

Draft 7/13/2020

THIRTIETH SUPPLEMENTAL SEWER AND DRAINAGE SYSTEM REVENUE
BOND RESOLUTION

OF THE

LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT
[Supplement Date]

Regarding the issuance of its

SEWER AND DRAINAGE SYSTEM REVENUE BONDS, SERIES 2020B

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THIRTIETH SUPPLEMENTAL SEWER AND DRAINAGE SYSTEM
REVENUE BOND RESOLUTION

WITNESSETH

WHEREAS, all capitalized terms used in this preamble shall have the meanings set forth in Section 1.2 hereof; and

WHEREAS, the Board of the District previously adopted its Sewer and Drainage System Revenue Bond Resolution on December 7, 1992 (as previously amended on March 4, 1993, June 30, 1993, December 14, 1994, January 25, 1996, and February 24, 2003); and

WHEREAS, the Board of the District has heretofore approved a budget reflecting such revenues, rates, fees, rents, charges, and other operating income and receipts, as derived by or for the account of the District from or for the operation, use, or services of the System, as shall enable the District to issue the aggregate principal amount authorized below of Current Bonds, in full compliance with all applicable requirements for the issuance of additional bonds contained in Sections 2.2 and 2.4 of the General Resolution and all other applicable provisions of the General Resolution; and

WHEREAS, the District desires to issue a new series of Sewer and Drainage System Revenue Bonds further identified and designated hereunder for the purposes hereinafter described, and the General Resolution requires the District to determine certain details relating to the Current Bonds and to set forth such details in this Thirtieth Supplemental Sewer and Drainage System Revenue Bond Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT AS FOLLOWS:

ARTICLE 1.
DEFINITIONS AND STATUTORY AUTHORITY

Section 1.1 Supplemental Resolution. This Resolution is supplemental to, and is hereby adopted in accordance with, Sections 2.2, 2.4, 10.1, and 10.3 of, the General Resolution.

Section 1.2 Definitions. All terms defined in Section 1.1 of the General Resolution shall have the same meanings, respectively, in this Resolution as such terms are given in Section 1.1 of the General Resolution. In addition, the following words and terms used in this Resolution shall have the following meanings unless the context or use indicates a different meaning or intent:

“Authorized Officer” means the Chair, Vice-Chair, the Executive Director, the Chief Financial Officer, the Secretary-Treasurer, or any Assistant Secretary-Treasurer of the District.

“Capitalized Interest Period” has the meaning provided in Article 1 of the form of the WIFIA Loan Agreement attached hereto.

“Current Bonds” means the Louisville and Jefferson County Metropolitan Sewer District Sewer and Drainage System Revenue Bond[s], Series 2020B [(2020 WIFIA Project)], the issuance, execution, and delivery of which are authorized by this Thirtieth Supplemental Sewer and Drainage System Revenue Bond Resolution.

“EPA” means the United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency.

“Final Maturity Date” has the meaning provided in Article 1 of the form of the WIFIA Loan Agreement attached hereto.

“Financial Advisor” means Robert W. Baird & Co., Incorporated, Louisville, Kentucky, in its capacity as the financial advisor to the District.

“General Resolution” means the Sewer and Drainage System Revenue Bond Resolution of the District adopted on December 7, 1992 (as previously amended on March 4, 1993, June 30, 1993, December 14, 1994, January 25, 1996, and February 24, 2003).

“Interest Payment Date” has the meaning provided in Article 1 of the form of the WIFIA Loan Agreement attached hereto.

“Investment Agreement” has the meaning provided in Section 4.4(a) hereof.

“KRS” means the Kentucky Revised Statutes, as amended from time to time.

“Loan Agreement” means the WIFIA Loan Agreement, if the EPA is the Successful Bidder for the Current Bonds, or a Non-WIFIA Loan Agreement, if a person other than the EPA is the Successful Bidder for the Current Bonds.

“Non-WIFIA Loan Agreement” means, if a person other than the EPA is the Successful Bidder for the Current Bonds, a loan agreement to be entered into by and between the District and such Successful Bidder substantially in the form attached as Exhibit E hereto with such changes as are necessary to reflect the change in identify of the Successful Bidder and any other terms that are more favorable to the District than those set forth in the WIFIA Loan Agreement.

“Notice of Bond Sale” means the “Notice of Bond Sale” for the Current Bonds substantially in the form of Exhibit B attached hereto.

“Official Bid Form” means the Official Bid Form to be utilized by the District in connection with the sale of the Current Bonds substantially in the form of Exhibit D attached hereto.

“Official Terms and Conditions of Bond Sale” means the Official Terms and Conditions of Bond Sale to be utilized by the District in connection with the sale of the Current Bonds substantially in the form of Exhibit C attached hereto.

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky, in its capacity as the paying agent for the Current Bonds.

“Paying Agent Agreement” means the Paying Agent Agreement to be entered into between the District and the Paying Agent regarding the Current Bonds.

“Payment Date” has the meaning provided in Article 1 of the form of the WIFIA Loan Agreement attached hereto.

“Principal Payment Date” has the meaning provided in Article 1 of the form of the WIFIA Loan Agreement attached hereto.

“Resolution” means this Thirtieth Supplemental Resolution adopted by the Board of the District on [Supplement Date].

“Securities Act” means the Securities Act of 1933, as amended.

“Series 2020B Project Account” has the meaning provided in Section 2.12(a)(iii) hereof.

“Successful Bidder” means the successful bidder for the purchase of the Current Bonds.

“WIFIA Bond” means the Current Bonds, if the Current Bonds are purchased by the EPA pursuant to the WIFIA Program.

“WIFIA Loan” means the extension of credit by the EPA to the District pursuant to the WIFIA Program and the WIFIA Loan Agreement to be evidenced by the WIFIA Bond.

“WIFIA Loan Agreement” means, if the Current Bonds are issued as a WIFIA Bond, the WIFIA Loan Agreement to be entered into by and between the District and the EPA substantially in the form attached as Exhibit E hereto, including all schedules, exhibits, and attachments thereto.

“WIFIA Program” means the program established by the Water Infrastructure Finance and Innovation Act of 2014, which is administered by the EPA to finance the costs of eligible water and wastewater infrastructure projects.

“WIFIA Project” means the design and construction of a new biosolids processing solution at the Morris Forman Water Quality Treatment Center, located in Louisville, Kentucky, specifically at 38.2322° N., 85.8314° W., with an average design capacity of 120 million gallons per day, a peak wet weather capacity of 350 million gallons per day, and an anticipated maximum month solids loading of 154 dry tons per day. The Project will replace the outdated existing biosolids dryers with a reconfigured solids treatment process including new thermal hydrolysis pretreatment facilities and associated new equipment, and repurposed facilities and equipment from the existing treatment train. The complete list of new construction and rehabilitation includes: demolishing existing drying

facilities; modifying existing liquid sludge holding tank and existing wet cake bins; rehabilitating and reusing existing blend tanks and anaerobic digester; and constructing a new sludge screening facility, cake receiving facility, cake storage bins, thermal hydrolysis pretreatment facility, high-solids centrifuges, cake loadout facility, sidestream treatment facility, combined head and power facility, and odor facility..

Section 1.3 Authority for Resolution. This Resolution is adopted pursuant to the provisions of the Act.

