

ORDINANCE NO. A-447

AN ORDINANCE AUTHORIZING THE ISSUANCE OF SEWER REVENUE BONDS FOR THE PURPOSE OF IMPROVING AND EXTENDING THE MUNICIPALLY-OWNED SEWER SYSTEM AND ENLARGING THE TREATMENT FACILITIES; SETTING UP CERTAIN FUNDS; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Conway, Arkansas, owns its present sewer system, on which there is an indebtedness represented by the following outstanding balances of two sewer revenue bond issues: \$32,000 in bonds dated May 1, 1951, maturing serially November 1, 1967, through November 1, 1971, inclusive, and \$71,000 in bonds dated February 1, 1960, maturing serially February 1, 1968, through February 1, 1980, inclusive; and

WHEREAS, the City needs to improve, extend, and enlarge the municipal sewer system in order to protect the public health, comfort, and general welfare of the inhabitants of the City, and for that purpose has had Marion L. Crist & Associates of Little Rock, Arkansas, Consulting Engineers, prepare plans, specifications, and estimates of cost of the improvements needed, which they have done, and their report, showing an estimated cost of approximately \$415,600, has been filed in the office of the city Clerk, where it is subject to inspection by all interested persons; and

WHEREAS, the City does not have the money to make these improvements but, after due notice, the City has sold at a public sale attended by representatives of five syndicates its proposed issue of \$250,000 in sewer revenue bonds to Delta Securities, Incorporated, of Little Rock, Arkansas, at a price of par and accrued interest for bonds bearing interest at the effective rate of 4.1252% per annum, with the further agreement that the buyers will pay the cost of printing the bonds, the trustee's fee, and the fee of the approving attorneys, but the buyers reserved the right to convert the bonds to bonds bearing lower rates of interest, subject to the approval of the City Council and of Womeldorff & Lindsey, financial advisers to the City, and the

buyers have presented a computation showing that the cost of maturing an issue of \$250,000 in 4.125% sewer revenue bonds dated February 1, 1967, and maturing serially on February 1 of the years 1972 to 1989, both inclusive, is \$413,605.43, and that the cost of maturing the bonds after their conversion to \$259,000 in bonds dated February 1, 1967, and maturing serially and bearing interest as hereinafter set out, is \$413,586, so that by the conversion the City will receive the same money but will pay out \$19.43 less, and therefore the conversion is within the terms of the agreement with the buyers, and the buyers are now ready to accept delivery of the bonds as soon as the City can legally make delivery; now, therefore,

**BE IT ORDAINED** by the City Council of the City of Conway, Arkansas:

**SECTION 1.** That the City Council hereby finds there is a necessity for the improvement and enlargement of the municipal sanitary sewer system; that the plans and specifications prepared by Marion L. Crist & Associates, Consulting Engineers, are hereby approved and adopted; and that the Council hereby determines that it is to the best interests of the City to make the improvements set out in said plans.

**SECTION 2.** That the sale of the bonds to Delta Securities, Incorporated, of Little Rock, Arkansas, is at a fair price and one that is allowed by law, and the conversion of said bonds from \$250,000 in 4.125% bonds to \$259,000 in 3 3/4%, 3.80%, and 3.90% bonds has been approved by the City's financial advisers, and the Council does therefore approve and confirm both the sale of the bonds and their conversion to lower interest rates.

**SECTION 3.** That the Council hereby declares that a brief description of the improvements to be made is as follows: Additions to and enlargement of the existing sewage treatment facilities, and the extension of the collection system. (All of these improvements are hereinafter termed the "Works," and the collective sewer system,

including the new improvements, is hereinafter termed the "System.")

SECTION 4. That under authority of the general statutes of the State of Arkansas, and particularly Act No. 132 of the Acts of the General Assembly of the State of Arkansas for the year 1933, as amended (sometimes hereinafter termed "Act No. 132, as amended"), bonds of the City designated "Sewer Revenue Bonds, Series 1967" (hereinafter sometimes termed "Bonds") be issued in the total amount of \$259,000, the proceeds of the sale of which shall be used to pay the cost of the Works, including engineering and legal fees and other necessary expenses; that the Bonds be dated as of February 1, 1967, be numbered from 1 to 259 inclusive, be in the denomination of \$1000 each, be callable as hereinafter set forth, and mature in numerical order on February 1 of each year as follows:

