

RESOLUTION NO. 1-74 (Cotter Water Loan FHA)

A RESOLUTION AUTHORIZING A LEGAL SERVICE AGREEMENT IN CONNECTION WITH THE CONSTRUCTION OF EXTENSIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATER SYSTEM OF THE CITY OF COTTER, ARKANSAS, AND THE FINANCING THEREOF; AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Cotter, Arkansas (the "City") owns and operates water facilities and has determined that extensions, betterments and improvements should be made to the Water System in order that the City and its inhabitants may have adequate and proper water facilities (the "System"); and

WHEREAS, the City has made necessary arrangements to obtain a loan from the United States of America, through the Farmers Home Administration, in accordance with the applicable provisions of the Consolidated Farmers Home Administration Act of 1961; and

WHEREAS, it is necessary, in connection with the construction and the financing thereof, that the City execute a Legal Service Agreement;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cotter, Arkansas:

Section 1. That a Legal Service Agreement, by and between the City and the attorney for the City, in the form and contents of Exhibit A hereto be, and hereby is, adopted by the City.

Section 2. That the Mayor and City Recorder be, and hereby are, authorized and directed to execute, on behalf of the City, a Legal Service Agreement in the form and content of Exhibit A hereto.

Section 3. That all ordinances and resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

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

Section 5. It is hereby ascertained and declared that the Water System is inadequate to serve the needs of the City and the inhabitants thereof, thus endangering the life, health and safety of the inhabitants and their property, and that the only practical manner in which those hazards can be eliminated is by the construction of extensions, betterments and improvements to the Water System. It is, therefore, declared that an emergency exists, and this Resolution 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: July 17th, 1974

ATTEST:

Patricia A. Korn
City Recorder

APPROVED

Rex S. Boyles
Mayor

CERTIFICATE

I, the undersigned, City Recorder of Cotter, Arkansas, hereby certify that the foregoing pages are a true and compared copy of a Resolution adopted at a Regular session of the City Council of Cotter, Arkansas, held at the regular meeting place of the Council at 7:30 o'clock p.m., and that the Resolution is of record in the Cotter City Records Resolution Record Book No. _____, ~~page~~ _____, now in my possession as Recorder

GIVEN under my hand and seal this 17th day of July, 1974.

Patricia A. Korn
City Recorder

(SEAL)

LEGAL SERVICE AGREEMENT

AGREEMENT made this 17th day of July, 1974, between the City of Cotter, Arkansas (the "City") and Jennie F. Pond, Attorney at Law, Cotter, Arkansas ("attorney"), WITNESSETH:

WHEREAS, the City owns and operates water facilities and has determined that extensions, betterments and improvements should be made to the Water System in order that the City and its inhabitants may have adequate and proper water facilities (the "System"), and to finance the same by the issuance of Water Revenue Bonds under the provisions of Act No. 131 of the Acts of Arkansas of 1933, as amended, and the attorney agrees to perform all the legal services necessary to authorize the issuance and sale of the Water Revenue Bonds under the provisions of the above set forth statute, such services to include, but not restricted to, the following:

1. Preparation for and furnishing advice and assistance to the City Council and officers of the City in connection with (a) the notice for and conduct of meetings; (b) the preparation of minutes of these meetings; (c) the preparation and enactment of such resolutions and ordinances as may be necessary in connection with the authorization, financing and construction; (d) the preparation of such affidavits, publication notices, ballots, reports, certifications and other instruments and advice as may be needed in the conduct of such bond elections as may be necessary; (e) the preparation and completion of such bonds or other obligations as may be necessary to finance the construction; (f) the execution of documents for obtaining a loan made or insured by the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture; (g) adoption of rules and regulations and rate schedules, as necessary; and (h) such other corporate actions as may be necessary in connection with the financing and the construction.

2. Preparation of opinions of counsel as required by the City or the Farmers Home Administration, United States Department of Agriculture.

The City agrees to pay the attorney for professional services, in accordance herewith (and in accordance with Farmers Home Administration Arkansas Instruction 442.1A (Revision 1)), a fee of \$4,750, plus .25% of the amount in excess of \$500,000, plus approved expenses.

The fee is to be payable in the following manner and at the following times:

50% when the first Certificate of Interim Financing is issued.
40% when the bond is delivered.
10% when the project is completed.

This Agreement shall not be effective or binding for any purpose unless and until approved in writing by the Farmers Home Administration, United States Department of Agriculture.

CITY OF COTTER, ARKANSAS

ATTEST:

Patricia A. Kain
City Recorder

By By S B Ogles
Mayor

(SEAL)

Jennie F. Pond
Jennie F. Pond
Attorney at Law
Cotter, Arkansas

APPROVED this _____ day of _____, 1974.

FARMERS HOME ADMINISTRATION
United States Department of Agriculture

By _____
Authorized Signature