ARTICLE 2. AUTHORIZATION OF CURRENT BONDS

Section 2.1 General Statement. The District is authorizing the Current Bonds for the purpose of obtaining a WIFIA Loan from the EPA pursuant to the WIFIA Program to finance a portion of the Cost of Construction and Acquisition of the WIFIA Project. The Current Bonds will be sold at a public, competitive sale as required by KRS 76.150(2) and 424.360(1) with the expectation that the EPA will submit a bid. The Official Terms and Condition of Bond Sale prepared for use in connection with the Current Bonds require all bidders to submit bids and proposed documentation on terms equal to or more favorable than those provided by the EPA through the WIFIA Program as a condition to be considered for an award of the Bonds. If the EPA is the Successful Bidder for the Current Bonds in accordance with the terms and conditions set out herein and in the Official Terms and Conditions of Bond Sale authorized herein, the terms of the Current Bonds will be governed by the General Bond Resolution, this Resolution, and the WIFIA Loan Agreement, the form of the latter of which is attached hereto and approved herein. If a person other than the EPA is the Successful Bidder for the Current Bonds in accordance with the terms and conditions set out herein and in the Official Terms and Conditions of Bond Sale authorized herein, the terms of the Current Bonds will be governed by the General Bond Resolution, this Resolution, and the Non-WIFIA Loan Agreement, the form of which will be provided by such Successful Bidder and which will be the same or more favorable than the terms contained in the form of the WIFIA Loan Agreement attached hereto.

Section 2.2 Purpose. The District will issue the Current Bonds for the purpose of providing funds, together with other available funds of the District, (i) to pay Cost of Construction and Acquisition of the WIFIA Project, and (ii) to pay the costs of issuance of the Current Bonds.

Section 2.3 Authorization. Pursuant to the provisions of Sections 2.2 and 2.4 of the General Resolution there is hereby authorized to be issued the Current Bonds. The Current Bonds shall be designated “Louisville and Jefferson County Metropolitan Sewer District Sewer and Drainage System Revenue Bond[s], Series 2020B.” If the EPA is the Successful Bidder for the Current Bonds, “(2020 WIFIA Project)” may be added at the end of the designation of the Current Bonds at the option of the District. The Current Bonds issued pursuant to this Resolution shall constitute “Additional Bonds” pursuant to the General Resolution.

The District has heretofore adopted various Supplemental Resolutions authorizing Additional Bonds to be issued on a parity with the Current Bonds, all of which Additional Bonds may not have been yet issued. The District may also, simultaneously with the adoption hereof or otherwise, adopt one or more similar Supplemental Resolutions from time to time authorizing

Additional Bonds to be issued on a parity with the Current Bonds, subject to the terms of the Loan Agreement. It shall not be a condition to the issuance of the Current Bonds hereunder or thereunder that any other Additional Bonds are issued.

Section 2.4 Principal Amount. The Current Bonds shall be issued in a maximum aggregate principal amount of \$96,926,900, subject to adjustment in accordance with the Official Terms and Conditions of Bond Sale; provided, however, that the foregoing maximum aggregate principal amount (including any adjustment to such amount permitted by the Official Terms and Conditions of Bond Sale) excludes interest to be capitalized and added to the outstanding principal amount of the Current Bonds in a manner consistent with Sections 3 and 8(b) of the WIFIA Loan Agreement. The final aggregate principal amount of the Current Bonds shall be determined by an Authorized Officer on the advice of the Financial Advisor, subject to the terms of the WIFIA Loan Agreement.

Section 2.5 Registered Form; Numbering. The Current Bonds shall be issued in registered form in the minimum denomination of \$5,000 or integral multiples thereof, or such other minimum denomination as may be determined by the Authorized Officers on the advice of the Financial Advisor, provided that the Current Bonds may not be transferred in amounts less than \$100,000. The Current Bonds shall not be issued in Book-Entry Form registered in the name of the Securities Depository or the Securities Depository Nominee, but shall be registered in the name of the Holder or Holders thereof. Unless the District shall otherwise direct, the Current Bonds shall be lettered and numbered from one upward preceded by the letter R prefixed to the number.

Section 2.6 Payment. The principal, Redemption Price, and interest on the Current Bonds shall be payable by wire transfer to the Holder thereof by the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky, who is hereby appointed as Paying Agent. All terms and conditions regarding payment of the Current Bonds shall be in a manner consistent with the WIFIA Loan Agreement, including Section 8(d) and Schedule IV (WIFIA Payment Instructions) thereof.

Section 2.7 Maturity. The Current Bonds shall constitute a single term bond maturing on the Final Maturity Date established in the Loan Agreement; provided, however, that in no event shall the Final Maturity Date occur more than forty years after the date of the Current Bonds. The Current Bonds shall be subject to annual mandatory Sinking Fund Installments on each Principal Payment Date set forth in the Loan Agreement in a manner consistent with Section 8(a) of the WIFIA Loan Agreement and Exhibit F (WIFIA Debt Service) attached thereto.

Section 2.8. Interest. The Current Bonds shall bear interest at a single rate per annum in accordance with the bid of the Successful Bidder, not to exceed seven percent per annum; provided that adjustments to the interest rate may be permitted in the event of a default under the Current Bonds or the Loan Agreement. Interest on the Current Bonds shall be payable on each Interest Payment Date set forth in the Loan Agreement in a manner consistent with Section 6 of the WIFIA Loan Agreement.

Section 2.9 Redemption. The Current Bonds may be redeemed by the District in whole at any time or in part on any Payment Date in accordance with the terms and conditions of the Loan Agreement in a manner consistent with Section 9 of the WIFIA Loan Agreement.

Notwithstanding the foregoing, any such redemption shall be at a Redemption Price equal to the principal amount of the WIFIA Loan to be redeemed, together with the unpaid interest accrued on the amount of principal so redeemed to the date of such redemption, and all fees and expenses then due and payable under the Loan Agreement. Any such redemption shall be subject to the additional requirements of the Loan Agreement, provided any such terms are at least as favorable to the District as the terms set forth in Section 9 of the WIFIA Loan Agreement. For purposes of clarity, any reference to “prepayment” of the Current Bonds in the Loan Agreement shall be interpreted as a reference to “redemption” of the Current Bonds for purposes of the General Resolution and this Resolution.

Section 2.10 Delivery of Current Bonds. The District shall execute and deliver to the Paying Agent the Current Bonds, if the District has accepted bids therefor, together with an order to authenticate the Current Bonds, on the receipt by the District of the following:

- (a) the documents described in Sections 2.2, 2.4, 10.1, and 10.3 of the General Resolution as conditions to closing;
- (b) an execution copy of Loan Agreement, duly approved by an Authorized Officer and the District’s legal counsel, executed by a duly authorized representative of the Successful Bidder; and
- (c) such other documents, opinions, certificates, and agreements as may be required by the District.

At the written direction of the District, on payment of the initial disbursement of the proceeds of the Current Bonds and the corresponding payment of the initial portion of the purchase price for the Current Bonds by the Successful Bidder thereof, the Paying Agent shall authenticate the Current Bonds and deliver them to the Successful Bidder.

Section 2.11 Sale of Current Bonds.

(a) The Current Bonds shall be offered at public sale upon sealed bids as more particularly described below in this Section 2.11. The Executive Director and the Chief Financial Officer are hereby authorized and directed to cause an appropriate form of a Notice of Bond Sale for the Current Bonds to be published in THE COURIER-JOURNAL, Louisville, Kentucky, which will afford local and statewide notice of the sale, and such publication is hereby declared to be qualified to publish such notice for the District within the meaning and provisions of KRS Chapter 424. The Notice of Bond Sale shall be in substantially the form set forth in Exhibit B attached hereto which is hereby authorized, ratified, confirmed, and approved.

(b) The Current Bonds shall be offered hereby to the EPA and, otherwise, only to “accredited investors” within the meaning of Regulation D promulgated under the Securities Act, or to “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act. The Successful Bidder for the Current Bonds, if other than the EPA, shall be required to provide the District an executed Investor Letter substantially in the form of Exhibit E attached hereto as a condition to the execution and delivery of the Current Bonds.

(c) The Current Bonds shall be offered as a whole, at 100.00% of par, plus accrued interest, if any. Bids shall be submitted electronically to the Financial Advisor on behalf of the District. Interest on the Current Bonds during the Capitalized Interest Period shall be capitalized and added to the principal of the Current Bonds in the manner described in Section 8(b) of the WIFIA Loan Agreement.

