the City;
- (4) modify this Ordinance or the Bonds to permit qualifications under the Trust Indenture Act of 1939 or any similar Federal statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States; or
- (5) make any change (including, but not limited to, a change to reflect any amendment to the Code or interpretations by the IRS of the Code) that does not materially adversely affect the rights of any Bondholder.

B. *With Consent of Bondholders.* If an amendment of or supplement to this Ordinance or the Bonds without any consent of Bondholders is not permitted by the preceding paragraph, the City may enter into such amendment or supplement upon not less than 30-days' notice to Bondholders and with the consent of the holders of at least a majority in principal amount of the Outstanding Bonds. However, without the consent of each Bondholder affected, no amendment or supplement may:



- (1) extend the maturity of the principal of, or interest on, any Bond;
- (2) reduce the principal amount of, or rate of interest on, any Bond;
- (3) affect a privilege or priority of any Bond over any other Bond;
- (4) reduce the percentage of the principal amount of the Bonds required for consent to such amendment or supplement;
- (5) impair the exclusion of interest on the Bonds from the federal gross income of the owner of any Bond; or
- (6) eliminate any mandatory redemption of the Bonds or call for mandatory redemption or reduce the redemption price of such Bonds.

So long as the Bond Insurance Policy securing all of the Outstanding Bonds is in effect, the Bond Insurer shall be deemed to be the registered owner of the Bonds secured thereby for the purpose of amending, modifying or supplementing this Ordinance, provided, however, the Bond Insurer shall not be deemed the registered owner of the Bonds with respect to any amendment or supplement described in clauses (1) through (6) of the preceding paragraph.

C. *Effect of Consents.* After an amendment or supplement becomes effective, it will bind every Bondholder. For purposes of determining the total number of Bondholders' consents, each Bondholder's consent will be effective with respect to the Bondholder who consented to it and each subsequent holder of a Bond or portion of a Bond evidencing the same debt as the consenting holder's Bond.

D. *Notation on or Exchange of Bonds.* If an amendment or supplement changes the terms of the Bond, the City may require the holder to deliver it to the Bond Registrar. The Bond Registrar may place an appropriate notation on the Bond about the changed terms and return it to the holder. Alternatively, if the Bond Registrar and the City determine, the City in exchange for the Bond will issue and the Bond Registrar will authenticate a new Bond that reflects the changed terms.

**Section 26. Municipal Bond Insurance.** In the event the payment of principal of and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the "Municipal Bond Insurance Policy") issued by a bond insurer (the "Bond Insurer"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer when holding Bonds, amendment hereof, or other terms, as approved by the Mayor on advice of the City Attorney, his approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this section.

**Section 27. Tax Levy for Prior Bonds.** The Designated Officers are hereby authorized to file a Certificate of Reduction of Taxes with the County Clerk abating the tax levy

for the Prior Bonds to the extent that such tax levies are not used to pay for the debt service on the Bonds, which is hereby authorized and approved. Any monies in the bond fund for the Refunded Bonds may be used for the purposes of the Refunding.

**Section 28. Home-Rule Authority.** This Ordinance is prepared in accordance with the powers of the City as a home-rule unit under Article VII of the 1970 Illinois Constitution.

**Section 29. Supplemental Documents.** The Designated Officers are hereby authorized to execute or attest such documents as necessary to carry out the intent of this Ordinance, the execution of such documents to constitute conclusive evidence of their approval and approval hereunder.

**Section 30. Severability.** If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

**Section 31. Repealer and Effective Date.** All resolutions, ordinances, orders or parts thereof in conflict herewith be and the same are hereby repealed, and this Ordinance shall be in full force and effect forthwith upon its passage.

**PASSED** by the City Council of the City of Calumet City, Cook County, Illinois, this 9th day of February, 2023, pursuant to a roll call vote, as follows:

	YES	NO	ABSENT	PRESENT
Navarrete	X			
Wilson	X			
Tillman	X			
Williams	X			
Gardner	X			
Patton	X			
Smith	X			
(Mayor Jones)				
<b>TOTAL</b>	7			

**APPROVED** by the Mayor of the City of Calumet City, Cook County, Illinois on this 9th day of February, 2023.

  
 Thaddeus Jones, Mayor

ATTEST:  
  
 Nyota T. Figgs, City Clerk

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**THE CITY OF CALUMET CITY**  
**COOK COUNTY, ILLINOIS**

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**ORDINANCE**  
**NUMBER 23-05**

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**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$19,000,000 GENERAL OBLIGATION BONDS (WATER AND SEWER REVENUE PLEDGE), IN ONE OR MORE SERIES, OF THE CITY OF CALUMET CITY, COOK COUNTY, ILLINOIS, AND FOR THE LEVY OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS**

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**THADDEUS M. JONES, Mayor**  
**NYOTA T. FIGGS, City Clerk**

**MICHAEL NAVARRETE**  
**MONET S. WILSON**  
**DEANDRE TILLMAN**  
**RAMONDE D. WILLIAMS**  
**DEJUAN GARDNER**  
**JAMES PATTON**  
**ANTHONY SMITH**

**Aldermen**

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**ORDINANCE NUMBER 23-05**

**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$19,000,000 GENERAL OBLIGATION BONDS (WATER AND SEWER REVENUE PLEDGE), IN ONE OR MORE SERIES, OF THE CITY OF CALUMET CITY, COOK COUNTY, ILLINOIS, AND FOR THE LEVY OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS.**

WHEREAS, the City of Calumet City, Cook County, Illinois (the "City"), pursuant to the provisions of Article VII, Section 6(a) of the Constitution of the State of Illinois (the "State"), is a home-rule unit and may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt payable from *ad valorem* tax receipts maturing within 40 years from the time it is incurred and without prior referendum approval; and

WHEREAS, the Council of the City (the "City Council") has deemed to be necessary, essential and for the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to (a) finance the costs of constructing, renovating, equipping, rehabilitating and/or improving of certain infrastructure related to the City's water and sewer system (the "System") (together with all necessary land and rights in land, professional, legal, engineering, electrical, financial and other services, costs of borrowing, reserves, capitalized interest, if any, and other related costs, the "Project"), and (b) pay costs associated therewith and in connection with the issuance of the Bonds; and

WHEREAS, the estimated cost of the Project, including bond discount, bond issuance expenses and capitalized interest, is not less than \$19,000,000; and

WHEREAS, the City Council has determined there are presently not sufficient funds on hand and currently available to pay the cost of the Project; and

WHEREAS, it is in the judgment of the City Council necessary for the Project to issue general obligation bonds of the City; and

WHEREAS, as a home-rule unit, the City by ordinance (this "Ordinance") passed by the City Council is authorized to borrow money and in evidence thereof issue general obligation bonds of the City without referendum in an amount not to exceed \$19,000,000 (the "Bonds") for the purpose of paying all or a portion of the costs of the Project, and paying certain costs incurred in connection with the issuance of the Bonds, all to the extent provided for and allocated in the Bond Order (as hereinafter defined); and

WHEREAS, the City Council does hereby determine that it is advisable and in the best interest of the City at this time to borrow money and in evidence thereof issue the Bonds for the purpose of paying all or a portion of the costs of the Project, and paying certain costs incurred in connection with the issuance of the Bonds, all to the extent provided for and allocated in the Bond

Order, and in evidence of such borrowing, issue its full faith and credit bonds, to an aggregate principal amount not to exceed \$19,000,000; and

WHEREAS, the Bonds to be issued will be general obligation bonds of the City payable from the Pledged Taxes (as hereinafter defined), the same being the levy of taxes on all taxable property within the City, without limitation as to rate or amount; and

WHEREAS, as additional security for the Bonds, for the purpose of assisting with the marketing of the Bonds, the City will pledge the Net Revenues (as hereinafter defined) of the waterworks and sewerage system of the City (the "System") to the Bonds; and

WHEREAS, the Bonds may be issued bank qualified or non-bank qualified, in one or more series, insured or non-insured, and rated or non-rated, as provided in the Bond Order; and

WHEREAS, the City Council contemplates the issuance of additional general obligation bonds (the "GO Bonds") of the City, for which the full faith and credit of the City will be irrevocably pledged, and will be payable from the levy of the taxes on all of the taxable property in the City, without limitation as to rate or amount, to an amount not to exceed \$12,000,000; and

WHEREAS, the aggregate issuance of any GO Bonds and the Bonds shall not exceed \$25,000,000.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Calumet City, Cook County, Illinois, as follows:

**Section 1. Definitions.** Words and terms used in this Ordinance shall have the meanings assigned them unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice-versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

*"Act"* means the home rule powers of the City, the Illinois Municipal Code, and the Local Government Debt Reform Act of the State.

*"Authorized Denominations"* means \$5,000 and integral multiples thereof.

*"Bond Counsel"* means, with respect to the original issuance of the Bonds, Ice Miller LLP, Chicago, Illinois, and thereafter, any firm of attorneys of nationally recognized expertise with respect to the tax-exempt obligations of political subdivisions, selected by the City.

*"Bond Fund"* means the Bond Fund created in Section 12 of this Ordinance.

*"Bond Insurer"* is defined in Section 27 of this Ordinance.

*"Bond Order"* means that certain bond order, to be executed by a Designated Officer, setting forth certain details of the Bonds as provided in this Ordinance and includes the levy of the Pledged Taxes.

**"Bond Purchase Agreement"** is defined in Section 11 of this Ordinance.

**"Bond Register"** means the books of the City kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

**"Bond Registrar"** means a bank or trust company with an office located in the United States of America, to be set forth in the Bond Order.

**"Bond Year"** means the year beginning on March 2 of any calendar year and ending on March 1 of the next succeeding calendar year.

**"Bondholder"** means the owner of a Bond.

**"Book-Entry Form"** means the form of the Bonds as fully registered and available in physical form only to the Depository.

**"Code"** means the Internal Revenue Code of 1986, as amended.

**"County Clerk"** means the County Clerk of Cook County, Illinois.

**"Defeasance Obligations"** means: (a) direct and general full faith and credit obligations of the United States Treasury ("Directs"); (b) certificates of participation or trust receipts in trusts comprised wholly of Directs; or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury or the Federal Deposit Insurance Corporation.

**"Defeased Bonds"** means such bonds as are described and defined by such term in Section 17 of this Ordinance.

**"Depository"** means The Depository Trust Company or successor depository duly qualified to act as a securities depository and acceptable to the City.

**"Designated Officers"** mean the officers of the City as follows: Mayor, City Clerk, and City Treasurer.

**"Expense Account"** means the account in the Proceeds Fund established hereunder and further described by Section 15 of this Ordinance.

**"Global Book-Entry System"** means the system for the initial issuance of the Bonds as described in Section 5.

**"Municipal Bond Insurance Policy"** is defined in Section 27 of this Ordinance.

**"Net Revenues"** generally, means the Revenues less Operation and Maintenance Costs.

**"Operation and Maintenance Costs"** means all expenses of operating, maintaining and routine repair of the System, including but not limited to wages, salaries, costs of materials and supplies, power, fuel, insurance, purchase of System services; but excluding debt service,



depreciation, or any reserve requirements, and otherwise as determined in accordance with generally accepted accounting principles for local government enterprise funds.

**“Ordinance” or “Bond Ordinance”** means this Ordinance No. 23-05 passed by the City Council on February 9, 2023 and approved by the Mayor on that date.

**“Outstanding”** when used with reference to any bond, means a bond is outstanding and unpaid; provided, however, such term shall not include bonds: (a) which have matured or for which moneys are on deposit with proper paying agents, or are otherwise properly available, sufficient to pay all principal thereof and interest thereon; or (b) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, or other obligations unconditionally guaranteed as to timely payment by the United States Treasury or the Federal Deposit Insurance Corporation, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal of, redemption premium, if any, and interest on such bonds, and will not result in the loss of exclusion from gross income of the interest thereon under Section 103 of the Code.

**“Paying Agent”** means a bank or trust company with an office located in the United States of America, to be set forth in the Bond Order.

**“Pledged Revenues”** means the Net Revenues.

**“Pledged Taxes”** is defined in Section 12 of this Ordinance.

**“Project Account”** means the account in the Proceeds Fund established hereunder and further described by Section 14 of this Ordinance.

**“Purchase Price”** means the price to be paid by the Purchaser for the Bonds as set forth in the Bond Purchase Agreement.

**“Purchaser”** shall be set forth in the Bond Order.

**“Record Date”** means the 15th day of the month next preceding any regular or other interest payment date which occurs on the 1st day of any month and the 15th day preceding any interest payment date occasioned by the redemption of the Bonds on other than the 1st day of a month.

**“Representations Letter”** means such agreement or agreements by and among the City, the Bond Registrar, and the Depository as shall be necessary to effectuate a book-entry system for the Bonds and includes the Blanket Letter of Representations executed by the City and the Depository.

**“Revenues”** means all income from whatever source derived from the System, including (i) investment income; (ii) connection, permit and inspection fees and the like; (iii) penalties and delinquency charges; (iv) capital development, reimbursement, or recovery charges and the like; and (v) annexation or pre-annexation charges insofar as designated by the City Council as paid for System connection or service; but excluding expressly (a) non-recurring income from the sale of

property of the System; (b) governmental or other grants; and (c) advances or grants made from the City; and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

**“Stated Maturity”** means, with respect to any Bond, the date specified in such Bond as the fixed date on which the principal of such Bond or such interest is due and payable, whether by maturity or otherwise.

**“Tax-Exempt”** means, with respect to all or any portion of the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes.

**“Term Bonds”** means Bonds subject to mandatory redemption by operation of the Bond Fund and designated as term bonds in the Bond Order.

Definitions also appear in the Preambles hereto or in specific sections, as appear below.

**Section 2. Incorporation of Preambles.** The City Council hereby finds that all of the recitals contained in the Preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

**Section 3. Authorization.** It is hereby found and determined that the City Council has been authorized by law to borrow an aggregate sum not to exceed \$19,000,000 upon the credit of the City and as evidence of such indebtedness to issue at this time bonds to an aggregate principal amount not to exceed \$19,000,000 (the “Bonds”) in order to pay the costs of the Refunding and the Project. The Bonds shall be issued pursuant to the Act.

**Section 4. Bond Details.** There shall be borrowed on the credit of and for and on behalf of the City an aggregate sum not to exceed \$19,000,000 for the Refunding and the Project. The Bonds shall bear interest at a rate not to exceed 7.00% per annum and shall mature on March 1 of each year (not later than 2047) in principal amounts not to exceed \$3,000,000. The Bonds shall be in fully registered form and may be in book-entry form. The Bonds shall be dated as of a date (the “Dated Date”) not earlier than the date of passage of this Ordinance and not later than their initial date of issuance as shall be set forth in the Bond Order; each Bond shall also bear its respective date of authentication; and the Bonds shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar. The Bonds shall become due (or be subject to optional or mandatory redemption) on such date of each year as shall be designated as shall be set forth in the Bond Order. The Bonds shall be in Authorized Denominations, but no single such bond shall represent principal maturing on more than one date and shall be numbered 1 and upwards. Each Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for, commencing on a date within one year of the Dated Date, as shall be set forth in the Bond Order, and upon regular semiannual

intervals thereafter, at the respective rates percent per annum provided, until the principal thereof shall be paid or duly provided for.

