

ORDINANCE NO. 0-92-5

AN ORDINANCE AMENDING AN ORDINANCE AUTHORIZING
WATER AND SEWER REVENUE BONDS; DECLARING AN
EMERGENCY; AND FOR OTHER PURPOSES.

WHEREAS, the Board of Directors of the City of Arkadelphia, Arkansas adopted Ordinance No. 0-92-3 on February 20, 1992 (the "Authorizing Ordinance") authorizing the issuance of water and sewer revenue bonds (the "bond") and the sale of such bond to the Arkansas Development Finance Authority (the "Authority"); and

WHEREAS, it is necessary, in view of changes made in the revolving loan program of the Authority and the Arkansas Department of Pollution Control and Ecology, that certain changes be made in the Authorizing Ordinance, which changes are not of material effect on the City;

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the City of Arkadelphia, Arkansas:

Section 1. The sixth paragraph of the form of bond, in Section 6(a) of the Authorizing Ordinance, is hereby amended to read as follows:

"This bond may be prepaid at the option of the City from funds from any source, in whole but not in part, at any time on and after May 1, 2002, at a prepayment price equal to the principal amount outstanding, plus accrued interest to the prepayment date. Notice shall be given of such prepayment to the owner of this bond or registered assigns at least 90 days prior to the prepayment date. Such notice shall be in writing mailed to the address of the owner of this bond or registered assigns at the address as reflected on the bond registration books of the City Clerk."

Section 2. Section 7 of the Authorizing Ordinance is hereby amended to read as follows:

"Section 7. That the City has heretofore fixed water rates by Ordinance No. B-362, adopted on July 12, 1979, and sewer rates by Ordinance No. 0-92-2 adopted on February 20, 1992. Reference is hereby made to such Ordinances fixing the rates for the details thereof and other provisions pertaining thereto, which water and sewer rates are hereby confirmed and continued."

Section 3. Section 10(b) of the Authorizing Ordinance is hereby amended to read as follows:

"(b) In order to pay interest on the bond, there shall be deposited into the ADFA Bond Fund from Bond proceeds in accordance with Section 16 hereof upon issuance of the bond the sum described therein and on October 15, 1992 and on each April 15 and

October 15 thereafter until and including April 15, 1995, the interest due on the bond on such date. Commencing on the first business day of each month thereafter, there shall be deposited into the ADFA Bond Fund an amount equal to 1/6 of the amount of interest or principal and interest then next due on the bond."

Section 4. Section 11 of the Authorizing Ordinance is hereby amended to read as follows:

"Section 11. After making the payments into the ADFA Bond Fund required by Section 10 hereof, there shall be paid from the Revenue Fund the Servicing Fee to ADFA. The Servicing Fee shall be payable on each date interest on the bond is due and shall be calculated on the same basis as interest on the bond. The payment of the Servicing Fee is expressly made subordinate to the payment of the principal of and interest on the bond."

Section 5. The second paragraph of Section 16 of the Authorizing Ordinance is hereby amended to read as follows:

"Sale proceeds in the amount of \$210,000, to make initial semiannual interest payments due on the bond shall be applied to the payment of interest on the bond on such dates."

Section 6. As amended hereby, the Authorizing Ordinance is confirmed and continued.

Section 7. As it is necessary that the agreement for sale and purchase of the bond be entered into immediately, in order that the loan evidenced by the bond may be funded by the Authority, an emergency is found to exist and this Ordinance, being necessary for the preservation of the public peace, health and safety, shall be in force upon its passage and approval.

PASSED: April 2, 1992.

APPROVED:

ATTEST:

Mayor

City Clerk

(SEAL)