(d) The Executive Director or the Chief Financial Officer may cause to be prepared the Official Terms and Conditions of Bond Sale giving more complete and particular descriptions of the Current Bonds, provisions for the security and payment thereof, disposition of bond proceeds, and other information that is not feasible to give within the limits of the published Notice of Bond Sale, and may furnish copies of the Official Terms and Conditions of Bond Sale to all interested bidders on request in substantially the form set forth in Exhibit C attached hereto, which is hereby authorized, ratified, confirmed, and approved.

(e) Bidders other than the EPA shall submit bids for the Current Bonds using the Official Bid Form of the District, the form of which is attached as Exhibit D attached hereto, which is hereby authorized, ratified, confirmed, and approved. The EPA may submit a bid for the Current Bonds using the Official Bid Form of the District or any other format authorized by federal law or WIFIA program requirements.

(f) On the occasion set forth in the Notice of Bond Sale, the Executive Director or the Chief Financial Officer shall consider all proposals made pursuant to such notice, and if, on the recommendation of the Financial Advisor an acceptable bid is received, the Executive Director or the Chief Financial Officer shall award the Current Bonds to the Successful Bidder in the manner and for the purposes provided herein and in the Official Terms and Condition of Bond Sale, shall establish the interest rate that the Current Bonds shall bear from the later of their date of issuance or the first disbursement of principal thereof in accordance with the interest rate or interest rate formula provided by the Successful Bidder, and shall take all other necessary and proper steps in the sale and issuance of the Current Bonds, subject to the limitations contained herein.

(g) Any one of the Authorized Officers is hereby authorized, empowered, and directed to execute and deliver, on behalf of the District, the Loan Agreement, the Loan Agreement to be in substantially the form attached hereto as Exhibit F, with such additions, deletions, and changes as the Authorized Officer executing the same, with the advice of the legal counsel to the District, may require or approve, such approval on behalf of the District to be conclusively evidenced by the execution and delivery thereof; provided, however, that if the EPA is not the Successful Bidder for the Current Bonds, any such additions, deletions, and changes shall be on terms as favorable or more favorable to the District as the terms set out in the form of the WIFIA Loan Agreement attached hereto. The rights, duties, and obligations of the District regarding Current Bonds shall be governed, in addition to the General Resolution and this Resolution, by the Loan Agreement.

(h) The Authorized Officers, for and on behalf of the District, either together or individually, are hereby authorized, empowered, and directed to effect the execution and delivery of the Current Bonds and the Loan Agreement, the performance of all obligations of the District under and pursuant to the same, and the performance of all other actions of whatever nature

necessary to effect and carry out the authority conferred by this Resolution and by the General Resolution, the Loan Agreement, and any other term sheets, agreements, documents, or certificates necessary to effect the issuance of the Current Bonds. Any one of the Authorized Officers is hereby further authorized, empowered, and directed for and on behalf of the District to execute the Current Bonds and all customary papers, letters, documents, certificates, forms, or other instruments that may be required for the carrying out and effectuation of the authority conferred by the General Resolution, this Resolution, and the Loan Agreement, or to evidence said authority, including without limitations financing statements and other security documents, and to exercise and otherwise take all action necessary to the full realization of the rights, accomplishments, and purposes of the District under General Resolution and this Resolution, and to discharge all of the obligations of the District under the General Resolution, this Resolution, and the Loan Agreement.

Section 2.12 Application of Proceeds.

(a) In accordance with Sections 2.2 and 2.4 of the General Resolution, the initial disbursement of proceeds of the Current Bonds, whether provided on the date of issuance of the Current Bonds or otherwise, together with any additional cash contributed by the District, shall be applied simultaneously with the delivery thereof, as follows:

(i) There shall be paid the costs of issuing the Current Bonds that are due and payable simultaneously with the delivery of the Current Bonds or were paid by the District before such delivery, and if and to the extent (but only to the extent) that the Paying Agent shall receive separate written authorization from an Authorized Officer of the District to create such an account, there shall be created a Cost of Issuance Account in the Bond Fund which shall be administered by the Paying Agent, and into which Cost of Issuance Account there shall be deposited an amount designated in writing by the District to be needed to pay or reimburse any remaining costs of issuing the Current Bonds that are anticipated to be due and payable after the delivery of the Current Bonds;

(ii) There shall be deposited in the Reserve Account in the Bond Fund the amount, if any, required, after giving effect to any surety bond, insurance policy, letter of credit, or other similar obligation deposited in such Reserve Account pursuant to Section 5.6.D of the General Resolution, so that the Reserve Account shall be at least equal to the Debt Service Reserve Requirement under the General Resolution calculated immediately after the authentication and delivery of the Current Bonds and the initial disbursement of proceeds thereunder, based on the expected amortization schedule for the Current Bonds in effect as of the date of such authentication and delivery; and

(iii) There shall be deposited in a special account (the "Series 2020B Project Account") within the Construction and Acquisition Fund authorized to be created pursuant to Section 5.3 of the General Resolution and hereby established, the initial disbursement of the proceeds of the Current Bonds in order to pay a portion of the Cost of Construction and Acquisition of the WIFIA Project.

(iv) Notwithstanding any of the foregoing, if the EPA is the Successful Bidder, the proceeds of the Current Bonds shall be applied solely in respect of Eligible Project Costs (as defined in the WIFIA Loan Agreement) in accordance with the WIFIA Loan Agreement.

(b) In accordance with Sections 2.2 and 2.4 of the General Resolution, each additional disbursement of proceeds of the Current Bonds shall be applied simultaneously with the delivery thereof, as follows:

(i) There shall be deposited in the Reserve Account in the Bond Fund the amount, if any, required, after giving effect to any surety bond, insurance policy, letter of credit, or other similar obligation deposited in such Reserve Account pursuant to Section 5.6.D of the General Resolution, so that the Reserve Account shall be at least equal to the Debt Service Reserve Requirement under the General Resolution calculated as of the date of such disbursement, based on the expected amortization schedule for the Current Bonds in effect as of such date; and

(ii) There shall be deposited in the Series 2020B Project Account the remaining amount of such disbursement of proceeds of the Current Bonds in order to pay an additional portion of the Cost of Construction and Acquisition of the WIFIA Project.

(iii) Notwithstanding any of the foregoing, if the EPA is the Successful Bidder, the proceeds of the Current Bonds shall be applied solely in respect of Eligible Project Costs (as defined in the WIFIA Loan Agreement) in accordance with the WIFIA Loan Agreement.

Section 2.13 WIFIA Debt Service Account. If the EPA is the Successful Bidder for the Current Bonds, the District shall establish a subaccount within the Debt Service Account named the “WIFIA Debt Service Account” wherein the District shall deposit Revenues for the benefit of the WIFIA Lender and the payment of the WIFIA Bond.

Section 2.14 Further Acts and Deeds. The Authorized Officers and any Assistant-Secretary of the District, are, and each of them hereby is, authorized to execute such documents, instruments, agreements, and papers, to open such bank accounts or custodian accounts, and do such acts and things as may be necessary or advisable in connection with the authorization, sale, and issuance of, and security for the Current Bonds.

Section 2.15 Form of Current Bonds. The form of the Current Bonds shall be of substantially the tenor provided for in Exhibit A attached hereto, with such variations, omission, and insertions as are required or permitted or not prohibited by the General Resolution and this Resolution.

Section 2.16 Reservation of Rights. If the Successful Bidder is the EPA, notwithstanding the provisions of Section 8.6 of the General Resolution, the EPA shall have the right to enforce any right provided under the General Resolution or under law with respect to the WIFIA Bond or the General Resolution, in the manner provided in the WIFIA Loan Agreement, and all proceedings at law or in equity shall be instituted, had, and maintained in the manner provided in the WIFIA Loan Agreement and for the benefit of the EPA. Further, notwithstanding the provisions of Section 8.6 of the General Resolution, the EPA by the acceptance of the WIFIA Bond shall not be deemed have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under the General Resolution or any Series Resolution or Supplemental Resolution, the filing by any party litigant in such suit of an undertaking to pay the reasonable costs of such suit, and that such court may in its discretion assess such reasonable costs

(including reasonable attorneys' fees) against any party litigant in any such suit having due regard to the merits and good faith of the claims or defenses made by such party litigant.

