

ORDINANCE NO. 255

AN ORDINANCE AUTHORIZING THE ISSUANCE OF WATERWORKS AND SEWER REVENUE BONDS BY THE CITY OF HEBER SPRINGS, ARKANSAS FOR THE PURPOSE OF CONSTRUCTING EXTENSIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATERWORKS AND SEWER SYSTEMS; SETTING UP CERTAIN FUNDS AND THEIR PAYMENT; [RESCRIBING OTHER MATTERS RELATING THERTO; AND DECLARING AN EMERGENCY.

WHEREAS, the Water and Sewer Systems presently serving the City of Heber Springs, Arkansas are inadequate for the needs of the City and its inhabitants; and

WHEREAS the City Council has had prepared by a duly qualified consulting an engineer a report and plans of needed extensions, betterments and improvements to the Systems, a brief general description of which is as follows: Extend the water distribution system at an estimated cost of \$94,000; and supplement and repair existing sewer lines and construct sewer collection system extensions, at an estimated cost of \$93,000; a copy of which report and plans by all interested persons; and

WHEREAS the City does not have necessary funds to undertake said extensions, betterments and improvements but can obtain the same by the issuance of revenue bonds and has determined to issue \$187,000 in Water and Sewer Revenue Bonds;

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

Section 1. That the above referred to extensions, betterments and improvements to the Waterworks and Sewer Systems (which are operated as one system and which will be hereinafter referred to as the "System") be constructed.

Section 2. That the City Council hereby finds and declares that the usefulness of the System after the completion of the extensions and betterments and improvement will be more than forty (40) years, which is longer than the term of the proposed revenue bonds.

Section 3. That the Waterworks and the Sewer Systems, during the construction and after the completion of the herein authorized extensions, betterments and improvements, shall be under the custody of and shall be operated, maintained and the revenue there from collected under the supervision of the Waterworks and the Sewer Committee, composed of three (3) members, to be hereafter appointed, on for a term of two (2) years, one for a term of four (4) years, and one for a term of six (6) years. Each successor member appointed shall serve for a period of six (6) years and until his successor is appointed and qualified. All members shall be elected by a two-thirds (2/3) vote of the duly elected and qualified members of the City Council. In the event of a vacancy the remaining members shall appoint a successor member for the balance of the unexpired term, subject to the approval of a two-thirds (2/3) vote of the City Council. All members shall make and file with the City Recorder, within ten (10) days of their appointment, the oath of office required by law of public officials in the State of Arkansas. Subject to the approval of the City Council, the Committee shall have and exercise the duties and powers defined by statute.

Section 4. That under the authority of the Constitution and laws of the State of Arkansas, particularly Act 131 of the Acts of Arkansas of 1933 as amended, Act 132 of the Acts of Arkansas of 1933, Act 49 of the Acts of Arkansas of 1949, and the decision of the Supreme Court of the State of Arkansas in the case of City of Harrison v. Braswell, 209 Ark. 1094, Waterworks and Sewer Revenue Bonds of the City of Heber Springs, Arkansas are hereby authorized and ordered sold in the total amount of One Hundred eighty-Seven Thousand Dollars (\$187,000), the proceeds of the sale of which are necessary to provide sufficient funds to pay the cost of constructing said extensions, betterments and improvements to the Waterworks and Sewer System, including engineering, legal and other expenses incidental thereto, and ten (10) months' interest on the bonds. Said bonds shall be sold at the public sale, shall be dated August 1, 1957 and shall bear interest at the rate of 4 ½% per annum, payable semi-annually on the first day

of June and December of each year commencing June 1, 1958. The interest shall be payable in the lawful money of the United State of America upon presentation of the bond or proper coupon at the office of the paying agent designated by the purchaser. The bonds shall be subject to the conversion privileges set forth in the notice of sale and shall mature on the December 1 of each year as reflected in said notice of sale, the form of which is hereinafter set forth in section 5, but are callable as hereinafter provided.

Section 5. That the bonds shall be sold at public sale upon auction bids, and the time, place and terms of the sale shall be as set forth in the following form of notice, which notice shall be given by the Mayor by publishing the same in substantially the following form in a newspaper published and having a general circulation in the City of Heber Springs, Arkansas, and by such other means as the Mayor shall deem to be in the best interests of the City: