

ORDINANCE NO. 097-053

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, AWARDED THE SALE OF TOWN OF ADDISON, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 1997; APPROVING AND RATIFYING THE ORDINANCE AUTHORIZING THE ISSUANCE OF SAID CERTIFICATES OF OBLIGATION; APPROVING THE OFFICIAL STATEMENT; AND DETERMINING OTHER MATTERS INCIDENT THERETO

WHEREAS, pursuant to an ordinance (the "Authorizing Ordinance") adopted on September 30, 1997, the City Council of the Town of Addison, Texas (the "City") authorized the issuance of Town of Addison, Texas, Combination Tax and Revenue Certificates of Obligation, Series 1997 (the "Certificates") and provided that the sale of said Certificates would be awarded by subsequent official action by the City Council;

WHEREAS, the City, pursuant to a Notice of Sale and Bidding Instructions, Official Bid Form and Official Statement, has offered the Certificates for sale;

WHEREAS, pursuant to said offer, bids have been submitted for the purchase of the Certificates;

WHEREAS, the City Council hereby finds and determines that the bid hereinafter accepted produces the lowest interest cost to the City, and should be accepted pursuant to the terms of this Ordinance (the "Award Ordinance") in order to award the sale of the Certificates in accordance with the Authorizing Ordinance; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Chapter 551, TEX. GOV'T CODE ANN., as amended; Now, Therefore,

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

Section 1. Adoption of Preamble. The declarations, determinations and findings declared, made and found in the preamble of this Award Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 2. Acceptance of Bid. The City Council hereby finds and determines that the bid submitted by Dean Witter Reynolds Inc. (the "Purchaser") is the lowest responsible bid submitted for the purchase of the Certificates. Said bid is hereby accepted and the sale of the Certificates is hereby awarded to said Purchaser at a price equal to the principal amount thereof, plus accrued interest. As

provided in the Authorizing Ordinance and in accordance with the accepted bid, the Certificates shall mature on February 15 in the years, at the interest rates and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
1998	\$1,000,000	6.25%
1999	1,000,000	6.25
2000	1,000,000	6.25
2001	1,010,000	6.25
2002	1,060,000	4.25
2003	415,000	4.25
2004	440,000	4.30
2005	460,000	4.40
2006	485,000	4.50
2007	505,000	4.55
2008	535,000	4.70
2009	560,000	4.75
2010	585,000	4.90
2011	615,000	5.00
2012	650,000	5.00
2013	680,000	5.00

The Certificates shall initially be registered in the name of the Purchaser or its designee.

Section 3. Approval of Authorizing Ordinance. The adoption of the Authorizing Ordinance and the provisions thereof are hereby approved, ratified and confirmed.

Section 4. Official Statement. The form and substance of the Official Statement dated November 11, 1997, for the Certificates and any addenda, supplement or amendment thereto (the "Official Statement") presented to and considered at this meeting, is hereby in all respects approved and adopted, and the Official Statement is hereby deemed final as of its date within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The City agrees to deliver appropriate numbers of executed copies thereof to the Purchaser. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor and the Purchaser, may be used by the Purchaser in the public offering and sale thereof. The City Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Official Statement for the Certificates and the preliminary public offering of the Certificates is hereby ratified, approved and confirmed.

Section 5. Definitions of Continuing Disclosure Terms. As used in this Award Ordinance, the following terms have the meanings assigned to such terms below:

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

"Owner" shall have the meaning set forth in the Authorizing Ordinance.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"SID" means any person designated by the State of Texas or an authorized department, officer, or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

Section 6. Annual Reports. (a) The City shall provide annually to each NRMSIR and to any SID, within six (6) months after the end of each fiscal year ending in or after 1997, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable fiscal year to each NRMSIR and any SID. Thereafter, when and if audited financial statements become available, the City shall provide such audited financial statements as required to each NRMSIR and to any SID.

(b) If the City changes its fiscal year, it will notify each NRMSIR and any SID of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR and any SID or filed with the SEC.

Section 7. Material Event Notices. (a) The City shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any of the following events with respect to the Certificates, if such event is material within the meaning of the federal securities laws:

- (i) principal and interest payment delinquencies

- (ii) nonpayment related defaults;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions or events affecting the tax exempt status of the Certificates;
- (vii) modifications to rights of Owners;
- (viii) bond calls;
- (ix) defeasance;
- (x) release, substitution, or sale of property securing repayment of the Certificates; and
- (xi) rating changes.

(b) The City shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 6 of this Award Ordinance by the time required by such Section.

Section 8. Limitations, Disclaimers and Amendments. (a) The City shall be obligated to observe and perform the covenants specified in Section 5 through Section 9 of this Award Ordinance (the "Continuing Disclosure Section") for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Article XI of the Authorizing Ordinance that causes Certificates no longer to be Outstanding.

(b) The provisions of the Continuing Disclosure Section are for the sole benefit of the Owners and beneficial owners of the Certificates, and nothing in the Continuing Disclosure Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to the Continuing Disclosure Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with the Continuing Disclosure Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THE CONTINUING DISCLOSURE SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

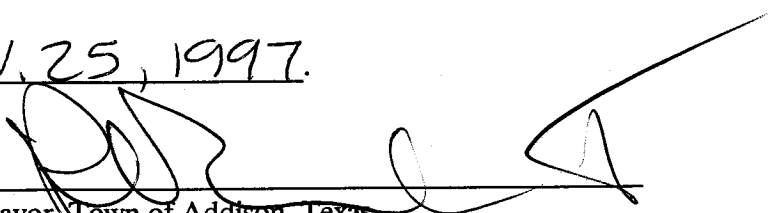
(c) No default by the City in observing or performing its obligations under the Continuing Disclosure Section shall comprise a breach of or default under the Authorizing Ordinance or this Award Ordinance for purposes of any other provisions of the Authorizing Ordinance or this Award Ordinance.

(d) Nothing in the Continuing Disclosure Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(e) The provisions of the Continuing Disclosure Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of the Continuing Disclosure Section as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of the Authorizing Ordinance or this Award Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. If the City so amends the provisions of the Continuing Disclosure Section it shall include with any amended financial information or operating data next provided in accordance with Section 6 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

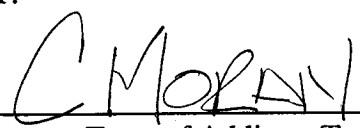
(f) Any obligation to the City to expend funds pursuant to the provisions of the Continuing Disclosure Section shall be subject to the appropriation of said funds by the City Council from sources of funds legally available for such purpose.

Finally passed and approved this NOV. 25, 1997.



Mayor, Town of Addison, Texas

ATTEST:



City Secretary, Town of Addison, Texas

Published
1998

EXHIBIT A

DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

The following information is referred to in Section 6 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded fiscal year.
2. Statistical and financial data set forth in Tables 1-15, inclusive.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above.