So long as the Bonds are held in Book-Entry Form, interest on each Bond shall be paid to the Depository by check or draft or electronic funds transfer, in lawful money of the United States of America, as may be agreed in the Representations Letter; and if the Bonds are in physical form to registered owners other than the Depository, interest on each Bond shall be paid by check or draft of the Paying Agent, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable Record Date, and mailed to the address of such registered owner as it appears on the Bond Register or at such other address as may be furnished in writing to the Bond Registrar. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The principal of the Bonds shall be payable upon presentation at the office maintained for such purpose by the Bond Registrar.

**Section 5. Global Book-Entry System.** Except as may otherwise be set forth in a Bond Order, the Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds bearing the same rate of interest. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in such name as may be provided by the Depository (the "Book-Entry Owner") and, accordingly, in Book-Entry Form as provided and defined herein. One of the Designated Officers is authorized to execute a Representations Letter or to utilize the provisions of an existing Representations Letter. Without limiting the generality of the authority given with respect to entering into a Representations Letter for the Bonds, it may contain provisions relating to: (a) payment procedures; (b) transfers of the Bonds or of beneficial interests therein; (c) redemption notices and procedures unique to the Depository; (d) additional notices or communications; and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices. With respect to Bonds registered in the Bond Register in the name of the Book-Entry Owner, neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank, or other financial institution being referred to herein as a "Depository Participant") or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, neither the City nor the Bond Registrar shall have any responsibility or obligation with respect to: (a) the accuracy of the records of the Depository, the Book-Entry Owner, or any Depository Participant with respect to any ownership interest in the Bonds; (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register or as expressly provided in the Representations Letter, of any notice with respect to the Bonds, including any notice of redemption; or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. In the event that: (a) the City determines that the Depository is incapable of discharging its responsibilities described herein or in the Representations Letter; (b) the agreement among the City and the Depository evidenced by the

Representations Letter shall be terminated for any reason; or (c) the City determines that it is in the best interests of the City or of the beneficial owners of the Bonds that they be able to obtain certificated Bonds; the City shall notify the Depository of the availability of Bond certificates, and such Bonds shall no longer be restricted to being registered in the Bond Register to the Book-Entry Owner. The City may determine at such time that such Bonds shall be registered in the name of and deposited with a successor depository operating a book entry only system, as may be acceptable to the City, or such depository's agent or designee, but if the City does not select such successor depository, then such Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

**Section 6. Execution; Authentication.** The Bonds shall be signed by the manual or facsimile signatures of the Mayor and the City Clerk and may have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized signatory of the Bond Registrar, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder.

**Section 7. Redemption.**

A. **Mandatory Redemption.** If so provided in the Bond Order, any Bonds may be issued as Term Bonds and be subject to mandatory redemption by operation of the Bond Fund, at a price of par, without premium, plus accrued interest to the date fixed for redemption, on such date of each year as may be provided in the Bond Order (the "Mandatory Redemption Date") and in the amounts and subject to such provisions as shall be set forth in the Bond Order. Bonds subject to mandatory redemption shall be deemed to become due on the Mandatory Redemption Dates except for any remainder to be paid at maturity. The City covenants that it will redeem any Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds and levy taxes accordingly.

The principal amount of Bonds to be mandatorily redeemed on the Mandatory Redemption Date may be reduced through the earlier optional redemption thereof. In addition, on or prior to the 60th day preceding the Mandatory Redemption Date, the Bond Registrar may, and if directed by the City shall, purchase Bonds required to be retired on the Mandatory Redemption Date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on the Mandatory Redemption Date.

B. Optional Redemption. If so provided in the Bond Order, any Bonds may be subject to redemption prior to maturity at the option of the City, in whole or in part on any date, at such times and at such optional redemption prices as may be provided in the Bond Order. If less than all of the Outstanding Bonds are to be optionally redeemed, the Bonds may be called in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar).

C. General Redemption Terms. The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least 30 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. The Bonds subject to mandatory redemption shall be called by the Bond Registrar for redemption without any further action of the City. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions thereof to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; provided that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall promptly notify the City in writing of the Bonds or portions thereof selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

**Section 8. Redemption Procedures.** The Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows:

A. Mandatory Redemption Procedure. For a mandatory redemption, the Bond Registrar and Paying Agent shall proceed to redeem Bonds without any further order or direction from the City whatsoever.

B. Optional Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least 30 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All notices of redemption shall state:

- (1) the redemption date;
- (2) the redemption price;
- (3) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date;

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office maintained for such purpose by the Paying Agent; and

(6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall be given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions thereof which are to be redeemed on that date.

Subject to the provisions for a conditional optional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions thereof so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion thereof called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion thereof so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

**Section 9. Registration of Bonds; Persons Treated as Owners.** The City shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office maintained for such purpose by the Bond Registrar which is hereby constituted and appointed the registrar of the City for the Bonds. The City is authorized to prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds. Subject to the provisions of this Ordinance relating to the Bonds in Book-Entry Form, any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon

payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office maintained for such purpose by the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount. The Bond Registrar shall not be required to transfer or exchange any Bond during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; provided, however, the principal amount of Bonds and maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of the Bonds and maturity less the amount of such Bonds which have been paid. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his (her) legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of Bonds for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

**Section 10. Form of Bond.** The Bonds shall be in substantially the following form:

REGISTERED  
NO. \_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA,  
STATE OF ILLINOIS  
COOK COUNTY  
CITY OF CALUMET CITY  
GENERAL OBLIGATION BOND  
(WATER AND SEWER REVENUE PLEDGE),  
SERIES 20\_\_

Interest            Maturity                            Dated  
Rate: \_\_\_\_%    Date: March 1, \_\_\_\_\_    Date: \_\_\_\_\_, 2023    CUSIP: \_\_\_\_\_

Registered Owner:    CEDE & CO.

Principal Amount:    \_\_\_\_\_ Dollars

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Calumet City, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the Dated Date identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above on March 1 and September 1 of each year, commencing on \_\_\_\_\_, 20\_\_ until said Principal Amount is paid or duly provided for, except as the hereinafter stated provisions for redemption prior to maturity may be and become applicable hereto. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the office maintained for such purpose by \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as paying agent (the "Paying Agent") and bond registrar (the "Bond Registrar"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar, at the close of business on the Record Date for each interest payment date and shall be paid by check or draft of the Paying Agent, payable upon presentation at the Bond Registrar in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed by the City and Cede & Co., as nominee, or successor, for so long as this Bond is held by The Depository Trust Company, New York, New York, the depository, or nominee, in book entry only form as provided for same. Record Date means the 1st day of the month in which any regular or other interest payment date occurs on the 15th day of any month and the 15th day preceding any interest payment date occasioned by the redemption of the Bonds on other than the 15th day of a month.

[Mandatory redemption and optional redemption provisions, as applicable, to be inserted here.]



[Notice of any optional redemption shall be sent by first class mail not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.]

This Bond is one of the Bonds issued by the City to pay for the costs of the Refunding and the Project, all as authorized pursuant to the provisions of Illinois law, including, specifically, the Illinois Municipal Code, as amended, the Local Government Debt Reform Act of the State of Illinois, as amended (the "Debt Reform Act"), and as further supplemented and, where necessary, superseded, by the powers of the City as a home-rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970 under Ordinance No.23-05, duly passed by the City Council on February 9, 2023 authorizing the Bonds (the "Bond Ordinance") as supplemented by a Bond Order executed by the Mayor.

The Bonds are secured by the general obligation of the City for the payment of which the City has pledged its full faith and credit and levied *ad valorem* taxes, unlimited as to rate or amount, upon all taxable property within the City sufficient to pay the principal and interest thereon. As additional security for the Bonds, the City has pledged the Net Revenues (as defined in the Bond Ordinance) of the waterworks and sewerage system of the City to the payment of the Bonds. The City reserves the right to issue obligations payable from the Net Revenues on a parity basis with the Bonds pursuant to the provisions of the Bond Ordinance.


