

AN ORDINANCE by the City Council of the City of Addison, Texas, authorizing the issuance of "CITY OF ADDISON, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 1979," dated January 1, 1979, for the purpose of paying contractual obligations to be incurred for the construction of public works, to wit: the paying of a part of the cost of the construction of street improvements; prescribing the form of said certificates and coupons representing interest thereon; levying a continuing direct annual ad valorem tax on all taxable property in said City to pay the interest on said certificates and to create a sinking fund for the redemption thereof and providing for the assessment and collection of such taxes; enacting other provisions incident and related to the subject and purpose of this ordinance; and declaring an emergency.

WHEREAS, notice of the intention of this governing body to issue certificates of obligation has been published once a week for two consecutive weeks, the date of the first publication being at least fourteen (14) days prior to the date set for the passage of this ordinance; and

WHEREAS, this governing body has determined that it is to the best interest of the City to proceed with the issuance of the certificates as contemplated in the aforesaid notice of intention and no petition has been presented to this governing body requesting that an election be called on the question of whether such certificates should be issued; and thus, this governing body is authorized to proceed with the issuance of such certificates; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ADDISON, TEXAS:

SECTION 1: That for the purpose of paying contractual obligations to be incurred for the construction of public works, to wit: the paying of a part of the cost of the construction of street improvements, the City Council of the City of Addison, Texas, has determined that there shall be issued and there is hereby ordered to be issued the certificates of obligation of said City in the total principal amount of EIGHT HUNDRED THOUSAND DOLLARS (\$800,000), to be known as "CITY OF ADDISON, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 1979," under and by virtue of the Constitution and laws of the State of Texas including the Certificate of Obligation Act of 1971, as amended.

SECTION 2: That said certificates shall be dated January 1, 1979, shall be numbered consecutively from One (1) through One Hundred Sixty (160), shall each be in the denomination of Five Thousand Dollars (\$5,000), and shall become due and payable serially on January 1 in each of the years and bear interest from their date to maturity in accordance with the following schedule:

<u>CERTIFICATE NUMBERS</u> (All Inclusive)	<u>MATURITY</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>
1 to 20	1980	\$ 100,000	5.90 %
21 to 40	1981	100,000	5.75 %
41 to 60	1982	100,000	5.50 %
61 to 80	1983	100,000	5.50 %
81 to 100	1984	100,000	5.45 %
101 to 120	1985	100,000	5.45 %
121 to 140	1986	100,000	5.45 %
141 to 160	1987	100,000	5.45 %

PROVIDED, HOWEVER, that the City of Addison, Texas reserves the right to redeem the certificates of this series maturing on January 1, 1984, and subsequent, in whole or any part thereof, on January 1, 1983, or on any interest payment date thereafter, at par and accrued interest; PROVIDED, FURTHER, that at least thirty (30) days prior to any interest payment date upon which any of said certificates are to be redeemed, notice of redemption signed by the City Secretary (specifying the serial numbers and amount of certificates to be redeemed) shall have been filed with FIRST CITY BANK OF DALLAS, Dallas, Texas, (the paying agent named in each of said certificates); and if by the date so fixed for redemption the City shall have made available funds in amounts sufficient to pay the certificates to be redeemed and accrued interest thereon, any certificate or certificates not presented for redemption pursuant to such notice shall cease to bear interest from and after the date so fixed for redemption.

SECTION 3: That said certificates shall bear interest from date to maturity at the per annum rates shown above, such interest to be evidenced by proper coupons attached to each of said certificates and said interest shall be payable on July 1, 1979, and semiannually thereafter on January 1 and July 1 in each year.

SECTION 4: That both principal of and interest on said certificates shall be payable in lawful money of the United States of America, without exchange or collection charges to the owner or holder, upon presentation and surrender of certificates or proper coupons, at the FIRST CITY BANK OF DALLAS, Dallas, Texas.

SECTION 5: That the seal of said City may be impressed on each of the said certificates or, in the alternative, a facsimile of such seal may be printed on said certificates. The certificates and interest coupons appurtenant thereto may be executed by the imprinted facsimile signatures of the Mayor and City Secretary of the City, and execution in such manner shall have the same effect as if such certificates had been signed by the Mayor and City Secretary in person by their manual signatures. Inasmuch as such certificates are required to be registered by the Comptroller of Public Accounts for the State of Texas, only his signature (or that of a deputy designated in writing to act for the Comptroller) shall be required to be manually subscribed to said certificates in connection with his registration certificate to appear thereon, as hereinafter provided; all in accordance with the provisions of Article 717j-1, V.A.T.C.S.

SECTION 6: That the form of said certificates shall be substantially as follows:

NO. \_\_\_\_\_

UNITED STATES OF AMERICA

\$5,000

STATE OF TEXAS

COUNTY OF DALLAS

CITY OF ADDISON, TEXAS, CERTIFICATE OF OBLIGATION  
SERIES 1979

THE CITY OF ADDISON, a municipal corporation of the State of Texas, acknowledges itself indebted to and FOR VALUE RECEIVED hereby promises to pay to bearer the sum of

FIVE THOUSAND DOLLARS

(\$5,000), in lawful money of the United States of America, on the 1st day of January, 19\_\_\_\_, with interest thereon from the date hereof to maturity at the rate of \_\_\_\_\_ PER CENTUM (\_\_\_\_%) per annum, payable on July 1, 1979, and semiannually thereafter on January 1 and July 1 in each year, and interest falling due on or prior to maturity hereof is payable only upon presentation and surrender of the interest coupons hereto attached as they severally become due.

