

Ordinance No. 740

AN ORDINANCE by the City Council of the City of Addison, Texas, authorizing the issuance of \$10,765,000 "CITY OF ADDISON, TEXAS, GENERAL OBLIGATION BONDS, SERIES 1981", dated December 1, 1981; prescribing the form of 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 taxes; enacting provisions incident and related to the subject and purpose of this ordinance; and declaring the same to be effective immediately from and after its passage.

WHEREAS, the City Council of the City of Addison, Texas hereby finds and determines that general obligation bonds of the City in the principal amount of \$10,765,000 (approved and authorized at an election held in the City on October 17, 1981,) should be issued and sold at this time; a summary of the general obligation bonds approved at said election, amounts and purposes for which the bonds herein authorized are being issued and amounts remaining to be issued being as follows:

<u>AUTHORIZED PURPOSE</u>	<u>AMOUNT AUTHORIZED</u>	<u>AMOUNT BEING ISSUED</u>	<u>UNISSUED BALANCE</u>
Admin. Office Bldg.	\$1,200,000	\$1,200,000	-0-
Fire Station	2,600,000	1,300,000	\$1,300,000
Police Station	2,300,000	1,150,000	1,150,000
Water System Imp.	4,155,000	780,000	3,375,000
Sewer System Imp.	615,000	170,000	445,000
Streets Imp.	6,785,000	3,550,000	3,235,000
Parks	8,000,000	1,400,000	6,600,000
Airport	1,215,000	1,215,000	-0-
Municipal Service Center	330,000	-0-	330,000
Library	1,000,000	-0-	1,000,000

AND WHEREAS, the Council further reserves the right to issue the remaining amount of bonds authorized at said election in one or more installments or series when and as the Council in its sole discretion shall determine; now, therefore,

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

SECTION 1: That the bonds of said City, to be known as "CITY OF ADDISON, TEXAS, GENERAL OBLIGATION BONDS, SERIES 1981", be and the same are hereby ordered to be issued in the principal sum of TEN MILLION SEVEN HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$10,765,000), for purposes of making permanent public

improvements and public purposes, to wit: \$1,200,000 for an administration office building, including the acquisition of land therefor, \$1,300,000 for fire station facilities, including the acquisition of land and fire fighting equipment therefor, \$1,150,000 for a police station, \$780,000 for improvements and extensions to the City's waterworks system, \$170,000 for improvements and extensions to the City's sanitary sewer system, \$3,550,000 for street improvements, including storm drainage incident thereto and traffic signalization, \$1,400,000 for the acquisition or improvement, or both, of land for parks, and \$1,215,000 for a municipal airport terminal; under and by virtue of the Constitution and laws of the State of Texas and pursuant to authority conferred at the aforesaid election.

SECTION 2: That said bonds shall be numbered consecutively from One (1) through Two Thousand One Hundred Fifty-Three (2,153), shall each be in the denomination of Five Thousand Dollars (\$5,000), shall be dated December 1, 1981; and shall become due and payable serially on December 1 in each of the years and bear interest at the per annum rates in accordance with the following schedule:

<u>BOND NUMBERS</u> (All Inclusive)	<u>MATURITY</u>	<u>AMOUNT</u>	<u>INTEREST</u>
1 to 73	1983	\$365,000	11.00 %
74 to 233	1984	800,000	11.00 %
234 to 393	1985	800,000	11.00 %
394 to 553	1986	800,000	10.00 %
554 to 713	1987	800,000	9.00 %
714 to 873	1988	800,000	9.00 %
874 to 1033	1989	800,000	9.00 %
1034 to 1193	1990	800,000	9.25 %
1194 to 1353	1991	800,000	9.50 %
1354 to 1513	1992	800,000	9.50 %
1514 to 1673	1993	800,000	9.90 %
1674 to 1833	1994	800,000	10.00 %
1834 to 1993	1995	800,000	10.25 %
1994 to 2153	1996	800,000	10.50 %

PROVIDED, HOWEVER, the City reserves the right to redeem the bonds of this series maturing on December 1, 1990, and subsequent, in whole or any part thereof, on December 1, 1989, or on any interest payment date thereafter, at the price of par plus accrued interest to the date fixed for redemption; PROVIDED, FURTHER that at least thirty (30) days prior to a date 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 the City shall have made available by the redemption date 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.

SECTION 3: That said bonds shall bear interest from date to maturity, or the redemption thereof in accordance with the terms prescribed therefor, at the per annum rates shown above, such interest to be evidenced by proper coupons attached to each of said bonds and said interest shall be payable on June 1, 1982, and semiannually thereafter on December 1 and June 1 in each year.

SECTION 4: That both principal of and interest on this issue of 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: That 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 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 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 such bonds 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 bonds shall be as follows:

NO. _____ UNITED STATES OF AMERICA \$5,000
STATE OF TEXAS
COUNTY OF DALLAS
CITY OF ADDISON, TEXAS
GENERAL OBLIGATION
BOND, SERIES 1981

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 FIRST DAY OF DECEMBER, _____, with interest thereon from the date hereof to maturity, or the redemption hereof in accordance with the terms prescribed therefor, at the rate of _____ PER CENTUM (_____ %) per annum, such interest being payable on June 1, 1982, and semiannually thereafter on December 1 and June 1 in each year, and evidenced by interest coupons attached hereto.

BOTH PRINCIPAL AND INTEREST are payable only upon presentation and surrender of this bond and the interest coupons hereto attached as the same severally become due at the FIRST CITY BANK OF DALLAS, Dallas, Texas, without exchange or collection charges to the owner or holder, and the bearer of this bond and its appurtenant interest coupons shall be deemed the owner thereof for purposes of receiving payment and all other purposes, and neither the City nor the aforementioned place of payment shall be affected by any notice to the contrary.