The Bonds shall initially be issued in a Global Book Entry System (as provided in the Bond Ordinance). The provisions of this Bond and of the Bond Ordinance are subject in all respects to the provisions of the Representations Letter between the City and The Depository Trust Company, or any substitute agreement, affecting such Global Book-Entry System.

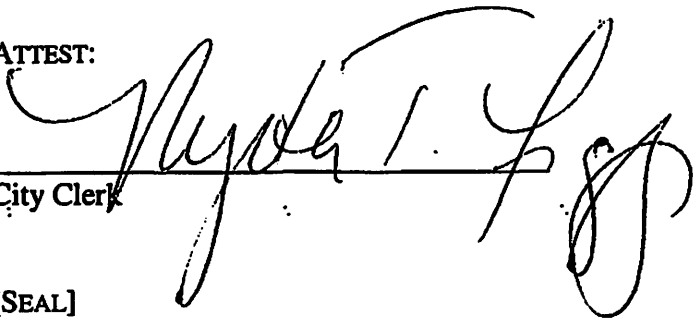
The City and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered in the Bond Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of or on account of the principal of or interest thereon, and for all other purposes whatsoever; all such payments so made to any such registered owner or upon such registered owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid; and neither the City nor the Bond Registrar shall not be affected by any notice to the contrary. This Bond may be transferred or exchanged, but only in the manner, subject to the limitations and upon payment of the charges as set forth in the Bond Ordinance.

It is hereby certified and recited that all acts, conditions, and things required by law to exist or to be done precedent to or in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the City including the issuance of the Bonds of which this is one, does not exceed any limitation imposed by law, and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, the City of Calumet City, Cook County, Illinois, by its City Council, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the Mayor and the City Clerk, all as appearing hereon and as of the Dated Date as identified above.

  
\_\_\_\_\_  
Mayor

ATTEST:  
  
\_\_\_\_\_  
City Clerk

[SEAL]

Date of Authentication: February 9, 2023

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Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

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**ASSIGNMENT**

**FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto**

**Here insert Social Security Number, Employer Identification Number or other Identifying Number**

---

---

**(Name and Address of Assignee)**

**the within Bond and does hereby irrevocably constitute and appoint**

---

**as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.**

**Dated:** \_\_\_\_\_

**Signature guaranteed:** \_\_\_\_\_

**NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.**

**Section 11. Sale of Bonds.** The Designated Officers are hereby authorized to proceed, without any further authorization or direction from the City Council, to sell and deliver the Bonds upon the terms as prescribed in this Ordinance and the Bond Order. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Order as may be, and thereupon be deposited with the Treasurer of the City, and, after authentication thereof by the Bond Registrar, be by said Treasurer delivered to the purchaser set forth in the Bond Order (the "Purchaser"), upon receipt of the purchase price therefor, the same being not less than 98% of par, exclusive of original issue discount, if any, as shall be set forth in the Bond Order; the contract for the sale of the Bonds heretofore entered into (the "Purchase Contract") is in all respects ratified, approved and confirmed, it being hereby found and determined that the Bonds have been sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received upon such sale exceed the maximum rate otherwise authorized by Illinois law and that the Purchase Contract is in the best interests of the City and that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract. The Purchase Contract shall be substantially in the form of purchase contracts commonly used in transactions similar to that described in this Ordinance, with such changes as necessary to reflect the terms and provisions of the Bonds, this Ordinance and such other changes as the President or Treasurer shall determine are necessary or desirable in connection with the sale of the Bonds. No person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract. The Purchaser shall be (a) in a negotiated underwriting, Mesirow Financial, Inc., Chicago, Illinois ("Mesirow"), or (b) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Local Government Debt Reform Act of the State of Illinois, as amended, or (iii) an "accredited investor" as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; provided, however, that the Purchaser as set forth in (b) shall only be selected by the City if the sale of the Bonds on a private placement basis to the Purchaser is in the best interests of the City because of (i) the pricing of the Bonds by the Purchaser, (ii) then current market conditions or (iii) the timing of the sale of the Bonds; and further provided, that the Purchaser as set forth in (b) may be selected through the utilization of a placement agent selected by the Designated Representatives if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the City.

The Purchaser is authorized to pay all or a portion of the cost of issuance of the Bonds and to receive a credit against the Purchase Price of the Bonds therefor. Upon the sale of the Bonds, any of the Designated Officers and any other officers of the City as shall be appropriate shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Bond Order, the Bond Purchase Agreement and closing documents including such certification and documentation as may be required by counsel approving the Bonds, including, specifically, a tax agreement, to render their opinion as to the Tax-Exempt status of the interest on any Bond pursuant to the Code. It is hereby found that no person holding any office of the City, either by election or appointment, is in any

manner financially interested, either directly, in his or her own name, or indirectly, in the name of any other person, association, trust or corporation, in the sale of the Bonds.

A bond purchase agreement for the sale of the Bonds to the Purchaser (the "Bond Purchase Agreement") substantially in the form as approved for execution by the City Attorney, is hereby in all respects authorized and approved. The Mayor by signing the Bond Purchase Agreement is hereby authorized to execute the same, and execution shall constitute full and complete approval of all necessary or appropriate completions and revisions as shall appear therein. Upon the sale of the Bonds, the Mayor shall execute the Bond Order which shall include the pertinent details of sale as provided herein, and such shall be entered into the records of the City and made available to the City Council at the next public meeting thereof.

In the event the Purchaser or placement agent certifies to the City that it would be economically advantageous for the City to acquire a municipal bond insurance policy for the Bonds, the City hereby authorizes and directs the Mayor to obtain such an insurance policy. The acquisition of a municipal bond insurance policy is hereby deemed economically advantageous if the difference between the present value cost of: (a) the total debt service on the Bonds if issued without municipal bond insurance; and (b) the total debt service on the Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "Official Statement") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the City are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Bond Purchase Agreement, this Ordinance, the Bond Order, the Preliminary Official Statement, the Official Statement and the Bonds. The Mayor and the City Clerk are hereby each authorized to designate the Official Statement as "final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**Section 12. Tax Levy, Security; Bond Fund.** The Bonds are a general obligation of the City, for which the full faith and credit of the City are irrevocably pledged, and are payable from the levy of the taxes on all of the taxable property in the City, without limitation as to rate or amount, in an amount sufficient to produce the sums necessary to pay the interest on the Bonds as it falls due and to pay and discharge the principal thereof at maturity (the "Pledged Taxes"). For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all the taxable property within the City, in the years for which any of the Bonds are Outstanding, a direct annual tax sufficient for that purpose commencing not before 2022 and ending not later than 2045, in amounts not to exceed \$3,000,000 per levy year, all as shall be specified in the Bond Order.

The City covenants and agrees with the purchasers and the holders of the Bonds that so long as any of the Bonds remains Outstanding, except as herein otherwise specifically provided, the City will take no action or fail to take any action which in any way would adversely affect the

ability of the City to levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

The Mayor is hereby directed to file with the County Clerk as part of the Bond Order, a levy of taxes upon all taxable property in the City in addition to all other taxes, a direct annual tax in an amount sufficient to produce the sums necessary to pay the interest on the Bonds as it falls due and to pay and discharge the principal thereof at maturity. It shall be the duty of said County Clerk to ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the City in connection with other taxes levied in said year for general and special purposes, in order to raise the respective amounts as provided in the Bond Order and in said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general and special purposes of the City, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated "Series 20\_\_ Bond Fund" (the "Bond Fund"), which fund is hereby irrevocably pledged to and shall be used only for the purpose of paying the principal and interest on the Bonds.

Principal or interest coming due at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the City, and the fund from which such payment was made shall be reimbursed from the Pledged Taxes when the same shall be collected.

As additional security for the Bonds, the City hereby pledges and grants a lien on the Net Revenues to secure the payment of the Bonds.

