

ORDINANCE NO. 1857

**AN ORDINANCE ESTABLISHING THE MATURITY SCHEDULE
FOR THE CITY'S WATER AND SEWER REVENUE BONDS,
SERIES 2000; RATIFYING AND CONFIRMING THE SALE OF
THE BONDS; PRESCRIBING OTHER MATTERS RELATING
THERE TO; AND DECLARING AN EMERGENCY.**

WHEREAS, pursuant to Ordinance No. 1854, adopted November 2, 2000 ("Ordinance No. 1854"), the City Council of the City of Eureka Springs, Arkansas (the "City") has authorized the issuance of the City's Water and Sewer Revenue Bonds, Series 2000 (the "Bonds") in the maximum aggregate principal amount of \$2,785,000 for the purpose of financing all or a portion of the costs of extensions, betterments and improvements to the City's water and sewer system (the "Improvements"); and

WHEREAS, the City Council has determined that the Bonds should be issued the aggregate principal amount of \$2,705,000; and

WHEREAS, the City has made arrangements for the sale of the Bonds with Stephens Inc. (the "Underwriter"), pursuant to a Bond Purchase Agreement between the Underwriter and the City (the "Agreement"), which has been approved by Ordinance No. 1854; and

WHEREAS, the Underwriter has recommended a maturity schedule and purchase price for the Bonds, which are within the parameters set by Ordinance No. 1854;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Eureka Springs, Arkansas:

Section 1. The sale of the Bonds to the Underwriter at a price of 98.35% of par plus accrued interest pursuant to the Agreement is hereby ratified and confirmed.

Section 2. The Bonds shall bear interest at the rates and shall mature (or be subject to mandatory sinking fund redemption) on December 1 in the amounts and in the years as follows:

<u>Year</u> <u>(December 1)</u>	<u>Amount</u>	<u>Interest Rate</u>
2001	\$80,000	4.800%
2002	85,000	4.850
2003	90,000	4.900
2004	95,000	4.950
2005	95,000	5.000
2006	100,000	5.050
2007	110,000	5.100
2008	115,000	5.150
2009	120,000	5.200
2010	125,000	5.250
2011	130,000	5.300
2012	140,000	5.350
2013	145,000	5.400
2014	155,000	5.500
2015	160,000	5.600
2016*	170,000	5.875
2017*	180,000	5.875
2018*	190,000	5.875
2019*	205,000	5.875
2020	215,000	5.875

*Mandatory sinking fund redemption date.

Section 3. The form of Bond contained in Ordinance No. 1854 shall be completed according to the terms of this Ordinance.

Section 4. This Ordinance shall supplement Ordinance No. 1854 in authorizing the issuance of the Bonds.

Section 5. The provisions of this Ordinance are separable and in the event that any section or part hereof shall be held to be invalid, such invalidity shall not affect the remainder of this Ordinance.

Section 6. All ordinances and resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 7. It is hereby ascertained and declared that the Improvements are immediately needed for the preservation of the public peace, health and safety and to remove existing hazards thereto. Such Improvements cannot be accomplished without the issuance of the Bonds. Therefore, it is declared that an emergency exists and this Ordinance being necessary for the

preservation of the public peace, health and safety shall be in force and take effect immediately upon and after its passage.

PASSED AND ORDAINED BY THE CITY COUNCIL OF THE CITY OF EUREKA SPRINGS, ARKANSAS, THIS _____ DAY OF _____, 2000.

APPROVED:

BEAU ZAR SATORI, Mayor

ATTEST:

MARY ANN LEE, City Clerk