

ORDINANCE NO. 562

AN ORDINANCE by the City Council of the City of Addison, Texas, authorizing the issuance of \$5,400,000 "CITY OF ADDISON, TEXAS, GENERAL OBLIGATION BONDS, SERIES 1980-A," dated January 1, 1980, for the purpose of making permanent public improvements, to wit: \$5,005,000 for street improvements, including drainage and sidewalk improvements incidental thereto; \$145,000 for improvements and extensions to the City's Waterworks System; and \$250,000 to construct and equip a municipal maintenance and service center; prescribing the form of the bonds and the form of the interest coupons; levying a continuing direct annual ad valorem tax on all taxable property within the limits of said City to pay the interest on said bonds and to create a sinking fund for the redemption thereof, and providing for the assessment and collection of such taxes; enacting provisions incident and relating to the purpose and subject of this ordinance, and declaring same to be effective immediately from and after its passage.

WHEREAS, pursuant to a special election held in the City of Addison on the 28th day of July, 1979, a majority of the duly qualified resident electors of said City sustained propositions authorizing the City Council to issue general obligation bonds of the City to mature serially over a period of years not to exceed forty (40) years from their date for the purpose of making permanent public improvements, to wit:

\$11,440,000 for street improvements, including drainage and sidewalk improvements incidental thereto;

250,000 for improvements and extensions to the City's Waterworks System; and

250,000 to construct and equip a municipal maintenance and service center;

AND WHEREAS the City Council has determined that it is desirable and to the best interest of the City to issue and sell at this time a portion of the bonds voted as aforesaid, the following tabulation correctly reflecting the amounts of bonds authorized, the amounts being issued pursuant to this ordinance and the amounts reserved for issuance at a future date or dates when in the judgment of the City Council such amounts are needed for their authorized purposes:

<u>Purpose</u>	<u>Amount Voted</u>	<u>Amount Being Issued</u>	<u>Amount Reserved For Future Issuance</u>
Street Improvements	\$11,440,000	\$5,005,000	\$6,435,000
Waterworks Improvements	250,000	145,000	105,000
Municipal Service Center	250,000	250,000	-0-

which any of said bonds are to be redeemed, a notice of redemption, signed by the City Secretary (specifying the serial numbers and amount of bonds to be redeemed) shall have been filed with the FIRST CITY BANK OF DALLAS, Dallas, Texas (the paying agent named in each of said bonds); and if by the date so fixed for redemption the City shall have made available funds in amounts sufficient to pay the bonds to be redeemed and accrued interest thereon, any bond or bonds not presented for redemption pursuant to such notice shall cease to bear interest from and after the date so fixed for redemption and said bonds shall not be regarded as being outstanding for any purpose other than for the purpose of receiving the funds so provided for their payment.

SECTION 3: Said bonds shall bear interest from date to maturity at the per annum rates shown in Section 2, such interest to be evidenced by proper coupons attached to each of said bonds, and said interest shall be payable on July 1, 1980, and semiannually thereafter on January 1 and July 1 in each year.

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

SECTION 5: The seal of said City may be impressed on each of said bonds or, in the alternative, a facsimile of such seal may be printed on each of said bonds. The bonds 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 bonds and coupons had been signed by the Mayor and City Secretary in person by their manual signatures. Inasmuch as such bonds are required to be registered by the Comptroller of Public Accounts of 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 such bonds in connection with his registration certificate to appear thereon, as hereinafter provided; all in accordance with the provisions of Article 717j-1, R.C.S. of Texas.

SECTION 6: The form of said bonds shall be substantially as follows:

NO. _____ UNITED STATES OF AMERICA \$5,000

STATE OF TEXAS

COUNTY OF DALLAS

CITY OF ADDISON, TEXAS, GENERAL OBLIGATION BOND,
SERIES 1980-A

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 July, _____, with interest thereon from the date hereof to maturity at the rate of _____ PER CENTUM (____%) per annum, payable on July 1, 1980, 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 bond 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 bond and the interest thereon at maturity, the full faith, credit and resources of the City of Addison, Texas, are hereby irrevocably pledged.

THIS BOND is one of a series of One Thousand Eighty (1080) serial bonds, numbered consecutively from One (1) through One Thousand Eighty (1080), each in denomination of Five Thousand Dollars (\$5,000), aggregating FIVE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$5,400,000), issued for the purpose of making permanent public improvements, to wit: \$5,005,000 for street improvements, including drainage and sidewalk improvements incidental thereto; \$145,000 for improvements and extensions to the City's Waterworks System; and \$250,000 to construct and equip a municipal maintenance and service center, all under authority of the Constitution and laws of the State of Texas, including Article 1175, R.C.S. of Texas, 1925, as amended, and pursuant to the Charter of said City of Addison, an election duly called and held in said City on the 28th day of July, 1979, and an ordinance duly adopted by the City Council of the City of Addison, Texas, and recorded in the Ordinance Book of said City.

AS SPECIFIED in the ordinance hereinabove mentioned, the City reserves the right to redeem the bonds of this series maturing on July 1, 1991, and subsequent, in whole or any part thereof, on July 1, 1990, or on any interest payment date thereafter, at the price of par and accrued interest to the date fixed for redemption; PROVIDED, HOWEVER, that at least thirty (30) days prior to any interest payment date upon which any of said bonds are to be redeemed, a notice of redemption, signed by the City Secretary (specifying the serial numbers and amount of bonds to be redeemed) shall have been filed with the 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 bonds to be redeemed and accrued interest thereon, any bond or bonds not presented for redemption pursuant to such notice shall cease to bear interest from and after the date so fixed for redemption and said bonds shall not be regarded as being outstanding for any purpose other than for the purpose of receiving the funds so provided for their payment.