YEAR	BOND NOS. (Both inclusive)	AMOUNT
1972	1 to 8	\$ 8,000
1973	9 to 16	8,000
1974	17 to 24	8,000
1975	25 to 32	8,000
1976	33 to 40	8,000
1977	41 to 49	9,000
1978	50 to 58	9,000
1979	59 to 67	9,000
1980	68 to 76	9,000
1981	77 to 93	17,000
1982	94 to 111	18,000
1983	112 to 130	19,000
1984	131 to 149	19,000
1985	150 to 169	20,000
1986	170 to 190	21,000
1987	191 to 212	22,000
1988	213 to 235	23,000
1989	236 to 259	24,000

The Bonds shall bear interest payable semi-annually on February 1 and August 1 of each year, beginning August 1, 1967, at the following rates per annum: Nos. 1 to 76 inclusive at 3 3/4%, Nos. 77 to 190 inclusive at 3.80%, and Nos. 191 to 259 inclusive at 3.90%. The Bonds shall be signed by the Mayor and City Clerk and sealed with the corporate seal of the City; the interest upon the Bonds shall be evidenced by coupons thereto attached, the coupons to be signed by

said Mayor by his facsimile signature, and the Mayor shall by the execution of the Bonds adopt as and for his own proper signature facsimile signature appearing on said coupons. The Bonds and coupons shall be payable in any coin or currency which on the respective dates of payment is legal tender for payment of debts due the United States of America. at the main office of the \_\_\_\_\_ of Little Rock, Arkansas.

The Bonds, together with interest thereon, shall be payable solely out of the 1967 Sewer Revenue Bond \_\_\_\_\_ as hereinafter defined \_\_\_\_\_ thereof only against such Fund, and the amount of the revenues pledged to said Fund; said amount of said revenues is hereby pledged and mortgaged for the equal and \_\_\_\_\_ used for no other purpose than \_\_\_\_\_ the Bonds, except as hereinafter set out.

SECTION 5. Said Bonds \_\_\_\_\_

the following form:

UNITED STATES OF AMERICA  
STATE OF ARKANSAS  
COUNTY OF FAULKNER  
CITY OF CONWAY

\_\_\_% Sewer Revenue Bond, Series 1967

No. \_\_\_\_\_

\$100

KNOW ALL MEN BY THESE PRESENTS \_\_\_\_\_

That the City of Conway, in the County of Faulkner, State of Arkansas, for value received hereby promises to pay, solely from the special fund provided therefor as hereinafter set forth, to bearer, the sum of

ONE THOUSAND DOLLARS

on the first day of February, 19\_\_\_\_, with interest thereon at the rate of \_\_\_\_\_ per centum (\_\_\_%) per annum from date until paid, payable semi-annually on the first \_\_\_\_\_

year, beginning August 1, 1967, upon presentation and surrender of the annexed coupons as they severally become due. Both principal hereof and interest hereon shall be payable in any coin or currency which on the date of payment is legal tender for payment of debts due the United States of America, at the main office of The Commercial National Bank of Little Rock, Arkansas.

This Bond is one of a series of Bonds aggregating Two Hundred Fifty-nine Thousand Dollars (\$259,000, all of like tenor and effect except as to number, interest rate, and maturity, numbered from 1 to 259, both inclusive, and issued for the purpose of improving and enlarging the municipal sanitary sewer system. (The existing system and the new improvements are hereinafter termed the "System.")

This Bond and the series of which it forms a part are issued pursuant to and in accordance with the provisions of the laws and Constitution of the State of Arkansas, particularly Act No. 132 of the Acts of the General Assembly of the State of Arkansas for the year 1933, as amended, and do not constitute an indebtedness of the City of Conway within any constitutional or statutory limitation. Said Bonds are payable solely from a fixed amount of the net revenues of the System, sufficient to pay the principal of and interest on the Bonds as the same become due and payable. Said amount has been duly set aside and pledged as a special fund for that purpose identified as the "1967 Sewer Revenue Bond Principal and Interest Fund," created by the ordinance of the City of Conway under which this Bond is authorized to be issued, and said City has fixed and has covenanted and agreed to maintain rates for sewer services which shall be sufficient at all times to provide for the payment of the reasonable expenses of operation, repair and maintenance of said system and to provide for the payment of the principal of and interest on the Bonds of this issue as the same become due and payable.

This Bond is expressly made negotiable by the statutes under which it is issued, and is issued with the intent that the laws of the State of Arkansas shall govern the construction thereof.

