

AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF EUREKA SPRINGS, ARKANSAS ON THE QUESTIONS OF ISSUING BONDS UNDER AMENDMENT NO. 62 TO THE CONSTITUTION OF THE STATE OF ARKANSAS FOR THE PURPOSE OF FINANCING THE COST OF CAPITAL 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 (a) acquire, construct and equip extensions, betterments and improvements to the City's water system including, without limitation, storage improvements and improvements to equalize/increase flow (collectively, the "Water Improvements"); (b) acquire, construct and equip extensions, betterments and improvements to the City's sewer system including, without limitation, sewer line replacements and repairs, new sewer lines, wastewater treatment plant improvements and composting facilities for municipal sludge and other waste (the "Sewer Improvements"); and (c) acquire, construct and equip extensions, betterments and improvements to the City's Recycling Center (the "Recycling Improvements"); and

WHEREAS, it has been determined that the estimated cost of the Water Improvements, including incidental expenses and expenditures in connection with accomplishing the Water Improvements and expenses in connection with authorizing and issuing bonds, is \$3,655,000; and

WHEREAS, it has been determined that the estimated cost of the Sewer Improvements, including incidental expenses and expenditures in connection with accomplishing the Sewer Improvements and expenses in connection with authorizing and issuing bonds, is \$1,530,000; and

WHEREAS, it has been determined that the estimated cost of the Recycling Improvements, including incidental expenses and expenditures in connection with accomplishing the Recycling Improvements and expenses in connection with authorizing and issuing bonds, is \$300,000; and

WHEREAS, the City can finance such costs by the issuance of capital improvement bonds in the maximum aggregate principal amount of \$5,485,000 (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 a pledge of the proceeds of (a) the City's 1% sales and use tax levied under the authority of Ordinance No. 1120, adopted May 20, 1981 and approved by the electors of the City at the special election held June 23, 1981 and (b) the City's 1% sales and use tax levied under the authority of Ordinance No. 1386, adopted March 20, 1990 and approved by the electors of the City at the special election held May 1, 1990 (collectively, the "Taxes"); and

WHEREAS, the purpose of this Ordinance is to submit to the electors of the City the questions of issuing the Bonds for the Water Improvements, the Recycling Improvements and the Sewer Improvements (collectively, the "Improvements") under Amendment 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 July 2, 1991, at which election there shall be submitted to the electors of the City, the questions of issuing the Bonds under Amendment 62 and the Authorizing Legislation to accomplish the Improvements in the aggregate principal amount of not to exceed \$5,485,000 to be payable from a pledge of collections of the Taxes.

Section 2. That the questions 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 \$3,655,000 for the purpose of acquiring, constructing and equipping extensions, betterments and improvements to the City's Water System, including, without limitation, storage improvements and improvements to equalize/increase flow, to be payable from a pledge of collections of the two existing 1% sales and use taxes levied by the City

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AGAINST an issue of bonds of the City of Eureka Springs in the maximum amount of \$3,655,000 for the purpose of acquiring,

constructing and equipping extensions, betterments and improvements to the City's Water System, including, without limitation, storage improvements and improvements to equalize/increase flow, to be payable from a pledge of collections of the two existing 1% sales and use taxes levied by the City

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FOR an issue of bonds of the City of Eureka Springs in the maximum amount of \$1,530,000 for the purpose of acquiring, constructing and equipping extensions, betterments and improvements to the City's Sewer System, including, without limitation, sewer line replacements and repairs, new sewer lines, wastewater treatment plant improvements and composting facilities for municipal sludge and other waste, to be payable from a pledge of collections of the two existing 1% sales and use taxes levied by the City

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AGAINST an issue of bonds of the City of Eureka Springs in the maximum amount of \$1,530,000 for the purpose of acquiring, constructing and equipping extensions, betterments and improvements to the City's Sewer System, including, without limitation, sewer line replacements and repairs, new sewer lines, wastewater treatment plant improvements and composting facilities for municipal sludge and other waste, to be payable from a pledge of collections of the two existing 1% sales and use taxes levied by the City

..... / /

FOR an issue of bonds of the City of Eureka Springs in the maximum amount of \$300,000 for the purpose of acquiring, constructing and equipping extensions, betterments and improvements to the City's Recycling Center to be payable from a pledge of collections of the two existing 1% sales and use taxes levied by the City

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AGAINST an issue of bonds of the City of Eureka Springs in the maximum amount of \$300,000 for the purpose of acquiring, constructing and equipping extensions, betterments and improvements to the City's Recycling Center to be payable from a pledge of collections of the two existing 1% sales and use taxes levied by the City

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If bonds for two or more purposes are approved by the electors, the bonds may be combined into one or more issues of bonds for the purpose of providing the necessary funds to pay the cost of the approved improvements. The bonds may be issued in series from time to time. The bonds will be secured by a pledge of all or a portion of the two existing 1% sales and use taxes levied within the City. That portion of the taxes not used for the payment of the bonds will be used for other lawful purposes.

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 Improvements in order to promote and protect the health, safety and welfare of the City and its

inhabitants, and that the Improvements 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: May 28, 1991.

ATTEST:

Janita S. Bauer
City Clerk

APPROVED:

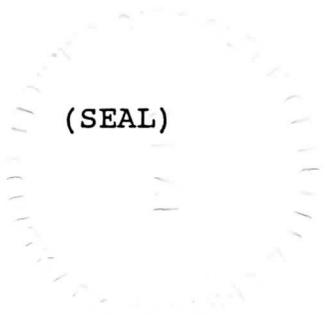
[Signature]
Mayor

(SEAL)

CERTIFICATE

The undersigned, City Clerk of Eureka Springs, Arkansas, hereby certifies that the foregoing pages, numbered 1 to 5, inclusive, are a true and perfect copy of Ordinance No. _____, passed at a _____ session of the City Council of Eureka Springs, Arkansas, held at the regular meeting place of the City Council at 9:00 o'clock a.m., on the 28th day of May, 1991, and that the Ordinance is of record in Ordinance Record Book No. 5, Page 142, now in my possession.

GIVEN under my hand and seal this 28th day of May, 1991.



Juanita S. Barner
City Clerk