

ORDINANCE NO. 2137

**AN ORDINANCE OF THE CITY OF EUREKA SPRINGS, ARKANSAS,
AUTHORIZING SHORT-TERM FINANCING AS RELATES TO THE PURCHASE OF
TWO (2) FRAZER TYPE I 14' GPM ON 2011 DODGE RAM 4500 AMBULANCES AND
DECLARING AN EMERGENCY**

WHEREAS, on April 21, 2011, the City Council of Eureka Springs, Arkansas, approved Ordinance No. 2136, which authorized waiving the bidding process to purchase two (2) Frazer Type 1 14' GPM On 2011 Dodge Ram 4500 Ambulances ("Ambulances") from Frazer, Ltd of Bellaire, Texas to be used for the purpose of life safety by the City of Eureka Springs Fire Department; and

WHEREAS, the City of Eureka Springs is authorized pursuant to Amendment No. 78 of Article 16 of the Arkansas State Constitution to enter into financing arrangements having a length of no more that five (5) years for the lease or purchase of real or tangible personal property having a useful life of more than one (1) year; and

WHEREAS, the "Ambulances" are real or tangible personal property having a useful life of more than one (1) year; and

WHEREAS, the City of Eureka Springs has negotiated a financing arrangement with Community First Bank in accordance with Amendment No. 78 for the purpose of purchasing the "Ambulances" approved by Ordinance No. 2136; NOW, THEREFORE

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EUREKA SPRINGS,
ARKANSAS:**

1. That pursuant to the provisions of Amendment No. 78, the City Council does hereby authorize a financing arrangement with Community First Bank for the purpose of purchasing the "Ambulances" authorized by Ordinance No. 2136.
2. That the terms of the financing arrangement are as follows:
A note with the Community First Bank for \$326,700 at 4.89 percent interest for a period of 60 months, payable monthly in amortized installments of principal and interest over the term of the note.
3. As provided in Amendment No. 78, the annual debt service payments on the note in each fiscal year shall be charged against and paid from the general capital revenues of the City for such fiscal year. For the purpose of making the annual debt service payments, there is hereby, and shall be, appropriated to pay the note, an amount of general capital revenues of the City sufficient for such purposes. The Finance Director is hereby authorized and directed to withdraw from the

- General Fund Capital of the City the amounts and at the times necessary to make the monthly debt service payments on the note.
4. The City will not take any action or suffer or permit any action to be taken or condition to exist which causes or may cause the interest payable on the note to be included in gross income for federal income tax purposes.
 5. The note is hereby designated as a "qualified tax-exempt obligation" within the meaning of the Internal Revenue Code of 1986, as amended (the "Code"). The City expects that the aggregate principal amount of its qualified tax-exempt obligations (excluding "private activity bonds" within the meaning of Section 145 of the Code), including those of its subordinate entities, issued in calendar year 2011 will not exceed \$10,000,000. The City does not reasonably expect that it and all subordinate entities will issue tax-exempt obligations (not including "private activity bonds" within the meaning of Section 141 of the Code) in amounts exceeding \$5,000,000 in calendar year 2011.
 6. The City will not reimburse itself from proceeds of the note for any costs paid prior to the date the note is issued except in compliance with United State Treasury Regulation No. 1.150-2. This Ordinance is an "official intent" for purposes of such regulation.
 7. That pursuant to A.C.A. 14-54-302, the mayor and city clerk are authorized to execute such documents as are necessary to accomplish this financing.
 8. That all ordinances or resolutions, and parts thereof, in conflict herewith are hereby repealed to the extent of such conflict.
 9. That each of the provisions of this ordinance is severable and the decision of any court having jurisdictions as to the validity of any provision shall not affect the remaining provisions.

Emergency Clause

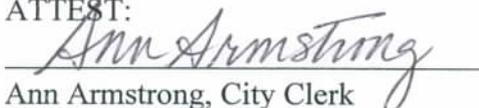
That a state of emergency exists due to the need for immediate purchase of these "Ambulances" for the health and safety of the citizens of Eureka Springs, and therefore, this ordinance shall go into full effect immediately upon its passage.

PASSED AND ORDANINED BY THE CITY COUNCIL OF THE CITY OF EUREKA SPRINGS, ARKANSAS, THIS 21st DAY OF April, 2011.

APPROVED:


Morris R. Pate, Mayor

ATTEST:


Ann Armstrong, City Clerk

AFFIDAVIT

STATE OF ARKANSAS

COUNTY OF CARROLL

The undersigned, as the duly elected, qualified and acting City Clerk/Treasurer within and for the City of Eureka Springs, Arkansas, does hereby certify that there is no newspaper "of record" published within the corporate limits of the City.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the City this 26th day of April, 2011.

Ann Armstrong
City Clerk/Treasurer

(SEAL)

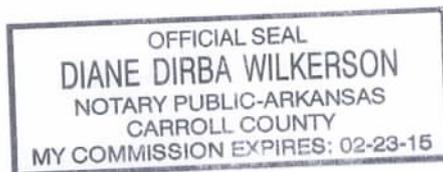
Subscribed and sworn to before me on this 26th day of April, 2011.

Diane Dirba Wilkerson
Notary Public

My Commission Expires:

02-23-15

(SEAL)



PROOF OF POSTING OF ORDINANCES

STATE OF ARKANSAS

COUNTY OF CARROLL

We, Mayor Morris Pate and City Clerk/Treasurer Ann Armstrong, do solemnly swear as Mayor and City Clerk, respectively, of and for the City of Eureka Springs, Carroll County, Arkansas, that a certified copy of Ordinance Nos. 2136 and 2137 have been posted on the City's website, www.cityofeukasprings.org, and, on April 26, 2011, in the following places inside the corporate limits of the City: (1) City Hall, (2) Lovin' Oven Bakeria, (3) the Eureka Springs Public Library, (4) Hart's Family Center and (5) Bunch's Quik-Chek and that the Ordinance remained posted for thirty (30) days.

DATED this 26th day of April, 2011



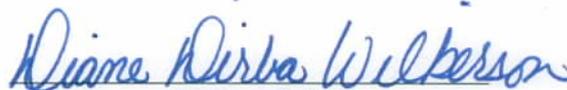
Mayor



City Clerk

(SEAL)

Subscribed and sworn to before me on this 26th day of April, 2011.



Notary Public

My Commission Expires:

02-23-15

(SEAL)