ARTICLE 3.
COVENANTS OF THE DISTRICT

Section 3.1 General; Reaffirmation of District's Covenants in the General Resolution. The District shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the District under the provisions of the Act, the General Resolution, and this Resolution. Upon the date of authentication and delivery of the Bonds, all conditions, acts, and things required by law, the General Resolution and this Resolution to exist, to have happened and to have been performed precedent to and in the issuance of the Current Bonds shall exist, have happened, and have been performed and the issue of the Current Bonds, together with all other indebtedness of the District, shall comply in all respects with the applicable laws of the Commonwealth of Kentucky and with the provisions of the General Resolution and this Resolution. Further, as of the date of the adoption hereof the District does hereby reaffirm and incorporate herein by reference thereto, all covenants, warranties, and representations made by the District in the General Resolution, as if such covenants, warranties, and representations were made herein.

Section 3.2 Incorporation by Reference. The covenants contained within the Loan Agreement are hereby incorporated into this Resolution by reference provided such covenants are the same or more favorable to the District than the covenants contained within Article V of the WIFIA Loan Agreement attached hereto.

ARTICLE 4.
MISCELLANEOUS

Section 4.1 Severability. If any one or more of the covenants or agreements provided in this Resolution on the part of the District to be performed shall be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements shall be deemed severable from the remaining covenants and agreements herein contained and shall not affect the validity of any other provisions of this Resolution.

Section 4.2 Appointment of Paying Agent; Acceptance of Duties. The District hereby appoints The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky, to act as Paying Agent for the Bonds, and may at any time or from time to time appoint one or more other Paying Agents. The Paying Agent shall signify its acceptance of the duties and obligations imposed on it by this Resolution by executing and delivering to the District a written acceptance thereof. The Authorized Officers are, and each of them hereby is, further authorized on behalf of the District to execute a Paying Agent Agreement with the Paying Agent, setting forth the rights and obligations of the Paying Agent with respect to the Current Bonds, and the execution of such Paying Agent Agreement by such officer of the District shall constitute conclusive evidence of the approval by such officer of the provisions thereof.

Section 4.3 Authorization and Ratification of Appointments in Connection with Bond Issue. The District hereby resolves that, in connection with the issuance of the Bonds, the following

individuals or firms be and are appointed to the positions listed beside their respective names as financial advisor and bond counsel, such individuals or firms to be compensated at such fees as previously approved by the District, and the actions of the District's officers heretofore taken with respect to such appointments are hereby authorized, ratified and confirmed: (i) financial advisor, Robert W. Baird & Co., Incorporated, and (ii) bond counsel, Dinsmore & Shohl LLP.

Section 4.4 Approval of Solicitation of Bids for Investment Agreement.

(a) The Authorized Officers and each of them are hereby empowered and directed, on the recommendation of the Financial Advisor, to solicit bids at one time or from time to time from qualified financial institutions for the provision of an investment agreement permitted by the General Resolution (an "Investment Agreement"), as an investment for amounts to be deposited from time to time in the various funds or accounts established under the General Resolution in connection with the Bonds and other bonds issued and outstanding from time to time on a parity with the Bonds under the General Resolution. An Authorized Officer of the District is hereby authorized and directed to cause an appropriate form of a Notice of Solicitation of Bids, to be prepared and furnished to such qualified financial institutions, in substantially the form approved by an Authorized Officer or any of them on the recommendation of the Financial Advisor, and the use of same from time to time in connection with the sale or issuance of the Bonds and thereafter is hereby authorized, ratified, confirmed, and approved.

(b) The right to reject any or all bids shall be expressly reserved. On the occasion set forth in the Notice of Solicitation of Bids, an Authorized Officer of the District shall consider all proposals made pursuant to such notice, and if an acceptable bid is received, shall award the Investment Agreement in the manner and for the purposes herein provided, shall establish the rate or rates of return thereon, and shall take all other necessary and proper steps in the obtaining of the Investment Agreement.

(c) An Authorized Officer of the District may cause to be prepared multiple copies of one or more Official Terms and Conditions of Solicitation of Bids, giving more complete and particular descriptions of the proposed Investment Agreement, provisions for the security and payment thereof, disposition of investment proceeds and other information that it is not feasible to give within the limits of the Notice of Solicitation of Bids, and may furnish copies of such Official Terms and Conditions of Solicitation to all interested bidders on request, and the use of same is hereby authorized, ratified, confirmed, and approved.

Section 4.5 Conflicts Repealed. All resolutions or parts of resolutions in conflict herewith shall be and the same are hereby repealed insofar as such conflict exists.

Section 4.6 Rules of Construction. The singular form of any word used herein shall include the plural, and vice versa. The use herein of a word of any gender shall include correlative words of all genders. Unless otherwise specified, the word "including" shall mean "including without limitation", the word "or" shall mean "and/or", and the word "any" shall mean "any and all." Unless otherwise specified, references to Articles, Sections, and other subdivisions of this Resolution are to the designated Articles, Sections, and other subdivisions of this Resolution as originally executed. The words "hereof," "herein," "hereunder," and words of similar import refer to this Resolution as a whole. The captions or headings in this Resolution are for convenience only

and in no way define, limit, or describe the scope or intent of any provisions or Sections of this Resolution. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in effect on the date of adoption of this Resolution. The Exhibits attached hereto are hereby incorporated by reference into this Resolution and constitute a part hereof.

Section 4.7 Effective Date. This Resolution shall take effect immediately on its adoption by the Board.

[Signature page to follow]

SIGNATURE PAGE TO THIRTIETH SUPPLEMENTAL RESOLUTION

THIS RESOLUTION WAS ADOPTED ON [Supplement Date].

DocuSigned by:
Marta Willis
23F14F8818A046C...

Chair

ATTEST:

DocuSigned by:
[Signature]
05A3017B21434F8...

Secretary-Treasurer

EXHIBIT A
to
THIRTIETH SUPPLEMENTAL SEWER AND DRAINAGE
SYSTEM REVENUE BOND RESOLUTION

FORM OF CURRENT BOND

NOTE: CHANGES MAY BE MADE TO THE FOLLOWING FORM OF THE CURRENT BONDS IF THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, AN AGENCY OF THE UNITED STATES OF AMERICA, ACTING BY AND THROUGH THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY ("EPA") IS THE SUCCESSFUL BIDDER TO FURTHER CONFORM THE FORM OF THE CURRENT BONDS TO WIFIA PROGRAM REQUIREMENTS PROVIDED SUCH CHANGES ARE NOT INCONSISTENT WITH THE GENERAL RESOLUTION, THIS RESOLUTION, THE ACT, AND THE LAWS OF THE COMMONWEALTH OF KENTUCKY. IF THE EPA IS NOT THE SUCCESSFUL BIDDER FOR THE CURRENT BONDS, CHANGES MAY BE MADE TO THE FOLLOWING FORM OF THE CURRENT BONDS TO CONFORM THE FORM OF THE CURRENT BONDS TO THE TERMS AND CONDITIONS PROPOSED BY THE SUCCESSFUL BIDDER PROVIDED SUCH CHANGES ARE NOT INCONSISTENT WITH THE GENERAL RESOLUTION, THIS RESOLUTION, THE ACT, AND THE LAWS OF THE COMMONWEALTH OF KENTUCKY.

* * * * *

LIMITATION ON RESALE. THIS BOND AND THE ISSUE OF WHICH IT IS A PART HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THIS BOND CANNOT BE RESOLD OR TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNLESS AN EXEMPTION THEREFROM IS AVAILABLE.

