

ORDINANCE NO. 1408

AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF EUREKA SPRINGS, ARKANSAS ON THE QUESTION OF ISSUING BONDS UNDER AMENDMENT NO. 62 TO THE CONSTITUTION OF THE STATE OF ARKANSAS FOR THE PURPOSE OF REFINANCING THE COST OF SEWER IMPROVEMENTS; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Eureka Springs, Arkansas (the "City") has determined that it would be in the best interests of the City to refund the City's Sales and Use Tax Bonds, Series 1987 (the "1987 Bonds"), which were issued to finance extensions, betterments and improvements to the City's sewer system (the "Refunding"); and

WHEREAS, the 1987 Bonds are payable from the proceeds of a 1% sales and use tax approved at a special election held September 29, 1987 (the "1987 Tax"); and

WHEREAS, it has been determined that the estimated cost of the Refunding, including incidental expenses and expenditures in connection with accomplishing the Refunding and expenses in connection with authorizing and issuing bonds, is \$450,000; and

WHEREAS, the City can finance such costs by the issuance of capital improvement bonds in the maximum aggregate principal amount of \$450,000 (the "Bonds") under the authority of Amendment No. 62 to the Constitution of the State of Arkansas ("Amendment 62") and Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation"); and

WHEREAS, the City can pay the principal of and interest on the Bonds from the proceeds of the City's 1% sales and use tax levied under the authority of Ordinance No. 1386, adopted March 20, 1990, under Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated and approved at the special election held May 1, 1990 (the "1990 Tax"); and

WHEREAS, the 1987 Tax will not be pledged to the payment of the Bonds; and

WHEREAS, the purpose of this Ordinance is to submit to the electors of the City the question of issuing the Bonds under Amendment No. 62 and the Authorizing Legislation at a special election to be called for that purpose;

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

Section 1. That there be, and there is hereby called, a special election to be held on November 6, 1990, at which election there shall be submitted to the electors of the City, the question

of issuing Bonds under Amendment 62 and the Authorizing Legislation to accomplish the Refunding in the aggregate principal amount of not to exceed \$450,000 to be payable from collections of the 1990 Tax.

Section 2. That the question of issuing the Bonds shall be placed on the ballot for the election in substantially the following form:

Vote on measure by placing an "X" in the square opposite the measure either for or against:

FOR an issue of bonds of the City of Eureka Springs in the maximum amount of \$450,000 for the purpose of refunding the City's outstanding Sales and Use Tax Bonds, Series 1987 to be payable from the pledge of all or a portion of collections of the 1% sales and use tax levied by the City and approved at the special election held May 1, 1990

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AGAINST an issue of bonds of the City of Eureka Springs in the maximum amount of \$450,000 for the purpose of refunding the City's outstanding Sales and Use Tax Bonds, Series 1987 to be payable from the pledge of all or a portion of collections of the 1% sales and use tax levied by the City and approved at the special election held May 1, 1990

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If the bonds are approved, that portion of tax collections not pledged or used for the payment of the bonds may be used for any lawful purpose. The 1% sales and use tax pledged to the bonds being refunded will not be pledged to these bonds.

Section 3. That the election shall be held and conducted and the vote canvassed and the results declared under the law and in the manner now provided for municipal elections unless otherwise provided in the Authorizing Legislation and only qualified voters of the City shall have the right to vote at the election.

Section 4. That the results of the election shall be proclaimed by the Mayor, and his Proclamation shall be published one time in a newspaper having a general circulation in the City, which Proclamation shall advise that the results as proclaimed shall be conclusive unless attacked in the courts within thirty days after the date of publication.

Section 5. That a copy of this Ordinance shall be given to the Carroll County Board of Election Commissioners so that the necessary election officials and supplies may be provided.

Section 6. That the Mayor and City Clerk, for and on behalf of the City, be, and they are hereby authorized and directed do any and all things necessary to call and hold the special election as herein provided.

Section 7. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. It is hereby ascertained and declared that there is an immediate need for the Refunding in order to promote and protect the health, safety and welfare of the City and its inhabitants, and that the Refunding can be accomplished only by the issuance of the Bonds. It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of public peace, health and safety shall be in force and take effect immediately from and after its passage.

PASSED: September 4, 1990.

ATTEST:

Joanita S. Barner
City Clerk

APPROVED:

[Signature]
Mayor

(SEAL)