**Section 13. Abatement; Debt Service Reserve Fund; Additional Bonds; Parity Bonds; General Covenant.** To the extent that the City has irrevocably deposited funds in the Bond Fund in an amount sufficient to pay all or any portion of the principal and interest due on the Bonds in the next succeeding Bond Year, the City Treasurer and the City Clerk are each hereby authorized to abate the Pledged Taxes to be levied for such Bond Year to the extent of such deposit by filing a certificate of abatement with the County Clerk.

The City may (if applicable, as set forth in said Bond Order) create and establish a debt service reserve fund as additional security for the payment of the principal of and interest on the Bonds or any particular series of the Bonds.

The City Council covenants and agrees to provide for, collect, and apply the Net Revenues to the payment of the Bonds. The City will establish and maintain at all times reasonable fees, charges, and rates for the use and service of the System and will provide for the collection thereof and the segregation and application of the Revenues in the manner provided by this Ordinance, sufficient at all times to pay Operation and Maintenance Costs, to pay the principal of and interest on all bonds of the City which by their terms are payable from the Revenues (without deduction for amounts available from Pledged Taxes or other sources to pay such principal and interest), to provide an adequate depreciation fund, and to provide for the creation and maintenance and funding of the respective accounts as provided in Section 16 of this Ordinance; it is hereby

expressly provided that the pledge and establishment of rates or charges for use of the System shall constitute a continuing obligation of the City with respect to such establishment and a continuing appropriation of the amounts received.

During the time the Bonds are outstanding, the City covenants and agrees with the holders of the Bonds that it will not issue any obligations payable from the Net Revenues with a lien on the Net Revenues superior to the lien on the Net Revenues granted to the Bonds. The City reserves the right to issue without limit bonds or other obligations of the City payable in whole or in part from the Net Revenues, provided, however, that if such additional obligations shall have a lien on the Net Revenues equal to the lien of the Bonds on the Net Revenues ("Additional Bonds"), the City shall, at the time of the issuance of the Additional Bonds, either (i) secure the consent of the Bond Insurer to issue such Additional Bonds, or (ii) demonstrate that the Net Revenues provide debt service coverage of at least 1.25 times debt service on the Bonds, the Additional Bonds and any other obligations payable from the Net Revenues of the System on parity with the Bonds ("Outstanding Parity Bonds") then outstanding in each year in which such Additional Bonds are outstanding (the "Coverage Test"). The Coverage Test shall be satisfied upon demonstration that the Net Revenues for the Fiscal Year immediately preceding the issuance of such Additional Bonds were in an amount at least equal to the maximum annual debt service on the Bonds, the Additional Bonds, and Outstanding Parity Bonds times 1.25, as demonstrated by the audited financial statements related to such Fiscal Year. If the audited financial statements for such Fiscal Year are not available at the time of the issuance of the Additional Bonds, compliance with the Coverage Test may be demonstrated by a feasibility report acceptable to the Bond Insurer prepared by an independent certified public accountant. Should an increase in permanent rates and charges, including those made to the City, be properly ordered and made effective during the Fiscal Year immediately prior to the issuance of such Additional Bonds or during that part of the Fiscal Year of issuance prior to such issuance, then Net Revenues for purposes of such computation shall include such additional revenues as an independent certified public accountant may certify would have accrued during the prior Fiscal Year had the new rates been in effect during that entire immediately prior Fiscal Year.

The City may, provided it is in compliance with the terms of this Ordinance, issue, without limitation, obligations payable from the Net Revenues of the System with a lien on the Net Revenues junior to the lien of the Bonds on the Net Revenues.

The City covenants and agrees with the registered owners of the Bonds, so long as any such Bonds remain Outstanding, the City will maintain the System in good repair and working order, will operate the same efficiently and faithfully, and will punctually perform all duties with respect thereto required by State and Federal law.

**Section 14. Tax Intercept; Deposit of Moneys.** A tax intercept escrow agreement (the "Tax Escrow Agreement") among the County Collector (the "Collector") of the County, the City, and the Paying Agent may (if applicable, as set forth in said Bond Order) require that the Pledged Taxes with respect to the Bonds while outstanding, when collected by the Collector, shall be paid by the Collector via a Segregation Order and Authorization Agreement for Automatic Deposits, as further set forth in the Bond Order, for deposit into the Bond Fund. All Pledged Taxes received by the Paying Agent with respect to the Bonds while outstanding shall be paid to the Bond Fund

and segregated therein for the payment of the principal installments of and interest on the Bonds while outstanding. The Paying Agent shall not be liable in connection with performance of its duties except for its own negligence.

**Section 15. Creation of Funds and Appropriation.** Bond proceeds and other funds of the City as noted are hereby appropriated and shall be deposited for use as follows:

A. Accrued interest, if any, and capitalized interest, if any, on the Bonds shall be used to pay the first interest due on the Bonds and to such end are hereby appropriated for such purpose and ordered to be deposited into the Bond Fund.

B. The amount necessary from the proceeds of the Bonds is hereby appropriated for and shall be used to pay costs of issuance of the Bonds; and shall be deposited into a separate account, hereby created, designated as the Expense Account. Any disbursement from such account shall be made from time to time as necessary. Any excess in the Expense Account shall be deposited into the Project Fund within 30 days from the date of issuance of the Bonds. At the time of issuance of the Bonds, the costs of issuance may, at the request of the City, be paid by the Underwriter on behalf of the City from the proceeds of the Bonds.

C. The remaining proceeds of the Bonds are hereby appropriated for and shall be used to pay for the costs of the Project, and shall be deposited into the Project Account, hereby established.

**Section 16. Flow of Funds.**

A. Waterworks and Sewerage Fund. Upon the issuance of any of the Bonds, the System shall continue to be operated on a Fiscal Year basis. The Revenues shall continue to be set aside as collected and be deposited in a separate fund and in accounts in a bank to be designated or continued, as the case may be, by the City Council, as the "System Fund," which shall constitute a trust fund subject to the lien created by this Ordinance for the sole purpose of carrying out the covenants, terms, and conditions of this Ordinance, and shall be used only in paying Operation and Maintenance Costs, paying the principal of and interest on all bonds of the City which by their terms are payable from the System, providing an adequate depreciation fund, and providing for the establishment of an expenditure from the respective accounts as hereinafter described.

There shall be and there is hereby continued separate accounts in the System Fund to be known as the "Operation and Maintenance Account," the "Bond and Interest Account," and the "Surplus Account," to which there shall be credited on or before the first day of each month by the financial officer of the City, without any further official action or direction, in the order in which said accounts are hereinafter mentioned, all moneys held in the System Fund, in accordance with the following provisions:

(i) Operation and Maintenance Account: There shall be credited to the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in said Account, to establish a balance equal to an amount necessary to pay Operation and Maintenance



Costs for the then current month. Amounts in said Account shall be used to pay Operation and Maintenance Costs.

(ii) **Bond and Interest Account:** There next shall be credited to the Bond and Interest Account and held, in cash and investments, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Bonds and also a fractional amount of the principal becoming due on the next succeeding principal maturity date of all of the Bonds until there shall have been accumulated and held, in cash and investments, in the Bond and Interest Account on or before the month preceding such payment date of interest or maturity date of principal, an amount sufficient to pay such principal or interest, or both, subject to the provisions of the remaining paragraphs of this subsection (ii).

In computing the fractional amount to be set aside each month in the Bond and Interest Account, the fraction shall be so computed that a sufficient amount will be set aside in the Bond and Interest Account and will be available for the prompt payment of such principal of and interest on all Bonds and shall be not less than one-sixth (1/6) of the interest becoming due on the next succeeding interest payment date and not less than one-twelfth (1/12) of the principal becoming due on the next succeeding principal payment date on all Bonds until there is sufficient money in the Bond and Interest Account to pay such principal or interest, or both.

Credits to the Bond and Interest Account may be suspended in any Fiscal Year at such time as the amount held in the Bond and Interest Account, when added to the balance held in the Bond Fund, is sufficient to meet principal and interest requirements with respect to the Bonds for the balance of such Fiscal Year, but such credits shall again be resumed at the beginning of the next Fiscal Year. Furthermore, if at any time the sum of the amounts held in the Bond and Interest Account and the Bond Fund exceeds the amount necessary to meet the principal and interest requirements with respect to the Bonds for the balance of such Fiscal Year and the City is in compliance with the terms of this Ordinance, funds shall be released from the Bond and Interest Account in an amount equal to the difference between (i) the sum of the amounts then on hand in the Bond and Interest Account and the Bond Fund and (ii) the bond and interest requirements for such Fiscal Year. Such amounts so released shall be applied to the accounts of the System Fund as described in this Section 16.

All moneys in the Bond and Interest Account shall be used only for the purpose of paying interest on and principal of the Bonds. Not later than five days prior to any payment date with respect to the Bonds, the City shall transfer from the Bond and Interest Account to the Bond Fund such amounts as may be necessary to make up any shortfall in funds on hand in the Bond Fund to make such payment on the Bonds. All payments of debt service with respect to the Bonds shall be made from the Bond Fund.

(iii) **Depreciation Account:** There shall be deposited in and credited to the Depreciation Account such amounts as the City Council from time to time directs.

Amounts to the credit of the Depreciation Account shall be used for (i) the payment of the costs of extraordinary maintenance, necessary repairs and replacements, or contingencies, the payment for which no other funds are available, in order that the System may at all times be able

to render efficient service and, although it is not expected, (ii) the payment of principal of or interest and applicable premium on any Outstanding bonds payable from the Pledged Revenues at any time when there are no other funds available for that purpose in order to prevent a default and shall be transferred to the appropriate account or accounts for such purpose.

Whenever an amount is withdrawn from the Depreciation Account for the purpose stated in clause (ii) of the preceding paragraph, the City shall have undertaken a rate study of the System by a qualified accountant, engineer or other finance professional. Each expenditure to be made from the Depreciation Account or the purpose stated in clause (i) of the preceding paragraph shall be made only after an approving vote of the City Council has certified that such expenditure is necessary to the continued effective and efficient operation of the System.

(iv) **Surplus Account:** All moneys remaining in the System Fund, after crediting the required amounts to the respective accounts hereinabove provided for, and after making up any deficiency in the accounts described in subsections (i) to (iii), inclusive, shall be credited each month to the Surplus Account. Funds in the Surplus Account shall first be used to make up any subsequent deficiencies in any of the accounts hereinabove named and then shall be used at the discretion of the City Council for one or more of the following purposes without any priority among them:

(a) For the purpose of constructing, installing or acquiring repairs, replacements, or improvements to the System; or

(b) For the purpose of calling and redeeming Outstanding Bonds which are callable at the time; or

(c) For the purpose of purchasing Outstanding Bonds at the time at a price of not to exceed par and accrued interest to the date of purchase; or

(d) For the purpose of paying principal of and interest on any subordinate bonds or obligations issued for the purpose of acquiring, installing or constructing repairs, replacements, or improvements to the System; or

(e) For any other lawful corporate purpose.

B. The Pledged Revenues shall either be deposited into the Bond Fund and used solely and only for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Pledged Revenues. Interest income or investment profit earned in the Bond Fund shall be retained in the Bond Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the City Council and provided the City is in compliance with this Ordinance, transferred to such other fund as may be determined. The City hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Pledged Revenues on deposit in the Bond Fund for the benefit of the registered owners of the Bonds, subject to the

reserved right of the City Council to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the City, as described in the preceding sentence.

**Section 17. Defeasance of the Bonds.** Any Bond or Bonds: (a) which are paid and canceled; (b) which have matured and for which sufficient sums have been deposited with a bank or trust company authorized to keep trust accounts to pay all principal and interest due thereon; or (c) for which sufficient United States funds and Defeasance Obligations have been deposited with a bank or trust company authorized to keep trust accounts, taking into account investment earnings on such obligations, to pay all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement (such Bonds as described in this clause (c) being "Defeased Bonds"), shall cease to have any lien on or right to receive or be paid from the Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security of the Outstanding Bonds. All covenants relative to the Tax-Exempt status of such Bond or Bonds; and payment, registration, transfer, and exchange are expressly continued for all Bonds whether Outstanding Bonds or not.

**Section 18. General Tax Covenants.** The City hereby covenants that it will not take any action, omit to take any action, or permit the taking or omission of any action, within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service (the "IRS") of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the City may be treated as a "taxpayer" in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such examination.

The City also agrees and covenants with the Purchaser and holders of the Bonds from time to time Outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the Tax-Exempt status of the Bonds.

The City Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, City Clerk, and City Treasurer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be Tax-Exempt. In furtherance therewith, the City and the City Council further agree: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by the Designated Officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

**Section 19. Not Private Activity Bonds.** None of the Bonds is a “private activity bond” as defined in Section 141(a) of the Code. In support of such conclusion, the City certifies, represents and covenants as follows:

A. None of the proceeds of the Bonds or the Prior Bonds were or are to be used, directly or indirectly, in any trade or business carried on by any person other than a state or local governmental unit.

B. No direct or indirect payments were or are to be made on the Bonds (or the Prior Bonds) with respect to any private business use by any person other than a state or local governmental unit other than generally as a ratepayer.

C. None of the proceeds of the Bonds (or the Prior Bonds) were or are to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

D. No user of the Project or the Prior Project, other than the City, did or will use the same on any basis other than the same basis as the general public; and no person will be a user as a result of (1) ownership, (2) actual or beneficial use pursuant to a lease, a management or incentive payment contract, or (3) any other arrangement.

**Section 20. Continuing Disclosure Undertaking.** The Designated Officers are each hereby authorized, empowered and directed to execute and deliver a continuing disclosure undertaking under Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the “Continuing Disclosure Undertaking”). When such Continuing Disclosure Undertaking is executed and delivered on behalf of the City, it will be binding on the City and the officers, agents, and employees of the City, and the same are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Continuing Disclosure Undertaking as executed. Notwithstanding any other provisions of this Ordinance, the sole remedies for failure to comply with such Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

**Section 21. Qualified Tax-Exempt Obligations.** The Bonds shall be qualified tax-exempt obligations, if set forth in a Bond Order.

**Section 22. Noncompliance with Tax Covenants.** Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance and other documents executed by the City which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law need not be complied with if the City receives an opinion of nationally recognized bond counsel that any such provision is unnecessary to preserve the exemption from federal taxation.

**Section 23. Registered Form.** The City recognizes that Section 149(j) of the Code, as amended, requires the Bonds to be issued and to remain in fully registered form in order that interest thereon not be includable in gross income for federal income tax purposes under laws in force at the time the Bonds are delivered. The City will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

**Section 24. Reimbursement.** None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the City prior to 60 days from the date hereof, other than preliminary expenses allowed by the Code.

**Section 25. Ordinance to Constitute a Contract.** The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds. Any pledge made in this Ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the owners of the Bonds. Each of the Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Ordinance. This Ordinance shall constitute full authority for the issuance of the Bonds. The Insurer, as the deemed holder of all of the Bonds, shall be entitled to enforce the terms of this Ordinance against the City.

**Section 26. Amendments of and Supplements to the Ordinance.**

A. Without Consent of Bondholders. The City may amend or supplement this Ordinance or the Bonds without notice to or consent of any Bondholder to:

- (1) cure any ambiguity, inconsistency or formal defect or omission;
- (2) grant for the benefit of the Bondholders additional rights, remedies, powers or authority;
- (3) provide for additional collateral for the Bonds or to add other agreements of the City;
- (4) modify this Ordinance or the Bonds to permit qualifications under the Trust Indenture Act of 1939 or any similar Federal statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States; or
- (5) make any change (including, but not limited to, a change to reflect any amendment to the Code or interpretations by the IRS of the Code) that does not materially adversely affect the rights of any Bondholder.