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT
SEWER AND DRAINAGE SYSTEM REVENUE BONDS, SERIES 2020B

R-__

Interest Rate

Maturity Date

Effective Date

LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT, a public body corporate and political subdivision of the Commonwealth of Kentucky (the "Borrower"), for value received, hereby promises to pay to the order of _____, or its assigns (the "Lender"), the aggregate unpaid principal amount of all disbursements (the "Disbursements") made by the Lender (such amount, together with any interest that is capitalized and added to principal in accordance with the provisions of the Loan Agreement (as defined below), being hereinafter referred to as the "Outstanding Principal Sum"), together with accrued and unpaid interest (including, if applicable, interest at the Default Rate, as defined in the Loan Agreement) on the Outstanding Principal Sum and all fees, costs and other amounts payable in connection therewith, all as more fully described in the Loan Agreement. The principal hereof shall be payable in the manner and at the place provided in the Loan Agreement in accordance with [Exhibit F (Debt Service)] to the Loan Agreement, as revised from time to time in accordance with the Loan Agreement, until paid in full (which [Exhibit F], as modified from time to time in accordance with

the terms of the Loan Agreement, is incorporated in and is a part of this Bond). The Lender is hereby authorized to modify the Loan Amortization Schedule included in [Exhibit F] to the Loan Agreement from time to time in accordance with the terms of the Loan Agreement to reflect the amount of each disbursement made thereunder and the date and amount of principal or interest paid by the Borrower thereunder. Absent manifest error, the Lender's determination of such matters as set forth on [Exhibit F] to the Loan Agreement shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other Loan Document.

Payments hereon are to be made in accordance with [Section 8(d) (Payment of Principal and Interest – Manner of Payment)] and [Section 31 (Notices) of the Loan Agreement] as the same become due. Principal of and interest on this Bond shall be paid in funds available on or before the due date and in any lawful coin or currency of the United States of America that at the date of payment is legal tender for the payment of public and private debts. [If the Final Maturity Date is amended in connection with an update to the Updated Financial Model approved by the Lender pursuant to [Section 16(a) (Reporting Requirements – Updated Financial Model)] of the Loan Agreement, the due date of this Bond shall be deemed to be amended to change the due date to such revised Final Maturity Date without any further action required on the part of the Borrower or the Lender and such amendment shall in no way amend, modify or affect the other provisions of this Bond without the prior written agreement of the Lender. Any such amendment shall be reflected in a revised [Exhibit F].]

This Bond has been executed under and pursuant to that certain Loan Agreement, dated as of the date hereof, between the Lender and the Borrower (the "Loan Agreement") and is issued to evidence the obligation of the Borrower under the Loan Agreement to repay the loan made by the Lender and any other payments of any kind required to be paid by the Borrower under the Loan Agreement or the other Loan Documents referred to therein. Reference is made to the Loan Agreement for all details relating to the Borrower's obligations hereunder. All capitalized terms used in this Bond and not defined herein shall have the meanings set forth in the Loan Agreement.

This Bond may be prepaid at the option of the Borrower in whole or in part (and, if in part, the principal installments and amounts thereof to be prepaid are to be determined in accordance with the Loan Agreement; provided, however, such prepayments shall be in principal amounts of at least \$1,000,000 or any integral multiple of \$1.00 in excess thereof), from time to time, but not more than annually, without penalty or premium, by paying to the Lender all or part of the principal amount of the Bond in accordance with the Loan Agreement.

This Bond shall be subject to prepayment on the terms and conditions set forth in the Loan Agreement.

Payment of the obligations of the Borrower under this Bond is secured pursuant to the General Bond Resolution referred to in the Loan Agreement.

Any delay on the part of the Lender in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

It is hereby certified and recited that all conditions, acts, and things required by law and the General Bond Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened, and have been performed and that the series of bonds of which this is one, together with all other indebtedness of the District, complies in all respects with the applicable laws of the Commonwealth of Kentucky, including, particularly, the Act.

This Bond shall not be entitled to any benefit under the General Bond Resolution or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Bond Registrar of the Bond Registrar's Certificate of Authentication hereon.

The principal of, premium, if any, and interest on the Bonds are payable solely from the Pledged Property pursuant to the General Bond Resolution. The Bonds have been issued under the provisions of the Act, and shall not constitute an obligation or indebtedness of the Louisville/Jefferson County Metro Government, the Commonwealth of Kentucky, or any other city or county or other political subdivision or taxing authority thereof.

[Signature page to follow]

SIGNATURE PAGE TO SEWER AND DRAINAGE SYSTEM
REVENUE BONDS, SERIES 2020B

IN WITNESS WHEREOF, LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT has caused this bond to be executed in its name and on its behalf by the manual or reproduced facsimile signature of its Chair, and its original or a reproduced facsimile of its seal to be impressed, imprinted, engraved, or otherwise reproduced hereon, and attested by the manual or reproduced facsimile signature of its Secretary-Treasurer, all as of the Effective Date hereof.

LOUISVILLE AND JEFFERSON
COUNTY METROPOLITAN SEWER
DISTRICT

Chair

ATTEST:

Secretary-Treasurer

BOND REGISTRAR’S CERTIFICATE OF AUTHENTICATION

This Bond is one of the issue of Bonds delivered pursuant to the within-mentioned General Bond Resolution adopted by the District authorizing the issuance of its Sewer and Drainage System Revenue Bonds, Series 2020B.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Bond
Registrar

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the Undersigned hereby unconditionally sells, assigns and transfers unto

(Please Insert Social Security or other identifying number of Assignee(s)):
the within note and all rights thereunder.

Dated: _____

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

EXHIBIT B
to
THIRTIETH SUPPLEMENTAL SEWER AND DRAINAGE SYSTEM REVENUE BOND
RESOLUTION

FORM OF NOTICE OF BOND SALE

* * * * *

NOTICE OF BOND SALE

The Louisville and Jefferson County Metropolitan Sewer District (the “District”) will until 11:00 a.m. Eastern Time on [Sale Date], receive at the office of the District’s Financial Advisor, Robert W. Baird & Co., Incorporated, 500 West Jefferson Street, Suite 700, Louisville, Kentucky 40202, Telephone: (502) 588-8476, moldiges@rwbaird.com, competitive bids for \$96,926,900 maximum principal amount of the District’s Sewer and Drainage System Revenue Bonds, Series 2020B (the “Bonds”). The Bonds are issued pursuant to Chapter 76 of the Kentucky Revised Statutes and will be secured by pledge of the income and revenues of the District’s municipal sewer and drainage system (the “System”), on a parity with existing and future parity pledges and rights securing certain outstanding revenue bonds of the District. The Bonds are being issued to provide funds to pay the costs (to the extent not otherwise provided to be paid) of the construction and installation of major additions and improvements to the System.

The terms of the Bonds, including their final maturity date, principal payment dates, interest payment dates, capitalized interest terms, redemption terms, and other material terms are set out in the Official Terms and Conditions of Bond Sale for the Bonds, which are available from the Financial Advisor.

Bidders are limited to the United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “EPA”) and, otherwise, institutions or persons having knowledge and experience in financial and business matters who are capable of evaluating the merits and risks of the Bonds and who are not purchasing for more than one account and do not intend to redistribute the Bonds. All such institutions or persons, other than the EPA, must be “accredited investors” within the meaning of Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”), or “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act. The District will make available to any such qualified bidder, upon written request, any financial and other material information regarding the District in the District’s possession. Bids must be submitted electronically to the Financial Advisor on or before the deadline identified above.

THE EPA WILL SUBMIT A BID FOR THE PURCHASE OF THE BONDS PURSUANT TO ITS LOAN PROGRAM ESTABLISHED UNDER THE WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT OF 2014 (THE “WIFIA PROGRAM”). TO BE

CONSIDERED BY THE DISTRICT, ANY ADDITIONAL BIDS RECEIVED MUST MATCH OR BE MORE FAVORABLE TO THE DISTRICT THAN THE TERMS OF THE WIFIA PROGRAM. AMONG ITS TERMS, THE WIFIA PROGRAM SETS ITS INTEREST RATE BASED ON THE U.S. TREASURY RATE ON THE DATE OF LOAN CLOSING. THE RATE IS CALCULATED USING THE WEIGHTED AVERAGE LIFE OF THE LOAN RATHER THAN THE LOAN MATURITY DATE AND THE INTEREST RATE IS NOT IMPACTED BY THE DISTRICT'S CREDIT OR LOAN STRUCTURE.