THIS BOND is one of a series of bonds, dated December 1, 1981, numbered consecutively from One (1) through Two Thousand One Hundred Fifty-Three (2,153), each in the denomination of Five Thousand Dollars (\$5,000), aggregating in principal amount TEN MILLION SEVEN HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$10,765,000), issued for the purposes of making permanent public improvements and public purposes, to wit: \$1,200,000 for an administration office building, including the acquisition of land therefor, \$1,300,000 for fire station facilities, including the acquisition of land and fire fighting equipment therefor, \$1,150,000 for a police station, \$780,000 for improvements and extensions to the City's waterworks system; \$170,000 for improvements and extensions to the City's sanitary sewer system, \$3,550,000 for street improvements, including storm drainage incident thereto and traffic signalization, \$1,400,000

for the acquisition or improvement, or both, of land for parks, and \$1,215,000 for a municipal airport terminal; under and by virtue of the Constitution and laws of the State of Texas, 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 bonds of said series maturing on December 1, 1990, and subsequent, in whole or any part thereof, on December 1, 1989, 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 a date 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 the City shall have made available by the redemption date funds 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.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that the issuance of this bond and the series of which it is a part is duly authorized by law and by an election held for that purpose in said City; that all acts, conditions and things required to be done precedent to and in the issuance of this series of bonds and of this bond have been properly done and performed, and have happened in regular and due time, form and manner as required by law; that sufficient and proper provision has been made for the levying and collection of taxes, which, when collected, shall be appropriated exclusively to the payment of this bond 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 bonds of which this bond 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 the City to be impressed or a facsimile thereof to be printed hereon, and this bond and its appurtenant coupons to be executed by the imprinted facsimile signatures of the Mayor and City Secretary of the City.

Mayor, City of Addison, Texas

COUNTERSIGNED:

City Secretary, City of Addison, Texas

SECTION 7: That the form of 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,) the CITY OF ADDISON, a municipal corporation 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, GENERAL OBLIGATION BOND, SERIES 1981", dated December 1, 1981. Bond No. _____

City Secretary

Mayor

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

OFFICE OF COMPTROLLER

§

REGISTER NO. _____

STATE OF TEXAS

§

§

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 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 of the City of Addison, Texas, and said bond 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 to provide for the payment of the debt service requirements on 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 1981 GENERAL OBLIGATION BOND FUND", which is hereby established for the payment of the obligations herein authorized. The 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.

*NOTE TO PRINTER: The expression in parenthesis to be included only in coupons maturing June 1, 1990, and subsequent, pertaining to optional bonds maturing in the years 1990 through 1996.

PROVIDED, HOWEVER, in regard to the installment of interest to become due on the bonds herein authorized on June 1, 1982, the City has current funds, which are legally available and unappropriated for any purpose; and, following the delivery of the bonds herein authorized, the proper officials of the City are hereby authorized and directed to cause to be deposited to the credit of the interest and sinking fund account for this series of bonds, such current funds which, together with accrued interest received from the purchaser of the bonds, will be sufficient to pay the installment of interest to become due on the bonds on June 1, 1982.

SECTION 10: That the sale of the bonds herein authorized to at the price of par and accrued interest to the date of delivery, plus a premium of \$ -0-, 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 11: That 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 said bonds, with appropriate certificate pertaining thereto executed by the facsimile signature of the City Secretary of the City of Addison, Texas, is hereby approved and authorized.

SECTION 12: That the City hereby certifies and covenants that the proceeds of the bonds are needed at this time to finance the costs of capital improvements planned by the City; based on current facts, estimates and circumstances, it is reasonably expected final disbursement of the bond proceeds will occur within three years from the date of the receipt thereof by the City; it is not reasonably expected the proceeds of the bonds or moneys deposited in the interest and sinking fund created for the payment of the bonds will be used or invested in a manner that would cause the bonds to be or become "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, or any regulations or published rulings pertaining thereto; and save and except for the interest and sinking fund created herein no other funds or accounts have been established or pledged for the payment of the bonds. Proper officers of the City charged with the responsibility in the issuance of the bonds are hereby 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 the bonds and stating whether there are any facts, estimates or circumstances which would materially change the City's current expectations; and the covenants herein made and certifications herein authorized are for the benefit of the holders of the bonds and coupons appertaining thereto and may be relied upon by the bondholders and bond counsel for the City.

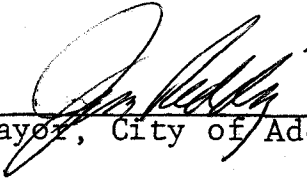
SECTION 13: That the Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, and shall take and have charge and control of the bonds herein authorized pending their approval by the Attorney General and their registration by the Comptroller of Public Accounts.

SECTION 14: That CUSIP numbers may be printed on the bonds herein authorized. It 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 15: That, in reference to the Official Statement prepared in the initial offering and sale of the bonds herein authorized by the City, the City Council ratifies and confirms its prior approval of the form and content thereof and hereby approves the form and content of any addenda, supplement or amendment thereto; the use of such Official Statement in the reoffering of the bonds by the above named purchaser(s) is hereby approved and authorized; and the proper officials of the City are hereby authorized to execute and deliver a certificate pertaining to said Official Statement as prescribed therein, dated as of the date of payment for and delivery of the bonds.

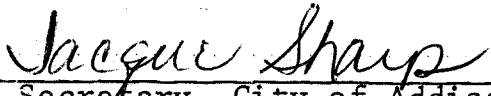
SECTION 16: This ordinance is passed and approved and shall take effect and be in force immediately from and after its passage.

PASSED AND ADOPTED, this the 17th day of November, 1981.



Mayor, City of Addison, Texas

ATTEST:



City Secretary, City of Addison, Texas

(City Seal)