

ORDINANCE NO. 2017-02

AN ORDINANCE ACCEPTING A LOWER INTEREST RATE IN CONNECTION WITH SEWER REVENUE BOND OWNED BY THE ARKANSAS NATURAL RESOURCES COMMISSION; PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Elm Springs, Arkansas (the "City") has previously issued its Sewer Revenue Bond, dated September 1, 2005 (the "Bond"), which is owned by the Arkansas Natural Resources Commission (the "Commission") pursuant to a Memorandum of Agreement between the City and the Commission; and

WHEREAS, the Commission previously lowered the interest rate on the Bond from 5.40% to 4.00%, effective June 1, 2013; and

WHEREAS, in order to assist the City, the Commission desires to further lower the interest rate on the Bond;

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

Section 1. That the City accepts the offer of the Commission to reduce the interest rate on the Bond from 4.00% per annum to 2.75% per annum, effective as of December 1, 2016.

Section 2. That the City, in exchange for receiving a lower interest rate on the Bond, agrees not to prepay the Bond prior to June 1, 2027.

Section 3. That the Mayor and City Recorder are hereby authorized to execute all documents, certificates and instruments necessary to accomplish the intent of this Ordinance, including particularly, without limitation, any amendments to the Bond.

Section 4. That the provisions of this Ordinance are hereby declared to be separable, and if any provision shall for any reason be held illegal or invalid, it shall not affect the validity of the remainder of this Ordinance.

Section 5. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. That it is hereby ascertained and declared that the interest rate on the Bond should be lowered as soon as possible in order to lower the interest cost on obligations of the City's sewer system. It is therefore 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.

ADOPTED: April 27, 2017.

APPROVED:

Harold D. Smith
Mayor

ATTEST:

Jurika Taylor
City Recorder

(SEAL)

CERTIFICATE

The undersigned, City Recorder of the City of Elm Springs, Arkansas (the "City"), hereby certifies that the foregoing pages are a true and correct copy of Ordinance No. 2017-02, adopted at a regular session of the City Council of the City, held at the regular meeting place of the City Council of the City at 6:30 p.m., on the 27th day of April, 2017.

GIVEN under my hand and seal this 27th day of April, 2017.

Suzie Taylor
City Recorder

(SEAL)

PROOF OF POSTING OF ORDINANCE

STATE OF ARKANSAS

COUNTY OF Washington

We, Harold Douthett and Twila Taylor, do solemnly swear that as Mayor and City Clerk, respectively, of and for the City of Elm Springs, Washington County, Arkansas that a certified copy of Ordinance No. 2017-02 (the "Accepting Lower Interest Rate" Ordinance") was, on the 27 day of April, 2017, duly posted in five (5) separate and distinct places inside the corporate limits of the City in accordance with Ordinance No. 01-10 and that the Ordinance remained posted for thirty (30) days.

DATED this 27 day of April, 2017.

Harold Douthett
Mayor

Twila Taylor
City Clerk

(SEAL)

SUBSCRIBED AND SWORN to before me, a Notary Public, on this 2 Day of May, 2017.

MARY E. NORMAN
OFFICIAL SEAL - NOTARY PUBLIC
WASHINGTON COUNTY, ARKANSAS
COMMISSION # 12375626
MY COMMISSION EXPIRES 3-03-2020

Mary E Norman
Notary Public

My Commission Expires:

3.3.20