

ORDINANCE NO. 2005-16

AN ORDINANCE ACCEPTING A LOWER INTEREST RATE IN CONNECTION WITH A WATER AND SEWER REVENUE BOND OWNED BY THE ARKANSAS SOIL AND WATER CONSERVATION COMMISSION; EXTENDING THE NON-PREPAYMENT PERIOD ON THE BOND; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Clinton, Arkansas (the "City") has previously issued its Water and Sewer Revenue Bond, dated January 31, 2001 (the "bond"), which is owned by the Arkansas Soil and Water Conservation Commission (the "Commission") pursuant to a Loan Agreement between the City and the Commission; and

WHEREAS, the Commission purchased the bond from the City with funds made available by the issuance of the State of Arkansas Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Series 1998A (the "1998A Bonds"); and

WHEREAS, the State of Arkansas (the "State"), acting by and through the Commission, has issued its Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2005B (the "2005B Bonds") for the purpose of refunding the 1998A Bonds at lower interest rates; and

WHEREAS, the State, as a result of the issuance of the 2005B Bonds at lower interest rates, has achieved a debt service savings, and the Commission desires to pass those savings to the City;

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

Section 1. That the City accepts the offer of the Commission to (a) reduce the interest rate on the bond from 5.15% per annum to 4.50% per annum, effective July 1, 2005 and (b) shorten the maturity of the bond from December 1, 2030 to June 1, 2028.

Section 2. That the City, in exchange for receiving a lower interest rate on the bond, agrees not to prepay the bond before July 1, 2015.

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, filings with the Internal Revenue

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 That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

ADOPTED: July 14, 2005.

APPROVED:

[Signature]  
Mayor

ATTEST:

[Signature] CMC  
City Recorder

(SEAL)

CERTIFICATE

The undersigned, City Recorder of the City of Clinton, Arkansas, hereby certifies that the foregoing pages are a true and correct copy of Ordinance No. 2005-16, adopted at a regular session of the City Council of the City of Clinton, Arkansas, held at the regular meeting place of the Council in the City at 7:00 p.m., on the 14<sup>th</sup> day of July, 2005, and that said Ordinance is of record in Ordinance Record Book No. 6, Page \_\_\_\_\_, now in my possession.

GIVEN under my hand and seal this 15<sup>th</sup> day of July, 2005.

 CMC  
City Recorder

(SEAL)