BOTH PRINCIPAL of and interest on this certificate are hereby made payable at the FIRST CITY BANK OF DALLAS, Dallas, Texas, without exchange or collection charges to the owner or holder, and for the prompt payment of this certificate and the interest thereon at maturity, the full faith, credit and resources of the City of Addison, Texas, are hereby irrevocably pledged.

THIS CERTIFICATE is one of a series of One Hundred Sixty (160) serial certificates, numbered consecutively from One (1) through One Hundred Sixty (160), each in denomination of Five Thousand Dollars (\$5,000), aggregating in principal amount EIGHT HUNDRED THOUSAND DOLLARS (\$800,000), issued for the purpose of paying contractual obligations to be incurred for the construction of public works, to wit: the paying of a part of the cost of the construction of street improvements, under authority of the Constitution and laws of the State of Texas, including Article 2368a.1, V.A.T.C.S., as amended, and pursuant to an ordinance duly adopted by the City Council of the City of Addison, Texas, and duly recorded in the Minutes of said City Council.

AS SPECIFIED in the ordinance hereinabove mentioned, the City reserves the right to redeem the certificates of this series maturing on January 1, 1984, and subsequent, in whole or any part thereof, on January 1, 1983, or on any interest payment date thereafter, at par and accrued interest; PROVIDED, HOWEVER, that at least thirty (30) days prior to any interest payment date upon which any of said certificates are to be redeemed, notice of redemption signed by the City Secretary (specifying the serial numbers and amount of certificates to be redeemed) shall have been filed with FIRST CITY BANK OF DALLAS, Dallas, Texas, and if by the date so fixed for redemption the City shall have made available funds in amounts sufficient to pay the certificates to be redeemed and accrued interest thereon, any certificate or certificates not presented for redemption pursuant to such notice shall cease to bear interest from and after the date so fixed for redemption.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to be done precedent to and in the issuance of this certificate of obligation, and the series of which it is a part, to render the same lawful and valid have been properly done, have

happened and have been performed in regular and due time, form and manner as required by law; that sufficient and proper provision has been made for the levy and collection of taxes which, when collected, shall be appropriated exclusively to the payment of this certificate and the series of which it is a part, and to the payment of the interest coupons thereto annexed, as the same shall become due, and that the total indebtedness of the City of Addison, Texas, including the entire series of certificates of which this is one, does not exceed any constitutional or statutory limitation.

IN TESTIMONY WHEREOF, the City Council of the City of Addison, Texas, in accordance with the provisions of Article 717j-1, V.A.T.C.S., has caused the seal of said City to be impressed or a facsimile thereof to be printed hereon, and this certificate and its appurtenant coupons to be executed with the imprinted facsimile signatures of the Mayor and City Secretary of said City; the date of this certificate, in conformity with the ordinance above referred to, being the 1st day of January, 1979.

\_\_\_\_\_  
Mayor, City of Addison, Texas

COUNTERSIGNED:

\_\_\_\_\_  
City Secretary, City of ~~Plano,~~  
Texas ~~ADDISON,~~

SECTION 7: That the form of interest coupons attached to each of said certificates shall be substantially as follows:

NO. \_\_\_\_\_ ON THE 1ST DAY OF \_\_\_\_\_, \$ \_\_\_\_\_  
19\_\_\_\_,

\*(unless the certificate to which this coupon pertains has been called for redemption in accordance with its terms,) the City of Addison in the County of Dallas, State of Texas, hereby promises to pay to bearer the amount shown hereon in lawful money of the United States of America, upon presentation and surrender of this coupon, at the FIRST CITY BANK OF DALLAS, Dallas, Texas, without exchange or collection charges, such amount being interest due on such date on "CITY OF ADDISON, TEXAS, CERTIFICATE OF OBLIGATION, SERIES 1979," dated January 1, 1979. Certificate No. \_\_\_\_\_

\_\_\_\_\_  
City Secretary

\_\_\_\_\_  
Mayor

SECTION 8: That the following certificate shall be printed on the back of each certificate of obligation:

OFFICE OF THE COMPTROLLER §  
STATE OF TEXAS § REGISTER NO. \_\_\_\_\_

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney general of the State of Texas to the effect that this certificate has been examined by him as

\_\_\_\_\_  
\*NOTE TO PRINTER: The expression in parentheses to be included only in coupons maturing July 1, 1983 and subsequent pertaining to optional certificates maturing in the years 1984 through 1987

required by law, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation upon said City of Addison, Texas, and said certificate has this day been registered by me.