The successful bidder will be furnished, without cost, the approving legal opinion of Dinsmore & Shohl LLP, Louisville, Kentucky, Bond Counsel, and customary closing documents, including a no-litigation certificate. The Bonds are being sold on a taxable basis. Right to reject bids and waive formalities is expressly reserved. Bids must be made on the Official Bid Form, a copy of which, together with the Official Terms and Condition of Bond Sale, may be obtained from the Financial Advisor.

LOUISVILLE AND JEFFERSON
COUNTY METROPOLITAN SEWER
DISTRICT

By: /s/ Brad Good

Chief Financial Officer

EXHIBIT C
to
THIRTIETH SUPPLEMENTAL SEWER AND DRAINAGE
SYSTEM REVENUE BOND RESOLUTION
FORM OF OFFICIAL TERMS AND CONDITIONS OF BOND
SALE

* * * * *

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

Re: Louisville and Jefferson County Metropolitan Sewer District and Drainage System Revenue Bonds, Series 2020B in the maximum aggregate principal amount of \$96,926,900

The Chief Financial Officer of the Louisville and Jefferson County Metropolitan Sewer District (the “District”) will until [Sale Date] at 11:00 a.m. Eastern Time, receive in the offices of the District’s Financial Advisor, Robert W. Baird & Co., Incorporated, 500 West Jefferson Street, Suite 700, Louisville, Kentucky 40202, Telephone: (502) 588-8476, moldiges@rwbaird.com (the “Financial Advisor”), electronic, competitive bids for the purchase of the above-identified bonds (the “Bonds”). To be considered, a bid for the purchase of the Bonds must be submitted on an Official Bid Form and must be delivered electronically to the Financial Advisor no later than the date and hour indicated. Proposals for the purchase of the Bonds will be considered by the Executive Director or the Chief Financial Officer of the District and a decision regarding the acceptance will be made by the District on that date.

BIDDERS ARE LIMITED TO THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, AN AGENCY OF THE UNITED STATES OF AMERICA, ACTING BY AND THROUGH THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY (THE “EPA”) AND, OTHERWISE, INSTITUTIONS OR PERSONS HAVING KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS WHO ARE CAPABLE OF EVALUATING THE MERITS AND RISKS OF THE BONDS AND WHO ARE NOT PURCHASING FOR MORE THAN ONE ACCOUNT AND DO NOT INTEND TO REDISTRIBUTE THE BONDS. ALL SUCH INSTITUTIONS OR PERSONS, OTHER THAN THE EPA, MUST BE “ACCREDITED INVESTORS” WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR “QUALIFIED INSTITUTIONAL BUYERS” WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT. THE DISTRICT WILL MAKE AVAILABLE TO ANY SUCH QUALIFIED BIDDER, UPON WRITTEN REQUEST, ANY FINANCIAL AND OTHER MATERIAL INFORMATION REGARDING THE DISTRICT IN THE DISTRICT’S POSSESSION.

THE EPA WILL SUBMIT A BID FOR THE PURCHASE OF THE BONDS PURSUANT TO ITS LOAN PROGRAM ESTABLISHED PURSUANT TO THE WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT OF 2014 (THE “WIFIA PROGRAM”). TO BE CONSIDERED BY THE DISTRICT, ANY ADDITIONAL BIDS RECEIVED MUST MATCH OR BE MORE FAVORABLE TO THE DISTRICT THAN THE TERMS OF THE WIFIA PROGRAM. AMONG ITS TERMS, THE WIFIA PROGRAM SETS ITS INTEREST RATE BASED ON THE U.S. TREASURY RATE ON THE DATE OF LOAN CLOSING. THE RATE IS CALCULATED USING THE WEIGHTED AVERAGE LIFE OF THE LOAN RATHER THAN THE LOAN MATURITY DATE AND THE INTEREST RATE IS NOT IMPACTED BY THE DISTRICT’S CREDIT OR LOAN STRUCTURE.

DESCRIPTION OF BONDS

The terms and conditions of the proposed loan by the EPA to the District under the WIFIA Program, and therefore the terms of the Bonds, are set out in the draft form of the WIFIA Loan Agreement attached hereto as Appendix A (the “WIFIA Loan Agreement”). Additional information regarding the WIFIA Program is available online at <https://www.epa.gov/wifia/learn-about-wifia-program>. Any bid submitted by a prospective bidder other than the EPA must provide a proposed agreement whose terms match or are more favorable to the District than the terms set out in the WIFIA Loan Agreement. All capitalized terms utilized but not defined herein shall have the meanings provided in the WIFIA Loan Agreement.

The aggregate principal amount of the Bonds shall be determined by the District upon the award of the Bonds, provided however, that the aggregate principal amount shall not exceed \$96,926,900 and further provided that such amount shall exclude any interest that is capitalized and added to principal in accordance with Sections 3 and 8(b) of the WIFIA Loan Agreement.

The final maturity date of the Bonds is expected to be November 15, 20[] (subject to adjustment as provided in the WIFIA Loan Agreement), but in no event shall exceed forty years from the date of issuance of the Bonds.

Principal of the Bonds shall be disbursed to the District in periodic draws until the earlier of the date of (i) the date that the authorized original principal amount of the Bonds (excluding capitalized interest) has been drawn in full, (ii) the time period for authorized draws has concluded, (iii) the District has certified to the successful bidder that no additional draws are required, (iv) the successful bidder terminates its obligations to provide further disbursements as permitted by the governing loan agreement. See Section 4 of the WIFIA Loan Agreement for the terms and conditions governing principal draws under the WIFIA Program.

The Bonds shall bear interest at a single, fixed rate throughout until their final maturity on the basis of a three hundred sixty day year of twelve thirty-day months. Adjustments to the interest rate may be permitted in the event of a default under the Bonds. See Section 6 of the WIFIA Loan Agreement for the terms and conditions governing the interest rate applicable to the Bonds under the WIFIA Program.

The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky shall serve as paying agent and bond registrar for the Bonds (the “Paying Agent”). Interest shall be paid to the registered holder of the Bonds on each May 15th and November 15th. The first such interest payment is expected to begin [____], 20[____], but is subject to adjustment as provided in Section 8 of the WIFIA Loan Agreement.

Principal of the Bonds will be payable on each November 15th following completion of the draw period. The first such principal payment is expected to occur on [____], 20[____], but is subject to adjustment as provided in Section 8 of the WIFIA Loan Agreement. In addition, interest accrued during the draw period will be capitalized and added to the principal amount of the Bonds outstanding and amortized over the remaining terms of the Bonds. See Section 8(b) of the WIFIA Loan Agreement for a description of the treatment of capitalized interest for the Bonds under the WIFIA Program.

The Bonds shall be subject to redemption/prepayment in whole or in part as set out in Section 9(b) of the WIFIA Loan Agreement.

In addition to the terms and conditions set forth in the WIFIA Loan Agreement, the Bonds are governed by the General Bond Resolution and Thirtieth Supplemental Sewer and Drainage System Revenue Bond Resolution of the District described under “AUTHORITY AND PURPOSE OF BONDS” herein, copies of which are attached as Appendices B and C hereto.

The Bonds will be issued as fully registered securities registered in the name of the purchaser thereof. One fully-registered Bond certificate will be issued for the Bonds, in the aggregate maximum principal amount thereof, and will be deposited with the purchaser thereof.

The Bonds shall be lettered and numbered from R-1 upward, or such numbering shall be made in such other appropriate manner as may be determined by the Paying Agent.