THE DATE of this bond, in conformity with the ordinance above mentioned, is January 1, 1980.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all acts, conditions and things required by the Constitution and laws of the State of Texas, and the Charter of said City, to be done precedent to and in the issuance of this bond and said series of bonds, have been done, happened and been performed in regular and due time, form and manner as required by law; that proper provisions have been made for the levy and collection annually of taxes upon all taxable property in said City of Addison, Texas, sufficient to pay the interest on this series of bonds as due and to provide for the payment of each installment of principal as same matures; that when so collected, such taxes shall be appropriated exclusively to such purposes; and that the total indebtedness of the City of Addison, Texas, including this bond and the series of which it is one, does not exceed any statutory or Constitutional limitation.

IN TESTIMONY WHEREOF, the City Council of the City of Addison, Texas, in accordance with the provisions of Article 717j-1, R.C.S. of Texas, has caused the seal of said City to be impressed or a facsimile thereof to be printed hereon, and this bond and its appurtenant coupons to be executed with the imprinted facsimile signatures of the Mayor and City Secretary of said City, as of the 1st day of January, 1980.

COUNTERSIGNED:

Jaqueline Sharp
City Secretary, City of Addison, Texas

Mayor, City of Addison, Texas

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

NO. _____ ON THE FIRST DAY OF _____, \$ _____

*(unless the bond to which this coupon pertains has been redeemed in accordance with its terms,) upon presentation and surrender of this coupon, the CITY OF ADDISON, a municipal corporation of the State of Texas, hereby promises to pay to bearer the amount shown hereon, in lawful money of the United States of America, without exchange or collection charges to the owner or holder hereof, at the FIRST CITY BANK OF DALLAS, Dallas, Texas, said sum being six months' interest due that day on "CITY OF ADDISON, TEXAS, GENERAL OBLIGATION BOND, SERIES 1980-A," dated January 1, 1980. Bond No. _____.

Jacque Sharp
City Secretary

[Signature]
Mayor

SECTION 8: The following certificate shall be printed on the back of each bond:

OFFICE OF 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 bond has been examined by him as required by law, that he finds 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 bond has this day been registered by me.

WITNESS MY HAND AND SEAL OF OFFICE as of _____.

Comptroller of Public Accounts of the State of Texas

SECTION 9: To provide for the payment of the debt service requirements on the said bonds, being (i) the interest on said bonds and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount shall be greater), there shall be and there is hereby levied for the current year and each succeeding year thereafter, while said bonds or interest thereon shall remain outstanding and unpaid, a sufficient tax on each one hundred dollars' valuation of taxable property in said City adequate to pay such debt service requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the said debt service requirements, and the same shall not be diverted to any other purpose. The taxes so levied shall be paid into a fund known as "SPECIAL SERIES 1980-A GENERAL OBLIGATION BOND FUND," which is hereby established for the payment of the obligations herein authorized. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient for such bonds, 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 to become due on said bonds on July 1,

*NOTE TO PRINTER: The expression in parenthesis to be included only in coupons maturing January 1, 1991, and subsequent, pertaining to optional bonds maturing July 1, 1991, and subsequent, being numbers 411 through 1080.

1980, the Director of Finance of the City of Addison is hereby authorized and directed to transfer to the aforesaid Bond Fund from funds on hand legally available for such purpose and unappropriated to any other purpose such amount as will result in there being on deposit therein the sum of \$ _____ available for the timely payment and discharge of all interest to become due July 1, 1980, with respect to said bonds.

SECTION 10: The City certifies that based on facts, estimates and circumstances expected to exist on the date of the issue of the Series 1980-A Bonds it is not reasonable to anticipate that the proceeds thereof will be used in a manner which would cause them to be "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, or regulations thereunder applicable thereto, and the officers of the City charged with responsibilities in the issuance of bonds are authorized and directed to make, execute and deliver certifications as to facts, estimates and circumstances in existence as of the date of the issue of said bonds and stating whether there are any facts, estimates or circumstances which would materially change the City's present expectations. The covenants herein made and the certifications herein authorized are for the benefit of the holders from time to time of said Series 1980-A Bonds and the coupons appertaining thereto and may be relied upon by said holders and by bond counsel for the City.

SECTION 11: CUSIP numbers are to be printed on the bonds herein authorized. It is expressly provided, however, that the presence or absence of CUSIP numbers on the bonds shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving said bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the bonds.

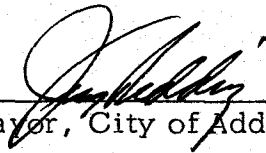
SECTION 12: The Mayor of the City of Addison, Texas, shall be and he is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, and shall take and have charge and control of the bonds herein authorized pending their approval by the Attorney General, their registration by the Comptroller of Public Accounts and until delivered to the proper purchaser or purchasers.

SECTION 13: The sale of the bonds herein authorized to

at the price of par and accrued interest to date of delivery, plus a premium of \$ _____, is hereby confirmed. Delivery of the bonds shall be made to said purchasers as soon as may be after the adoption of this ordinance, upon payment therefor in accordance with the terms of sale.

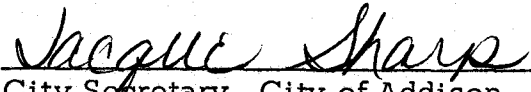
SECTION 14: The purchasers' obligation to accept delivery of the bonds herein authorized is subject to their being furnished a final opinion of Messrs. Dumas, Huguenin, Boothman and Morrow, Attorneys, Dallas, Texas, approving such bonds as to their validity, said opinion to be dated and delivered as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

SECTION 15: This ordinance is passed and approved and shall take effect and be in force immediately from and after its passage on this the 11th day of December, 1979.



Mayor, City of Addison, Texas

ATTEST:



City Secretary, City of Addison, Texas

(City Seal)