

ORDINANCE NO. 76

AN ORDINANCE AMENDING ORDINANCE NO. 73 OF THE CITY OF CLINTON, ARKANSAS, ENTITLED "AN ORDINANCE AUTHORIZING THE LEASING OF THE PROPOSED NATURAL GAS DISTRIBUTION SYSTEM AND ITS RELATED FACILITIES OF THE CITY OF CLINTON, ARKANSAS, AND THE EXECUTION OF AN AGREEMENT AND LEASE, WITH AN OPTION TO THE LESSEE TO PURCHASE", PASSED ON NOVEMBER 4, 1965; AND DECLARING AN EMERGENCY.

Whereas, the City Council of Clinton, Arkansas duly met in regular session on November 4, 1965 at 7:30PM, at which meeting, by Ordinance No. 73, the proposed natural gas distribution system and related facilities for the City of Clinton were authorized to be leased with an option to purchase to Arkansas Louisiana Gas Company, and

Whereas, Paragraph 8(a) of the Lease Agreement set forth in said Ordinance provided for basic rentals to be paid semi-annually on various dates and in various amounts, which basic rental schedule was established to directly correspond to the debt service requirements of the \$580,000.00 of Gas Revenue Bonds being issued by the City in connection with the construction of the system and facilities, and

Whereas, it appears that the cost of construction of said gas transmission and distribution system and related facilities will be less than the amount originally contemplated, and that therefore, it will not be necessary for the City to issue all of the \$580,000.00 of bonds originally contemplated, and

Whereas, the issuance of less than the total amount of \$580,000.00 of such bonds will reduce the annual debt service requirements with respect to such bond issue, and the basic rentals under the Lease Agreement should be reduced correspondingly in such event, to correspond to the \$470,000.00 in bonds now to be issued,

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CLINTON, ARKANSAS:

SECTION 1. That Paragraph 8(a) of the Lease Agreement set forth in Ordinance No. 73 of the City of Clinton, Arkansas passed

(continued)

on November 4, 1965, be and it is hereby amended to read as follows:

"8. (a) Basic Rent.

Company covenants to pay Municipality, in the manner hereafter set forth in sub-paragraph (c) basic annual rent as follows, payable semi-annually on the dates and in the amounts indicated:

February 20, 1966	\$ 9,400.00
August 20, 1966	24,400.00
February 20, 1967	9,100.00
August 20, 1967	24,100.00
February 20, 1968	8,800.00
August 20, 1968	24,800.00
February 20, 1969	8,480.00
August 20, 1969	25,480.00
February 20, 1970	8,140.00
August 20, 1970	26,140.00
February 20, 1971	7,780.00
August 20, 1971	26,780.00
February 20, 1972	7,400.00
August 20, 1972	26,400.00
February 20, 1973	7,020.00
August 20, 1973	27,020.00
February 20, 1974	6,620.00
August 20, 1974	27,620.00
February 20, 1975	6,200.00
August 20, 1975	28,200.00
February 20, 1976	5,760.00
August 20, 1976	28,760.00
February 20, 1977	5,300.00
August 20, 1977	29,300.00
February 20, 1978	4,820.00
August 20, 1978	29,820.00
February 20, 1979	4,320.00
August 20, 1979	30,320.00
February 20, 1980	3,800.00
August 20, 1980	31,800.00
February 20, 1981	3,240.00
August 20, 1981	32,240.00
February 20, 1982	2,660.00
August 20, 1982	33,660.00
February 20, 1983	2,040.00
August 20, 1983	34,040.00
February 20, 1984	1,400.00
August 20, 1984	35,400.00
February 20, 1985	720.00
August 20, 1985	36,720.00

If at any time while any of the bond shall be outstanding, the above specified basic rent shall be insufficient to provide for the payment of the principal of and interest on the bonds as the same become due, the amount of the insufficiency shall be paid by Company as additional basic rent. If at any time the amount in the Bond Fund, hereafter referred to in sub-paragraph (c) hereof, is sufficient to pay in full the principal of, interest on and Paying Agent's fees in connection with all of the outstanding bonds

(continued)

of the Municipality, either at maturity or on earlier redemption, then no further basic rent shall be payable hereunder and all funds representing payment of basic rent which are then held in the Bond Fund and are in excess of the amount required to pay in full the principal of, interest on and Paying Agent's fees in connection with all outstanding bonds of Municipality, either at maturity or on earlier redemption, shall be refunded to Company as excess basic rent.

Provided, however, that the basic rent schedule set forth above corresponds directly to the debt service requirement for \$470,000 00 in Gas Revenue Bonds to be issued by the City, and if less than such amount of bonds shall be issued, or if any of said bonds shall be called for payment prior to maturity, such basic rent shall be reduced as necessary to correspond to the actual semi-annual debt service requirements."

SECTION 2. That the remaining sections of said Ordinance No. 73 passed November 4, 1965, be and they are hereby re-enacted, ratified, confirmed and included herein by reference as though set forth word for word herein.

SECTION 3. That all Ordinances and Resolutions and parts thereof in conflict herewith are hereby repealed.

SECTION 4. That it is ascertained and declared that the lack of a distribution system for natural gas to serve the inhabitants of the City of Clinton subjects the City to greater fire hazards and greatly endangers the life, health, and property of the inhabitants thereof, and that it is necessary that the City of Clinton, Arkansas immediately construct a distribution system for natural gas to protect and preserve the life, health and property of its inhabitants, and that only by this Ordinance can said system be immediately constructed and put into operation. It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of the public peace, health and safety, shall take effect and be in force from and after its passage.

PASSED: DECEMBER 21, 1965

APPROVED: D. PATRICK ELLIS

ATTEST: FLOY BERKOWITZ

(Seal)

C E R T I F I C A T E

The undersigned, Recorder of Clinton, Arkansas, hereby certifies that the foregoing pages numbered 1 to 4, inclusive, are a true and perfect copy of Ordinance No. 76 passed at a Regular Session of the Council of Clinton, Arkansas, held at the regular meeting place of the Council at 7:30 o'clock PM on the 21st day of December, 1965, and that said ordinance now of record in Ordinance Record Book No. _____, Page _____ now in my possession.

Given under my hand and seal this 21st day of December, 1965.

FLOY BERKOWITZ, Recorder

(Seal)