AUTHORITY AND PURPOSE OF BONDS

The Bonds are issued in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapter 76 of the Kentucky Revised Statutes (the “Act”), and a Revenue Bond Resolution adopted by the District on December 7, 1992, as amended on March 4, 1993, June 30, 1993, December 14, 1994, January 25, 1996, and February 24, 2003, and as supplemented by a Thirtieth Supplemental Sewer and Drainage System Revenue Bond Resolution adopted by the District on [Supplement Date] (collectively, the “Resolution”), for the purpose of (i) paying the costs of the construction of various improvements (the “Project”) to the District’s sewer and drainage system (the “System”), and (ii) paying the costs of issuing the Bonds, subject to the terms of the WIFIA Loan Agreement.

BIDDING CONDITIONS AND RESTRICTIONS

The public offering of the Bonds is subject to the following specific conditions and provisions:

1. Bidders are limited to the EPA and, otherwise, institutions or persons having knowledge and experience in financial and business matters who are capable of evaluating the merits and risks of the bonds and who are not purchasing for more than one account and do not intend to redistribute the Bonds. All such institutions or persons (other than the EPA) must be “accredited investors” within the meaning of Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”), or “Qualified Institutional Buyers” within the meaning of Rule 144A under the Securities Act. The District will make available to any such qualified bidder, upon written request, any financial and other material information regarding the District in the District’s possession.
2. The EPA will submit a bid for the purchase of the Bonds pursuant to the WIFIA Program. To be considered by the District, any additional bids received must match or be more favorable to the District than the terms of the WIFIA Program.
3. Bids for the Bonds must be submitted by email to the Financial Advisor and no other means of bidding, electronic or otherwise, will be accepted. For the purposes of the bidding process, the time as maintained by the Financial Advisor shall constitute the official time with respect to all bids whether in electronic or written form. Separate electronic bids submitted to the Financial Advisor shall be deemed an offer to purchase in response to the Notice of Bond Sale and shall be binding upon the bidders as if made by signed, sealed written bids delivered to the District. Neither the District nor the Financial Advisor shall be responsible for any malfunction or mistake made by or as a result of the use of electronic mail as the sole bidding facility.
4. Bidders are required to submit with their bids proposed loan documentation governing the terms of the loan represented by the Bonds comparable to the WIFIA Loan Agreement, having the same or more favorable terms to the District than the terms of the WIFIA Loan Agreement.
5. Bidders are required to bid for the entire issue of Bonds at a price equal to 100% of their par value, but may propose fees to be charged by such bidders on a one-time or ongoing basis for the loan represented by the Bonds.
6. Interest rates for the Bonds may not exceed the maximum rate of seven percent per annum.
7. Bids must describe the means for determining the applicable interest rate to be established on the closing date (by inclusion of a formula referencing an existing interest rate index, treasury rate, or alternative rate).

8. The determination for the best bid for the Bonds shall be made on the basis of all terms and conditions of the loan represented by the Bonds and the loan agreements submitted by the bidders therefor, including the EPA and the WIFIA Loan Agreement. The Executive Director or the Chief Financial Officer of the District shall award the Bonds to the respondent who provides the best response to the Notice of Bond Sale and not necessarily to the lowest bidder. Evaluation of responses by the Executive Director or the Chief Financial Officer shall consider the following criteria, and which criteria are not exclusive: (i) the net interest cost to the District on the terms proposed by each bidder; (ii) the terms and conditions of each loan agreement submitted and whether those terms are commensurate with, or better than, those offered by the EPA; (iii) the closing fees and charges to be charged by each bidder; (iv) optional redemption and prepayment terms, premiums, conditions, and restrictions to be imposed by each bidder; and (v) other material terms and conditions required by bidders that impact the value or effectiveness of the issuance of the Bonds for the District.
9. CUSIP numbers will be provided for the Bonds at the expense of the District.
10. The Bonds will receive a rating by Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. on or before their date of issuance.
11. The Bonds will not be transferrable in amounts less than \$100,000. No final Official Statement will be provided to the successful purchaser of the Bonds. The successful bidder (if other than the EPA) will be required to provide the District an investor letter in the form attached hereto as Appendix D at the time of issuance of the Bonds.
12. Bids need not be accompanied by a certified or bank cashier's good faith check, but any successful bidder (if other than the EPA) will be required to wire transfer to the Paying Agent for the account of the District an amount equal to 1.0% of the amount of the principal amount of Bonds awarded by the close of business on the day following the award. The good faith amount will be forfeited as liquidated damages in the event of a failure of the successful bidder to take delivery of the Bonds when ready. The good-faith amount will be applied (without interest) to the purchase price upon delivery of the Bonds. Any successful bidder other than the EPA shall not be required to take delivery and pay for the Bonds unless delivery is made within 45 days from the date the bid is accepted.
13. The District reserves the right to reject any and all bids, to waive any informality in any bid or, upon 24 hours advance notice given using the method described herein, to postpone the sale date of the Bonds. The Bonds are offered for sale subject to the principal and interest of the Bonds being subject to Federal and Kentucky income taxation but being exempt from Kentucky ad valorem taxation on the date of their delivery to the successful bidders, in accordance with the final approving legal opinion of Dinsmore & Shohl LLP, Louisville, Kentucky, which opinion will be qualified in accordance with the section hereof on TAX TREATMENT.

14. Bidders are advised that Robert W. Baird & Co., Incorporated has been employed as Financial Advisor in connection with the issuance of the Bonds. Its fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery thereof.

CONTINUING DISCLOSURE

The District will not enter into a continuing disclosure undertaking with respect to the Bonds. The District will agree to provide ongoing financial information to the winning bidder consistent with Section 16 of the WIFIA Loan Agreement.

TAX MATTERS

In the opinion of Dinsmore & Shohl LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings, and court decisions, interest on the Bonds will be includable in gross income for Federal and Kentucky income tax purposes. Bond Counsel is of the opinion that the Bonds will be exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

Dated [Official Terms Date]

LOUISVILLE AND JEFFERSON
COUNTY METROPOLITAN SEWER
DISTRICT

By: /s/ Brad Good
Chief Financial Officer

APPENDIX A
to
OFFICIAL TERMS AND CONDITIONS OF BOND SALE
FORM OF DRAFT WIFIA LOAN AGREEMENT

* * * * *

(See attachment)

APPENDIX B
to
OFFICIAL TERMS AND CONDITIONS OF BOND SALE

REVENUE BOND RESOLUTION ADOPTED BY THE
DISTRICT ON DECEMBER 7, 1992, AS AMENDED ON
MARCH 4, 1993, JUNE 30, 1993, DECEMBER 14, 1994,
JANUARY 25, 1996, AND FEBRUARY 24, 2003

* * * * *

(See attachment)

APPENDIX C
to
OFFICIAL TERMS AND CONDITIONS OF BOND SALE
THIRTIETH SUPPLEMENTAL SEWER AND DRAINAGE
SYSTEM REVENUE BOND RESOLUTION ADOPTED BY
THE DISTRICT ON [SUPPLEMENT DATE]

* * * * *

(See attachment)

APPENDIX D
to
OFFICIAL TERMS AND CONDITIONS OF BOND SALE
FORM OF INVESTOR LETTER

* * * * *

INVESTMENT LETTER

[Closing Date]

Louisville and Jefferson County
Metropolitan Sewer District
Louisville, Kentucky

Dinsmore & Shohl LLP
Louisville, Kentucky

Re: Louisville and Jefferson County Metropolitan Sewer District and Drainage System Revenue Bonds, Series 2020B in the maximum aggregate principal amount of \$96,926,900

Ladies and Gentlemen:

The undersigned (the “Purchaser”)¹ hereby acknowledges the purchase and receipt of the above-referenced bonds (the “Bonds”) issued by the Louisville and Jefferson County Metropolitan Sewer District (the “District”). The Bonds are being issued pursuant to Revenue Bond Resolution adopted by the District on December 7, 1992, as amended on March 4, 1993, June 30, 1993, December 14, 1994, January 25, 1996, and February 24, 2003, and as supplemented by a Thirtieth Supplemental Sewer and Drainage System Revenue Bond Resolution adopted by the District on [Supplement Date] (collectively, the “Resolution”).