The Bonds of this issue are callable for payment prior to maturity in inverse numerical order at par and accrued interest, as follows: If called for payment with surplus revenues derived from the operation of the System or proceeds of the bond issue not used in construction, on any interest paying date; if called for payment with funds from any other source, on any interest paying date on and after February 1, 1972. In the event a call is made, the City shall publish notice of such call for redemption once a week for two weeks in some newspaper of general circulation throughout the State of Arkansas published in the City of Little Rock, Arkansas, giving the number and maturity of each Bond being called, the first publication to be at least fifteen days prior to the date fixed for redemption, and after the date fixed for redemption each Bond so called will cease to bear interest, provided funds for its payment are on deposit with the paying agent at that time.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all conditions, acts and things required to exist, to be performed, and to happen precedent to and in the issuance of this Bond do exist, have been performed, and have happened in due time, form and manner as required by law, and that a sufficient amount of the income and revenue deemed to be derived from the operation of said System has been pledged to and will be set aside into said special fund for the payment of the principal of and interest on said Bonds.

This Bond shall not be valid until it shall have been authenticated by the certificate hereon, duly signed by the First State Bank and Trust Company of Conway, Arkansas.

IN WITNESS WHEREOF, the City of Conway, Arkansas, by its City Council, has caused this Bond to be signed by the Mayor and City Clerk thereof, and sealed with the corporate seal of said City, and has caused the coupons hereto attached to be executed by the facsimile signature of said Mayor, all as of the first day of February, 1967.

(Seal)  
Attest:

CITY OF CONWAY, ARKANSAS

By \_\_\_\_\_

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

(Form of Coupon)

No. \_\_\_\_\_

\$ \_\_\_\_\_

On the first day of <sup>February</sup> August, 19\_\_\_\_, unless the Bond to which this coupon is attached is sooner called for payment, the City of Conway, Faulkner County, Arkansas, promises to pay to bearer the sum of \_\_\_\_\_ DOLLARS in any coin or currency which on said date is legal tender for payment of debts due the United States of America, solely out of the fund specified in the Bond to which this coupon appertains, at the main office of The Commercial National Bank of Little Rock, Arkansas, being interest then due on its Sewer Revenue Bond, Series 1967, dated February 1, 1967, and numbered \_\_\_\_\_.

CITY OF CONWAY, ARKANSAS

By \_\_\_\_\_  
Mayor

(All coupons shall be for six months' interest. The Mayor's signature on the coupons may be lithographed or engraved.)

On the back of the Bonds is to appear the following:

CERTIFICATE

This Bond is one of the 259 Bonds aggregating \$259,000 described within.

FIRST STATE BANK AND TRUST COMPANY  
OF CONWAY, ARKANSAS

By \_\_\_\_\_  
Authorized Officer

Conway, Arkansas

SECTION 6. (a) The City Council, after a hearing held upon the notice required by statute, fixed the rates to be charged for the services to be furnished by the System, in Ordinance No. A-350, passed and approved December 8, 1959.

(b) The Council hereby finds the rates so fixed to be reasonable and the necessary minimum rates to be charged, and that

they will produce a total revenue sufficient to pay the costs of the operation, repair and maintenance of the System and provide for the payment of the principal and interest of the outstanding Sewer Revenue Bonds of May 1, 1951 and February 1, 1960, and of these February 1, 1967 Bonds issued to finance the cost of the Works, as the same become due and payable, and to create all funds herein provided for the 1967 issue. Except as herein authorized, the rates for the services rendered and to be rendered by the System, as set out in said Ordinance No. 350 of December 8, 1959, shall never be reduced until all of the Bonds of this issue and all interest thereon have been paid in full, and shall when necessary be increased in an amount sufficient to provide for the maintenance of the funds hereinafter described.

(c) Whenever the outstanding balance of the Bonds authorized by this ordinance shall have been reduced to 50% of the original amount, exclusive of interest, and in the judgment of the Trustee the earnings of the System are sufficient to permit it, the Trustee may authorize a reduction in the rates; provided, no reduction in rates shall be made that will produce an estimated net revenue, after setting up necessary funds for operation, maintenance and depreciation of the System, less than 150% of the average annual requirements for the payment of principal and interest of all sewer revenue bonds then outstanding. Although a reduction in rates may be made, the rates shall be raised at any time later if the amount of net revenue for any year is less than 150% of such annual requirements. The decision of the Trustee, hereinafter named, as to the necessity for terminating any reduction in rates or increasing the rates at any time shall be final.

SECTION 7. Sewer Fund. From and after the delivery of any of the Bonds, the System shall be continuously operated as a revenue-producing undertaking. The income and revenues from such operation shall be set aside into a special and separate fund hereby created

and designated "Sewer Fund." Such income and revenues are hereby pledged, and shall be applied to the payment of the operation, repair, extension, betterment, and maintenance of the System; to the payment of all sewer revenue bonds issued under dates of May 1, 1951 and February 1, 1960, and the February 1, 1967 Bonds hereby authorized, and the interest thereon; and to providing an adequate depreciation fund.

SECTION 8. Sections 11 and 13 of Ordinance No. A-265 of the City of Conway shall remain in full force and effect.

SECTION 9. 1967 Sewer Revenue Bond Principal and Interest Fund.

(1) The balance of the revenues of the System after making the required payments into the Operation Fund is hereby declared to be the net revenues of the System. After full provision has been made for the funds pledged for the payment of the outstanding balances of the sewer revenue bonds issued by the City under dates of May 1, 1951, and February 1, 1960, there is hereby created, and so long as any of the Bonds are outstanding there shall be maintained, a special fund to be known as the "1967 Sewer Revenue Bond Principal and Interest Fund" (sometimes hereinafter referred to as the "1967 Sinking Fund"), into which there shall be set aside monthly from said net revenues such portion thereof as will be sufficient to pay the interest on the Bonds as the same becomes due, to pay the necessary fiscal agency charges for paying Bonds and interest, to pay the principal of the Bonds at or before maturity, as herein provided, and to create a reserve fund. It is hereby determined and agreed that the minimum amounts so to be set aside and paid into the 1967 Sinking Fund each month for account of the Bonds shall be, in addition to the paying agent's fees, not less than one sixth of the amount of interest becoming due on the next succeeding ~~interest~~ payment date plus one twelfth of the amount of principal becoming due on the next succeeding principal payment date plus \$100 until a reserve fund of \$10,000 has been accumulated.

Provided, however, that no further payments need be made into said 1967 Sinking Fund after and so long as such amount of the Bonds shall have been retired that the amount then held in such 1967 Sinking Fund, including the reserve, is equal to the entire amount of the interest and principal that will have accrued and become due at the time of the retirement or maturity of all the Bonds then remaining outstanding.

The undertaking to transfer and pay the prescribed amounts from said Sewer Fund into said 1967 Sinking Fund shall be cumulative, so that in the event the net revenues during any month are inadequate to make the required transfer and payment, or if for any other reason there be a failure to make such transfer and payment, the amount of the deficiency shall be made up from the first available net revenues thereafter received, and the same shall be in addition to the amounts otherwise required to be transferred and paid into said 1967 Sinking Fund.

(2) Said 1967 Sinking Fund shall be used solely and only and is hereby pledged for the purpose of paying the interest on and accomplishing the retirement of the Bonds. Withdrawals and remittances to the place or places of payment of the principal and interest shall be made in ample time to meet the semi-annual payments of such principal and interest.

It shall be the duty of the City Treasurer (subject to the priority of the May 1, 1951, and the February 1, 1960 Sewer Revenue Bonds) to transfer to the 1967 Sinking Fund on the first day of each month after the issuance of the Bonds the respective sums which are required to be withdrawn from the Sewer Fund and paid into the 1967 Sinking Fund, and when there has been accumulated in the 1967 Sinking Fund a total reserve of \$10,000 over and above the current Bond and interest requirements, the respective payments from the Sewer Fund into the 1967 Sinking Fund shall be reduced to one sixth of the next installment of interest and one twelfth of the next installment of principal

of the Bonds, together with the paying agent's fee.

It shall be the duty of the City Treasurer to deliver to the paying agent, not less than five days before the due date of any semi-annual payment of interest or annual payment of principal, a voucher payable from the 1967 Sinking Fund for the amount of such payment together with the paying charges hereinafter set out, to be used to pay Bonds and coupons of this issue as they mature and are presented for payment.

(3) The reserve of \$10,000 to be accumulated in the 1967 Sinking Fund as hereinabove provided shall be designated "1967 Reserve Fund," and whenever withdrawals are made from said 1967 Reserve Fund so as to reduce the balance therein to less than \$10,000, the monthly payments of one sixth of the next semi-annual installment of interest and one twelfth of the next annual installment of principal, plus \$100, with the paying agent's fees, hereinbefore provided to be paid into the 1967 Sinking Fund, shall be resumed, and shall be continued as long as may be necessary to restore the amount in said 1967 Reserve Fund to \$10,000. The funds in said 1967 Reserve Fund may be invested, at the option of the City, in bonds or other direct or fully guaranteed obligations of the United States of America maturing or being subject to retirement at the option of the holder within not more than ten years from the date of such investment. Withdrawals and disbursements may be made from said 1967 Reserve Fund to meet the payment of interest or principal to whatever extent funds in the 1967 Sinking Fund are insufficient for that purpose or for meeting special and unforeseen emergencies or repair or replacement work which could not have been anticipated or which is essential for the continued operation of the System and for the payment of which there are no other funds available.

SECTION 10. The charges for paying Bonds and interest coupons shall be  $\frac{1}{8}$  of 1% on principal and  $\frac{3}{4}$ ¢ per coupon; provided, the minimum fee for any semi-annual payment shall be \$5.00. No withdrawal

shall be made from the 1967 Sinking Fund for any purpose other than to pay Bonds and interest, and the deposit of the 1967 Sinking Fund and of the 1967 Reserve Fund shall be at the sole risk of the City and shall not operate as a payment of Bonds or coupons until so applied.

Payments from each fund hereinabove set out shall be made by check or voucher signed by two duly designated persons and drawn on the depository with which the moneys in said fund shall have been deposited, and each such check or voucher shall briefly specify the purpose of the expenditure.

SECTION 11. Any balance remaining in the Sewer Fund after setting up these funds may be used by the City to improve and extend the System or to call sewer revenue bonds in inverse numerical order.

SECTION 12. The City agrees to make all payments on Bonds and interest only through the designated paying agent, The Commercial National Bank of Little Rock, Arkansas, or its duly designated successor. All Bonds paid or purchased, either at or before maturity, shall be canceled when such payment or purchase is made, together with all unmatured coupons appertaining thereto; shall be returned to the City; and shall not be reissued. All unpaid interest coupons maturing on or prior to the date of such payment or purchase shall continue to be payable to the respective bearers thereof.

SECTION 13. The Bonds, and the interest thereon, are not general obligations of the City, nor do they constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely out of the 1967 Sinking Fund as hereinbefore defined and shall be a valid claim of the holders thereof only against said Fund, and the amount of the revenues pledged to said Fund, which Fund is hereby pledged for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal and interest of the Bonds as the same mature, except as provided in this ordinance. Each of the Bonds shall

contain a recital that such Bond is issued pursuant to Act No. 132 of the Acts of the General Assembly of the State of Arkansas for the year 1933, as amended.

**SECTION 14. (1)** The City hereby reserves the right and privilege of issuing bonds from time to time payable from the income and revenues of the System and ranking on a parity with the Bonds herein authorized, in order to pay the costs of extensions, enlargements, improvements, and betterments to the System; provided, that before any such bonds ranking on a parity may be so issued there shall have been procured and filed with the City Clerk a statement by an independent certified public accountant not in the regular employ of the City reciting the opinion based upon necessary investigation that the net revenues of said System for the twelve-month period immediately preceding the issuance of such additional bonds will be equal to not less than 135% of the maximum annual principal and interest requirements of all the then outstanding Conway sewer revenue bonds and those to be issued.

(2) In order to make extensions, improvements, or repairs to the System, the City may issue bonds secured by a second lien on the net revenues, upon the following conditions: the bonds shall be payable only out of the revenues of the System that will remain after providing for the maintenance, operation, and depreciation of the System, the payment of the principal and interest of all sewer revenue bonds then outstanding, and the maintenance of the 1967 Reserve Fund.

**SECTION 15.** If there be any default in the payment of the principal of or interest on any of the Bonds, the holder or holders of any of the Bonds may by proper suit compel the performance of the duties of the officials of the City, as set forth in said Act No. 132, as amended. If there be default in the payment of the principal of or interest on the Bonds or if the City shall fail to keep any other obligation which it herein assumes, and such default shall continue

for thirty days thereafter, any court having jurisdiction in any proper action, which may be instituted either by the Trustee on behalf of all the bondholders, or by the holder of a Bond in default, may appoint a receiver to administer the System OR behalf of the City, with power to charge and collect rates sufficient to provide for the expense of the receivership, the payment of the Bonds and interest thereon, and the payment of the operating expenses, and to apply the income and revenues in conformity with said Act and this ordinance, but when all defaults are cured, the receivership shall be ended and the management and control of the System restored to the City.

