

ORDINANCE NUMBER 93-12

AN ORDINANCE DETERMINING THE NEED TO PARTICIPATE IN THE ISSUANCE OF REVENUE BONDS WITH THE ARKANSAS SOIL AND WATER CONSERVATION COMMISSION FOR RELOCATION OF WATER LINES NECESSITATED BY THE WIDENING OF U.S. HIGHWAY 62.

WHEREAS, the City Council of the City of Cotter, Arkansas has conducted a public hearing in accordance with Arkansas law and determined that there is a need to seek financial assistance from the Arkansas Water Resources Development General Obligation Bond Program for the purpose of relocation of water lines necessitated by the widening of U.S. Highway 62, and;

WHEREAS, the City has submitted an application for financial assistance to the Arkansas Soil and Water Conservation Commission in furtherance of such relocation project, and;

WHEREAS, the City Council of the City of Cotter, Arkansas, has determined that the execution of certain documents, conveyances, and a Lease-Purchase Agreement with the Arkansas Soil and Water Conservation Commission are necessary;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Cotter, Arkansas, as follows:

Section 1: The City Council of the City of Cotter has determined the need for obtaining financial assistance for the relocation of water lines necessitated by the widening of U.S. Highway 62, said revenue bonds to be in an amount not to exceed the total sum of \$364,730.00, and to be repaid with interest over a thirty year period.

Section 2: The City Council of the City of Cotter has conducted a public hearing as required by A.C.A. 19-9-507 and in accordance with A.C.A. 19-9-606 determines that there is a need to obtain long-term financial assistance from the Arkansas Water Resources

Development General Obligation Bond Program for the purposes of capital improvements to the City's water distribution system.

Section 3: That the Mayor and City Recorder of City of Cotter are authorized to execute and enter into any and all agreements on behalf of the City of Cotter with the Arkansas Soil and Water Conservation Commission to obtain said bond revenues, said authorization to include but not be limited to the execution of any necessary conveyance of the capital improvements to the City's water distribution system to the Arkansas Soil and Water Conservation Commission, the execution of a Lease-Purchase Agreement obligating the Arkansas Soil and Water Conservation Commission to sell said capital improvements back to the City of Cotter upon repayment of the bond funds plus interest, and the execution of all other necessary documents in furtherance of the purposes of this Ordinance.

Section 4: That the obligation to be incurred by the City of Cotter with or through the Arkansas Soil and Water Conservation Commission shall not be a general debt of the City of Cotter, but shall be payable solely from the proceeds derived from the operation of the water system of the City of Cotter, and the water rates as established for the project area by separate Ordinance, and that a sufficient portion of said water rates as established by said Ordinance are hereby designated to repay the said aforesaid sum with interest over a thirty year period.

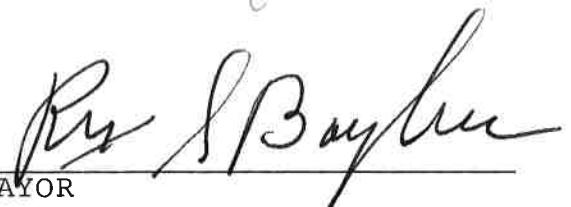
Section 5: All ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 6: In the event any subsection, section or part of this Ordinance is later ruled to be invalid, the

other provisions of this Ordinance shall remain in force and effect.

Section 7: It has hereby been found by the City Council of the City of Cotter that the need for relocation of water lines are necessary, that the City's revenues are not adequate for the required costs of this water project, thereby impeding the progress and development of the City and jeopardizing the financial resources of the City, and that the immediate passage of this Ordinance is necessary to obtain the revenue bond funds to undertake the construction of the capital improvements to the City's water distribution system. Therefore, an emergency is declared to exist and this Ordinance being necessary to the preservation of the public peace, health and safety, shall be in full force and effect immediately upon its passage and approval.

PASSED AND ADOPTED this 30th day of November, 1993.


MAYOR

ATTEST:


CITY RECORDER