WITNESS MY HAND AND SEAL OF OFFICE at Austin, Texas,

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

SECTION 9: That a special fund to be designated "SPECIAL CERTIFICATE OF OBLIGATION FUND, SERIES 1979," is hereby created and the proceeds of all taxes collected for or on account of this series of certificates shall be credited to said Fund for the purpose of paying the interest on and to provide a sinking fund for the redemption of said certificate at maturity; and said fund shall be used for no other purpose; that, while said certificates or any of them are outstanding and unpaid, there shall be annually levied, assessed and collected in due time, form and manner, a tax upon all of the taxable property in said City sufficient to pay each installment of principal as the same becomes due, or a sinking fund of 2%, whichever is greater; and to pay the interest on said certificates for the first year, and to create a sinking fund with which to pay the principal as the same becomes due, or a sinking fund of 2%, whichever is greater, there is hereby levied a sufficient tax on each one hundred dollars' valuation of taxable property in said City for the current year and the same shall be assessed and collected and applied to the purpose named; and while said certificate or any of them are outstanding and unpaid, a tax each year at a rate from year to year as will be ample and sufficient to provide funds to pay the then current interest on said certificates and to provide the necessary sinking fund, full allowance being made for delinquencies and costs of collection shall be and is hereby levied for each year, respectively, and said tax shall each year be assessed and collected and applied to the payment of the principal of and interest on said certificates. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient for such certificates, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations.

PROVIDED, HOWEVER, that to pay the installment of interest in the amount of \$22,225.00 to become due on said certificates on July 1, 1979, the sum of \$22,225.00 is hereby appropriated out of funds now on hand legally available for such purpose and unappropriated to any other purpose, and the City Treasurer is hereby ordered and directed to set aside said amount to the credit of this series of certificates, and the same amount shall be applied to the purpose stated and none other.

SECTION 10: That the Mayor of said City shall be and he is hereby authorized to take and have charge of all necessary orders and records pending investigation of the Attorney General of the State of Texas, and shall take and have charge and control of the certificates herein authorized pending their approval by the Attorney General and their registration by the Comptroller of Public Accounts.

SECTION 11: That the City hereby covenants that the proceeds from the sale of certificates will be used as soon as practicable for the purpose for which said certificates are issued; that such proceeds will not be invested in any securities or obligations except for the temporary period pending such use; and that such proceeds will not be used directly or indirectly so as to cause all or any part of said certificates to be or become "arbitrage certificates" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings prescribed or made pursuant thereto.

SECTION 12: That the sale of the certificates herein authorized to

FIRST CITY NATIONAL BANK OF HOUSTON, Houston, Texas  
at the price of par and accrued interest to date of delivery, plus a premium of \$ -0-, is hereby confirmed, and delivery of said certificates shall be made to said purchaser as soon as may be after the adoption of this ordinance, upon payment therefor in accordance with the terms of sale.

SECTION 13: That the proceeds from the certificates of obligation shall be used in connection with the voluntary assessment paving programs of this City and the first such project shall be the Project for which assessments have been levied in the ordinance adopted on the date of passage of this ordinance. Based upon present estimates of the Engineer, it appears that the City's share of the paving and incidental drainage, will be \$ 1,611,963.20. The proceeds of these certificates are authorized for the purpose of providing a portion of such funds and the remainder of the cost of the said Project is to be paid by assessment certificates, such assessments to be made against the owners of the property abutted and to be benefited by the proposed improvements. It is hereby specifically determined that more than one-third of the total cost of the project is to be paid through the issuance and delivery of the certificates of assessment which are to be issued under the provisions of Article 1105b, V.A.T.C.S., and that none of the proceeds of the certificates of obligation herein authorized (other than accrued interest which is to be deposited in the fund established by Section 9 hereof) are to be used for any purpose other than paying the City's share of the cost of improving the City's streets where at least one-third of the total cost of the Project is to be paid by special assessments levied against properties to be benefited thereby.

SECTION 14: That the purchasers' obligation to accept delivery of the certificates herein authorized is subject to their being furnished a final opinion of Messrs. Dumas, Huguenin, Boothman and Morrow, Attorneys, Dallas, Texas, approving such certificates as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for such certificates. Printing of a true and correct copy of said opinion on the reverse side of each of such certificates, with appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City of Addison, Texas, is approved and authorized if requested by the purchaser.

SECTION 15: CUSIP numbers may be printed on the certificates herein authorized. It is expressly provided, however, that the presence or absence of CUSIP numbers on the certificates shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving said certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed on the certificates.

SECTION 16: That the fact that it is to the best interest of the City to provide funds to construct the street improvements and incidental drainage at the earliest possible date constitutes and creates an emergency and an urgent public necessity requiring that any rule providing for ordinances to be read more than one time or at more than one meeting of the City Council be suspended, and requiring that this ordinance be passed and take effect as an emergency measure, and such rules and provisions are accordingly suspended, and this ordinance is passed as an emergency measure and shall take effect and be in full force immediately from and after its passage.

PASSED AND APPROVED, this the 9th day of January, 1979.

ATTEST:

Jaquie Sharp  
City Secretary,  
City of Addison, Texas

Jim Reddy  
Mayor, City of Addison, Texas

(City Seal)