SECTION 16. The Mayor and City Clerk are hereby authorized and directed to execute the Bonds and deliver them to the buyers upon the payment of the full purchase price and accrued interest. The money received for accrued interest shall be paid into the 1967 Sinking Fund. The balance of the money received for the Bonds shall be deposited in a special fund to be known as the "Construction Fund Account" in one or more banks, each of which shall be a member of the Federal Deposit Insurance Corporation, and each depository shall be required to furnish security for said funds, either by a bond executed by a corporate surety company authorized to do business in the State of Arkansas and approved by the City Council or by the escrow deposit of United States bonds. The money in the Construction Fund Account shall be used solely for the purpose of paying the cost of the Works according to the plans therefor which are now on file, together with the necessary engineering, legal, and other expenses incidental to such construction, and except for legal and engineering costs, shall be paid out only on engineer's estimates, and each depository shall be notified of this requirement.

SECTION 17. The Bonds shall be callable for payment prior to maturity according to the terms set out in the face thereof.

SECTION 18. All owners of improved property lying within the area that is now served or will, after the construction of the Works, be served by the System, are hereby directed and required to connect

all toilet and waste water facilities of such improved property with the System as soon as the service is available; and the owners of property that is improved after the completion of the Works and can be served thereby shall immediately connect the toilet and waste water facilities of such property with the System.

SECTION 19. The City Council, acting as a City Board of Health, shall send a written notice to any owner of such improved property to make such connection within thirty days from the date of said notice. Any property owner who fails or refuses to connect his improved property after being notified to do so shall be guilty of a misdemeanor and upon conviction shall be fined in any sum not less than two dollars and not exceeding ten dollars, and each day's failure or refusal after expiration of the time fixed in the notice to make the connection shall be a separate offense; provided, this shall not apply to property lying more than three hundred feet from a place where a connection can be made with the System.

SECTION 20. The First State Bank and Trust Company of Conway, Arkansas, is designated as Trustee, authorized to act for and on behalf of the bondholders, but it shall be responsible only for wilful wrong in the execution of its trust, and the recitals of fact contained herein and in the Bonds (except the Trustee's Certificate) are statements made by the City and not by the Trustee. The Trustee shall not be required to take notice of any default or to take any action hereunder until it shall have been notified in writing of said default and indemnified to its satisfaction against any loss, expense or cost that it may incur by taking action. The holders of a majority in value of the outstanding Bonds at any time may, by an instrument duly executed and recorded in the office of the Circuit Clerk and ex officio Recorder of Faulkner County, Arkansas, appoint a new Trustee, who shall have all of the powers of the Trustee originally named, and the Trustee herein named may resign at any time upon ten days' notice in writing mailed to the City Clerk. The Trustee shall have the discretion to release from this mortgage and lien any property that is no longer used by the System.

SECTION 21. It is hereby declared that the provisions of this ordinance are separable, and if any provision hereof shall for any reason be held illegal or invalid, it shall not affect the validity of the remainder of the ordinance. The provisions of this ordinance shall constitute a binding contract between the City of Conway and the holders of the Bonds, and the terms of this ordinance shall not be changed except with the written consent of the holders of all the Bonds then outstanding. The Bonds are subject to the prior liens of the May 1, 1951 and February 1, 1960 bond issues, and nothing in this ordinance is intended, or shall be construed, to impair in any way the obligations of the City's contract with the holders of those prior bonds. When these two prior issues have been paid in full, or provision made for their full payment, the Bonds of this February 1, 1967 issue will have a first lien on the net operating revenues of the System.

SECTION 22. It is hereby ascertained and declared that there is immediate need, in order to protect the health and property of the inhabitants of the City, for the construction of the Works; therefore, an emergency exists and this ordinance is necessary for the preservation of the public peace, health and safety, and shall take effect and be in force without delay from and after its passage.

Passed: February 28<sup>th</sup>, 1967.

Attest:

John Rayner  
City Clerk

APPROVED:

Walter Danaway  
Mayor

**CERTIFICATE**

I, the undersigned, City Clerk of the City of Conway, Arkansas, certify the foregoing to be a true copy of an ordinance duly passed by the City Council at a duly called and constituted meeting at which more than two thirds of the members-elect of the Council were present and voted for said ordinance, which is now of record in Book 71 page 102 of the records of said City.

CERTIFIED under my hand and the seal of said City this 28<sup>th</sup> day of February, 1967.  
John Rayner  
City Clerk

(Seal)