In connection with the purchase of the Bonds by the Purchaser, the Purchaser hereby makes the following representations upon which you may rely:

1. The Purchaser has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds.
2. The Purchaser is a “qualified institutional buyer” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the “1933 Act”).
3. Except as discussed in this paragraph, the purchase of the Bonds is solely for the account of the Purchaser (and not for the interest or account of another person or entity), for the

¹ Not required from the United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “EPA”) if the EPA is the successful bidder.

purposes of investment. The Purchaser has neither a present intention to sell, reoffer, or otherwise transfer or dispose of the Bonds (or any legal or beneficial interest therein) nor has the Purchaser offered, solicited, marketed, pre-sold, sold, assigned, transferred, or disposed of the Bonds (or any legal or beneficial interest therein) to any individual, person, or entity; provided that the Purchaser may sell or transfer the Bonds to one or more affiliates of, or parties related to, the Purchaser. In addition, the Purchaser has not created a market for the Bonds.

4. The Purchaser is not acting as a fiduciary for the District or in the capacity of broker, dealer, municipal securities Purchaser, or dealer, placement agent, financial advisor, or municipal advisor in connection with the Purchaser's acquisition of the Bonds. Neither the Purchaser nor any related entity thereto has provided, nor will the Purchaser provide, financial, legal, tax, accounting, or other advice to or on behalf of the District with respect to the Bonds. The District has sought and obtained financial, legal, tax, accounting, and other advice (including as it relates to structure, timing, terms, and similar matters) with respect to the Bonds from their financial, legal, and other advisors (and neither the Purchaser nor any related entity thereto) to the extent that the District desired to obtain such advice.

5. The Purchaser understands that the Bonds are not registered under the 1933 Act and that such registration is not legally required as of the date hereof and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the securities or "Blue Sky" laws and regulations of any state; (b) will not be listed in any stock or other securities exchange.

6. The Purchaser has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, to enable the Purchaser to evaluate the credit of the District, the collateral, and the terms of the Bonds. The Purchaser has made its own independent decision to purchase of the Bonds based on its independent credit analysis, examination, and evaluation of the transaction and the information that the Purchaser deemed appropriate and has not relied on any entity in making its investment decision.

7. The Purchaser acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the District and the Bonds, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the District, the Bonds, and the security therefor, so that as a reasonable investor, it has been able to make its decision to purchase the Bonds.

8. The Purchaser recognizes that the ownership of the Bonds involves risks including that there may be a limited market for the Bonds, and, accordingly, that the Purchaser must bear the economic risk of retaining ownership of the Bonds for an indefinite period of time. The Purchaser represents that it can bear the economic risks of its investment.

9. The Purchaser understands that the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the District, and that the liability of the District

with respect to the Bonds is subject to further limitations as set forth in the Bonds and the Resolution.

10. The Purchaser agrees and covenants that, in spite of its present intention not to sell, reoffer, or otherwise transfer or dispose of the Bonds (or any legal or beneficial interest therein) as provided for in paragraph 3 hereof, if the Bonds are sold, reoffered, or otherwise transferred or disposed of, any such initial sale, reoffering, or other transfer or disposition shall be limited to a person or entity that is an “accredited investor” (as defined in Rule 501 of Regulation D of the 1933 Act) or a “qualified institutional buyer” (as defined in Rule 144A under the 1933 Act), and further, only as permitted by law and subject to applicable securities laws and regulations thereunder, and as further subject to any conditions of transfer or assignment contained in the Resolution or the Bonds.

11. The Purchaser acknowledges that Dinsmore & Shohl LLP, as bond counsel with respect to the Bonds, and the District are relying on the truth and accuracy of the representations herein made by the Purchaser. Accordingly, the foregoing representations are made by the Purchaser with the intent that they may be relied upon for the purpose of making certain legal conclusions with respect to the applicability (or non-applicability) of certain securities laws and regulations thereunder, including U.S. Securities and Exchange Commission Rule 15(c)2-12.

Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Bonds in the Resolution.

Very truly yours,

EXHIBIT D
to
THIRTIETH SUPPLEMENTAL SEWER AND DRAINAGE
SYSTEM REVENUE BOND RESOLUTION

FORM OF OFFICIAL BID FORM FOR BONDS

* * * * *

OFFICIAL BID FORM FOR BONDS*

Subject to the terms and conditions set forth in the Official Terms and Conditions of Bond Sale for \$96,926,900 of Louisville and Jefferson County Metropolitan Sewer District Sewer and Drainage System Revenue Bonds, Series 2020B, dated their date of initial issuance and delivery (the “Bonds”) offered for sale by the Louisville and Jefferson County Metropolitan Sewer District (the “District”) in accordance with the Official Terms and Conditions of Bond Sale dated [Official Terms Date] (the “Official Terms and Conditions of Bond Sale”) and the Notice of Bond Sale, as advertised in THE COURIER JOURNAL, published in Louisville, Kentucky, to all of which the undersigned agrees, the undersigned hereby submits the following offer to purchase the Bonds.

We hereby bid for the \$96,926,900 principal amount of the Bonds, the total sum of \$ _____ (not less than \$96,926,900 (100.00% of par), which excludes interest to be capitalized and added to the outstanding principal amount of the Bonds as described in the Official Terms and Conditions of Bond Sale), at the a single interest rate per annum to be determined on the closing date as follows (include description of formula and reference to index rate, treasury rate, or other means for determining the interest rate at closing):

All such interest shall be payable semiannually as set out in the enclosed proposed draft loan agreement (the “Proposed Loan Agreement”). The additional terms and conditions of the proposed loan by us to the District, and therefore the terms of the Bonds, are set out in the Proposed Loan Agreement. We hereby represent that such terms match or are more favorable to the District than the terms and conditions set out in the WIFIA Loan Agreement included with the Official Terms and Conditions of Bond Sale.

We agree to provide an executed Investor Letter to the District in substantially the form attached as Appendix D to the Official Terms and Conditions of Bond Sale on the date of delivery of the Bonds.

* The United States Environmental Protection Agency may utilize this Official Bid Form to submit a bid under the WIFIA Program or may utilize another form or forms in a manner consistent with the goals and procedures of the WIFIA Program (as defined in the Thirtieth Supplemental Sewer and Drainage System Revenue Bond Resolution).

It is understood that interest on the Bonds will be subject to federal and state taxation.

It is understood that the District will furnish the final, approving Legal Opinion of Dinsmore & Shohl LLP, Bond Counsel, of Covington, Kentucky.

This bid is a firm offer for the purchase of the Bonds identified in the Official Terms and Conditions of Bond Sale for the Bonds, on the terms set forth in this bid form, the Proposed Loan Agreement, and the Official Terms and Conditions of Bond Sale, and is not subject to any conditions, except as permitted by Official Terms and Conditions of Bond Sale for the Bonds. If we are the successful bidder, we agree to accept and make payment for the Bonds in federal funds in accordance with the standards substantially set forth in the Proposed Loan Agreement.

Respectfully submitted,

Bidder

Address

By: _____
Signature

Accepted by the Executive Director or the Chief Financial Officer of the Louisville and Jefferson County Metropolitan Sewer District for \$_____ principal amount of Bonds (excluding interest to be capitalized and added to the outstanding principal amount of the Bonds as described in the Official Terms and Conditions of Bond Sale) at the price of \$_____ at a fixed interest rate per annum of _____%

Dated [Award Date]

LOUISVILLE AND JEFFERSON
COUNTY METROPOLITAN SEWER
DISTRICT

By: _____

Title: _____

EXHIBIT E
to
THIRTIETH SUPPLEMENTAL SEWER AND DRAINAGE
SYSTEM REVENUE BOND RESOLUTION

FORM OF WIFIA LOAN AGREEMENT

* * * * *

(See attachment)