B. With Consent of Bondholders. If an amendment of or supplement to this Ordinance or the Bonds without any consent of Bondholders is not permitted by the preceding paragraph, the City may enter into such amendment or supplement upon not less than 30-days' notice to Bondholders and with the consent of the holders of at least a majority in principal amount of the

Outstanding Bonds. However, without the consent of each Bondholder affected, no amendment or supplement may:

- (1) extend the maturity of the principal of, or interest on, any Bond;
- (2) reduce the principal amount of, or rate of interest on, any Bond;
- (3) affect a privilege or priority of any Bond over any other Bond;
- (4) reduce the percentage of the principal amount of the Bonds required for consent to such amendment or supplement;
- (5) impair the exclusion of interest on the Bonds from the federal gross income of the owner of any Bond; or
- (6) eliminate any mandatory redemption of the Bonds or call for mandatory redemption or reduce the redemption price of such Bonds.

So long as the Bond Insurance Policy securing all of the Outstanding Bonds is in effect, the Bond Insurer shall be deemed to be the registered owner of the Bonds secured thereby for the purpose of amending, modifying or supplementing this Ordinance, provided, however, the Bond Insurer shall not be deemed the registered owner of the Bonds with respect to any amendment or supplement described in clauses (1) through (6) of the preceding paragraph but shall have the consent rights provided for in the provisions set forth for the benefit of the Bond Insurer in the Bond Order.

C. Effect of Consents. After an amendment or supplement becomes effective, it will bind every Bondholder. For purposes of determining the total number of Bondholders' consents, each Bondholder's consent will be effective with respect to the Bondholder who consented to it and each subsequent holder of a Bond or portion of a Bond evidencing the same debt as the consenting holder's Bond.

D. Notation on or Exchange of Bonds. If an amendment or supplement changes the terms of the Bond, the City may require the holder to deliver it to the Bond Registrar. The Bond Registrar may place an appropriate notation on the Bond about the changed terms and return it to the holder. Alternatively, if the Bond Registrar and the City determine, the City in exchange for the Bond will issue and the Bond Registrar will authenticate a new Bond that reflects the changed terms.

**Section 27. Municipal Bond Insurance.** In the event the scheduled payment of principal of and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the "Municipal Bond Insurance Policy") issued by a bond insurer (the "Bond Insurer"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect or the Bond Insurer is owed any amounts in connection therewith, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer when holding Bonds, amendment

hereof, or other terms, as approved by the Mayor on advice of the City Attorney and set forth in a Bond Order, his approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this section.

**Section 28. Home-Rule Authority.** This Ordinance is prepared in accordance with the powers of the City as a home-rule unit under Article VII of the 1970 Illinois Constitution.

**Section 29. Supplemental Documents.** The Designated Officers are hereby authorized to execute or attest such documents as necessary to carry out the intent of this Ordinance, the execution of such documents to constitute conclusive evidence of their approval and approval hereunder.

**Section 30. Severability.** If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

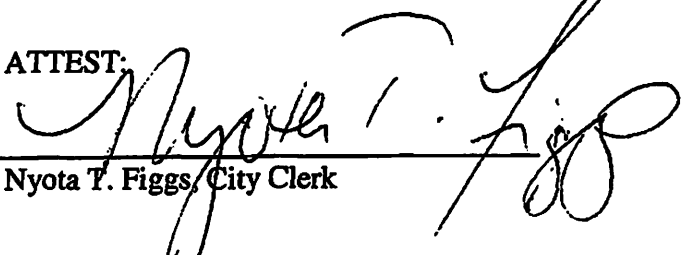
**Section 31. Repealer and Effective Date.** All resolutions, ordinances, orders or parts thereof in conflict herewith be and the same are hereby repealed, and this Ordinance shall be in full force and effect forthwith upon its passage.

**PASSED** by the City Council of the City of Calumet City, Cook County, Illinois, this 9th day of February, 2023, pursuant to a roll call vote, as follows:

	<b>YES</b>	<b>NO</b>	<b>ABSENT</b>	<b>PRESENT</b>
Navarrete	X			
Wilson	X			
Tillman	X			
Williams	X			
Gardner	X			
Patton	X			
Smith	X			
(Mayor Jones)				
<b>TOTAL</b>				

**APPROVED** by the Mayor of the City of Calumet City, Cook County, Illinois on this 9th day of February, 2023.

  
 Thaddeus Jones, Mayor

ATTEST:  
  
 Nyota T. Figgs, City Clerk



- #5: Payment to Calumet City Plumbing for (Inv #56135)  
#6: Payment to Calumet City Plumbing for (Inv #56130)  
#7: Payment to Total Property Management for (Inv #CC-60)  
#8: Payment to Total Property Management for (Inv #CC-59)  
#9: Payment to Arlington Power Equipment Inc for (Inv #142938)  
#10: Payment to Arlington Power Equipment Inc for (Inv #142940)  
#11: Payment to Lyons Electric Company for (Inv #15559)  
#12: Payment to HFS Bureau of Fiscal Operations- GEMT  
#13: Payment to Matthew Joswiak  
#14: Payment to BlueKnight Bicycle Training  
#15: Payment to Republic Services for (Inv #0721-007411943)  
#16: Payment to Overhead Door Company of Northwest Indiana  
#17: Payment to Chicago Title & Trust Company  
#18: Update Insurance policy  
#19: Donate Trailer  
#20: Payment to Park of River Oaks Condominiums and Park Harbor Mobile Homes  
#21: Payment to Triggs Construction, Inc. (Invoice#2226-02)
- Engineer's Pay Estimate was approved by IDOT on January 26, 2023. The approved pay application and change in plans forms are attached.
- Approve costs payable to Calumet City Plumbing for invoice 56135, in the amount of \$8,106.11 and direct City Treasurer to remit payment from account #03036-52349.
- Approve cost payable to Calumet City Plumbing for invoice 56130, in the amount of \$6,767.00 and direct City Treasurer to remit payment from account #03036-52349.
- Approve costs payable to Total Property Management for invoice CC-60, in the amount of \$6,823.36 and direct City Treasurer to remit payment from account #01099-52642.
- Approve costs payable to Total Property Management for invoice CC-059, in the amount of \$5,380.40 and direct City Treasurer to remit payment from account #01099-52642.
- Approve costs payable to Arlington Power Equipment Inc for invoice 142938, in the amount of \$5,934.21 and direct City Treasurer to remit payment from account #04007-52456.
- Approve costs payable to Arlington Power Equipment Inc for invoice 142940, in the amount of \$8,883.99 and direct City Treasurer to remit payment from account #04007-52456.
- Approve costs payable to Lyons Electric Company Inc for invoice 15559, in the amount of \$5,882.30 and direct City Treasurer to remit payment from account #04007-52449.
- Approve the payment of \$921,855.65 to HFS Bureau of Fiscal Operations – GEMT. Further direct City Treasurer to remit payment from account 066-07-52492. This payment is refund to Illinois Department of Healthcare and Family Services for GEMT funds collected in Quarters 1 and 2 of 2022 (1/1/22 -6/30/22).
- Approve buyback for Matthew Joswiak due to their resignation from position with the City of Calumet City; authorize the City Treasurer to remit payment in the amount listed in communication and to charge the appropriate accounts.
- Approve payment to BlueKnight Bicycle Training for training to be conducted in May of 2023; authorize the City Treasurer to remit payment in the amount of \$3,450.00 and charge account #01060-52390.
- Approve costs payable to Republic Services for invoice 0721-007411943, in the amount of \$9,870.28 and direct City Treasurer to remit payment from account #01041-52141.
- Approve costs payable to Overhead Door Company of Northwest Indiana for Quote Q192059, in the amount of \$5,465.00 and direct City Treasurer to remit payment from account #03036-52344.
- Approve purchase of property located at 714-716 State Line Road (Former Steffen's Bakery) in the amount of \$100,000 (subject to prorations and adjustments at time of closing – not to exceed \$125,000), utilizing Special Corporate Account (Acquisition of Properties) – account #01099-52646, authoring the City Treasurer to remit payment to Chicago Title & Trust Company - for the purpose of City purchase of said property from Joan Steffens, current owner, regarding the efforts of economic development (previously approved on 1/26/23;corrected motion per Treasurer's office).
- Approve the release of title for the 2002 Scotty Fire Safety Trailer (V.I.N.#1SSTT1PT5211SS625), model HD3200FLY. Please advise the insurance coordinator to remove the trailer from the City's insurance policy.
- Approve the authorization of the donation of the trailer to Stillman Fire Protection District.
- Approve previously approved by council – motion amended to approve Temporary Residential Relocation Assistance (not to exceed \$3500 per resident) for qualifying residents who reside at the Park of River Oaks Condominiums and Park Harbor Mobile Homes - and instruct City Treasurer to remit payment from #01099-52745 (Emergency Resident Assistance Program) in accordance with qualifying residents meeting the requirements of the check disbursement process.
- Approve payment to Triggs Construction, Inc. (Invoice#2226-02) for Job ID #232226, in the amount of \$260,247.88 for the 2022 Green Alley MWRD

- #22: Payment to Glenn Bachert Partnership Program– and direct City Treasurer to remit payment from account #03036-52479. Approve and authorize the City Treasurer to remit payment to Glenn Bachert in the amount of \$6,041.37; this is to be charged to line item #06607-54150. This expenditure is for the emergency repairs to the ambulance.
- #23: Payment to Micro-Eye for Annual Radio Alarm Monitoring & TC-2 (Inv #54100) Approve payment to Micro-Eye for Annual Radio Alarm Monitoring & TC-2 (invoice 54100); authorize the City Treasurer to remit payment in the amount of \$5,124.00 and charge account #01099-52990.
- #24: Payment Track 'n Trap for (Inv #1594, #1595, #1601, and #1602) Approve payment to Track 'n Trap for invoice #1594, #1595, #1601, and #1602; authorize the City Treasurer to remit payment in the total amount of \$13,125.00 and charge account #01060-52487.
- #25: Payment to TimeClock Plus, LLC for (Inv #INV00217003) Approve payment to TimeClock Plus, LLC for invoice #INV00217003; authorize the City Treasurer to remit payment in the amount of \$7,666.40 and charge account #01028-55120.
- #26: Payment to JensenIT Approve payment to JensenIT for the renewal of CrowdStrike Falcon Endpoint Licensing Renewal; authorize the City Treasurer to remit payment in the amount of \$12,845.49 and charge account #01028-55120.
- #27: Payment to Gallagher Asphalt Corporation Approval to direct Treasurer Tarka to remit payment to Gallagher Asphalt Corporation, in the amount of \$1,118,153.56, and to charge account #04007-52707 for Pay Estimate #1 for the Pulaski Road Resurfacing Project. Engineer's Pay Estimate #1 is attached for reference. This work has been completed and was inspected per MFT guidelines during construction.
- #28: Payment to Officer Rick Dudley Approve payment in the amount of \$2,866.03 to retired Officer Rick Dudley and direct the City Treasurer to remit the payment from account #01060-51950 to be paid by the City into Officer Dudley's post-employment health plan. This amount was calculated in accordance with a Motion approved by this Council on September 26, 2022, to resolve FOP Grievance number GR-200512-SBAV.
- #29: Payment to Officer Mitch Growe Approve payment in the amount of \$1,582.40 to retired Officer Mitch Growe and to direct the City Treasurer to remit the payment from account #01060-51950 to be paid by the City into Officer Growe's post-employment health plan. This amount was calculated in accordance with a Motion approved by this Council on September 26, 2022, to resolve FOP Grievance number GR-200622-GNTD.
- #30 Payment to McFarland Transport & Cleaning Services for (Inv #0000010) Approve payment to McFarland Transport & Cleaning Services for invoice #0000010; authorize the City Treasurer to remit payment in the amount of \$6,250.00 and charge account #01099-52990.
- #31 Payment to Theresa Keller Approve settlement agreement for Theresa Keller v. City of Calumet City (Case Nos: 2019 L 2436); authorize the City Treasurer to remit payment listed in communication and charge account #01025-52200.
- #32 Payment to Calumet City Plumbing for (Inv #56213) Approve costs payable to Calumet City Plumbing for invoice 56213, in the amount of \$5,990.90 and direct City Treasurer to remit payment from account #03036-52349.
- #33 Payment to Farnsworth Approve payment to Farnsworth for technical assistance regarding engineering-related Cook County grants – and direct City Treasurer to remit payment to Farnsworth in an amount not to exceed \$4,999 utilizing account #01099-52600.
- #34 Approve Payroll (\$879,134.04) Approve Payroll (\$879,134.04).
- #35 Approve Emergency Bill Listing (\$2,177.50) Approve Emergency Bill Listing (\$2,177.50).
- #36 Approve Bill Listing (\$550,720.44) Approve Bill Listing (\$550,720.44).

Approve Financial Items

Alderman Gardner seconded by Alderman Smith motioned for the approval of Financial Matters number 1-36.

ROLL CALL

YEAS: 7  
NAYS: 0  
ABSENT: 0

ALDERMEN: Navarrete, Wilson, Tillman, Williams, Gardner, Patton, Smith  
ALDERMEN: NONE  
ALDERMAN: NONE

**MOTION CARRIED**

**UNFINISHED BUSINESS**

Ald. Navarrete

Alderman Navarrete asked how would extended hours affect our budget?  
Alderman Navarrete asked for an update on his questions from February 1, 2023 meeting. Navarrete asked about the next steps on the passed Ordinances for the Bonds.

Treasurer Tarka

Treasurer Tarka answered Alderman Navarrete's question by advising that there is a line item in the budget for overtime.  
Treasurer Tarka answered Alderman Navarrete's question by stating that we will work together to invest and discuss investment policy.

Mayor Jones

Mayor Jones responded to Alderman Navarrete "No"

Ald. Wilson

Alderman Wilson announced that it is Black History Month and acknowledged Deputy Dailey as the first African American Male Deputy Clerk.

Ald. Tillman

Alderman Tillman had no report.

Ald. Williams

Alderman Williams encouraged 4<sup>th</sup> ward residents to call his office with any concerns at (708)891-8194.

Ald. Gardner

Alderman Gardner had no report.

Ald. Patton

Alderman Patton had no report.

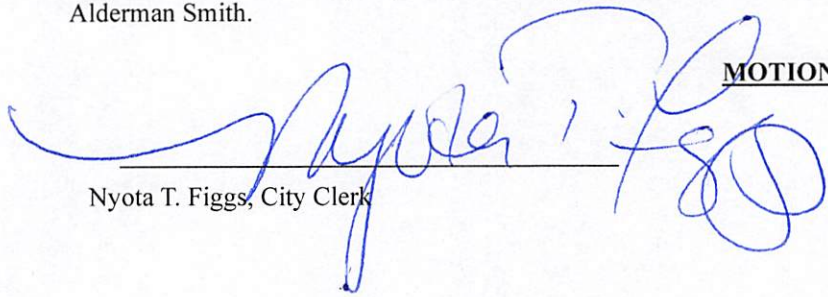
Ald. Smith

Alderman Smith mentioned the 7<sup>th</sup> wards monthly meeting on the 3<sup>rd</sup> Saturday on February 18, 2023 at 24<sup>th</sup> State Street start time is 10 a.m.

**ADJOURNMENT**

Adjournment was at 7:42 p.m., on a motion by Alderman Gardner seconded by Alderman Smith.

**MOTION CARRIED**

  
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Nyota T. Figs, City Clerk