

ORDINANCE NO. 399

PROVIDING FOR THE ISSUANCE OF \$1,230,000.00 OF CITY OF MESQUITE WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 1961; PLEDGING REVENUES FROM SAID SYSTEMS TO PAY AND TO SECURE PAYMENT OF THE BONDS HEREIN AUTHORIZED; ADOPTING CERTAIN PROVISIONS OF THE WATERWORKS AND SEWER SYSTEM REVENUE BOND ORDINANCE PASSED ON MARCH 5, 1957; MAKING ADDITIONAL PROVISIONS WITH REFERENCE TO THE INTEREST AND REDEMPTION FUND AND RESERVE FUND; AND ORDAINING OTHER MATTERS RELATING TO THE SUBJECT.

WHEREAS, on the 29th day of January, 1957, at an election held in the City of Mesquite, Texas, a majority of the qualified, property taxpaying voters of said City voting at said election voted for authorizing the issuance of bonds payable from and secured by a pledge of the Net Revenues of the Waterworks and Sewer System of said City as follows:

Refunding outstanding Waterworks and sewer system Revenue Bonds.....	\$ 653,000.00;
Improving and extending the City's Waterworks System.....	1,200,000.00;
Improving and extending the City's Sanitary Sewer System.....	1,900,000.00;

and

WHEREAS, by ordinance passed on March 5, 1957, this City directed the issuance of \$1,453,000.00 of Bonds as follows:

Refunding outstanding Waterworks and Sewer System Revenue Bonds.....	\$ 653,000.00;
Improving and extending the City's Waterworks System.....	300,000.00;
Improving and extending the City's Sanitary Sewer System.....	500,000.00;

and

WHEREAS, by ordinance passed on March 3, 1959, this City directed the issuance of \$320,000.00 of Bonds as follows:

Improving and extending the City's Waterworks System.....	\$270,000.00;
Improving and extending the City's Sanitary Sewer System.....	50,000.00;

and

WHEREAS, by ordinance passed on February 15, 1960, this City directed the issuance of \$750,000.00 of Bonds as follows:

Improving and extending the City's Waterworks System...	\$ 625,000.00;
Improving and extending the City's Sanitary Sewer System.....	125,000.00;

and

WHEREAS, said Bonds were sold and delivered to the purchasers thereof; and

WHEREAS, the City has reserved the right, under certain conditions, to issue additional parity revenue bonds heretofore and hereafter voted, payable from and secured by the Net Revenues from said Systems; and

WHEREAS, the conditions under which such remaining voted bonds may be issued now exist; and

WHEREAS, the City has deemed it advisable to issue all of the remaining voted but unissued bonds which were authorized at the aforesaid election held on January 29, 1957; and

WHEREAS, it is hereby found and determined that the improvements and extensions of the City's Waterworks and Sewer System, to be made with the proceeds from the sale of the bonds hereinafter authorized, are necessary and economically feasible;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

1. AUTHORIZATION OF BONDS. That to provide Five Thousand Dollars (\$5,000.00) for the purpose of improving and extending the City's Waterworks System, and to provide One Million Two Hundred Twenty Five Thousand Dollars (\$1,225,000.00) for the purpose of improving and extending the City's Sanitary Sewer System, pursuant to the Constitution and Statutes of the State of Texas, including particularly Articles 1111-1118, both inclusive, of the 1925 Revised Civil Statutes of Texas, as amended and supplemented, there shall be issued "City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1961," aggregating One Million Two Hundred Thirty Thousand Dollars (\$1,230,000.00).

2. DATE, DENOMINATION AND PLACE OF PAYMENT. That said Bonds shall be dated October 1, 1961; shall be of the denomination of One Thousand Dollars (\$1,000.00) each; shall be numbered consecutively from One (1) to One Thousand Two Hundred Thirty (1,230), both inclusive; and the principal thereof and interest thereon shall be payable in lawful money of the United States of America, at the Mercantile National Bank at Dallas, Dallas, Texas, without exchange or collection charges to the owner or holder thereof.

3. MATURITIES. That said Bonds shall mature serially as follows:

<u>BOND NUMBERS</u>	<u>MATURITY DATES</u>	<u>AMOUNTS</u>
1 to 5, both inclusive,	March 1, 1963	\$5,000.00
6 to 10 " "	March 1, 1964	5,000.00
11 to 15 " "	March 1, 1965	5,000.00
16 to 20 " "	March 1, 1966	5,000.00
21 to 25 " "	March 1, 1967	5,000.00
26 to 30 " "	March 1, 1968	5,000.00
31 to 35 " "	March 1, 1969	5,000.00
36 to 40 " "	March 1, 1970	5,000.00
41 to 45 " "	March 1, 1971	5,000.00
46 to 50 " "	March 1, 1972	5,000.00
51 to 55 " "	March 1, 1973	5,000.00
56 to 60 " "	March 1, 1974	5,000.00
61 to 65 " "	March 1, 1975	5,000.00
66 to 70 " "	March 1, 1976	5,000.00
71 to 75 " "	March 1, 1977	5,000.00
76 to 80 " "	March 1, 1978	5,000.00
81 to 85 " "	March 1, 1979	5,000.00
86 to 90 " "	March 1, 1980	5,000.00
91 to 95 " "	March 1, 1981	5,000.00
96 to 100 " "	March 1, 1982	5,000.00
101 to 105 " "	March 1, 1983	5,000.00
106 to 110 " "	March 1, 1984	5,000.00
111 to 115 " "	March 1, 1985	5,000.00
116 to 120 " "	March 1, 1986	5,000.00
121 to 125 " "	March 1, 1987	5,000.00
126 to 185 " "	March 1, 1988	60,000.00
186 to 250 " "	March 1, 1989	65,000.00
251 to 325 " "	March 1, 1990	75,000.00
326 to 490 " "	March 1, 1991	165,000.00
491 to 665 " "	March 1, 1992	175,000.00
666 to 845 " "	March 1, 1993	180,000.00
846 to 1,035" "	March 1, 1994	190,000.00
1,036 to 1,230" "	March 1, 1995	195,000.00

4. OPTION OF REDEMPTION. In Bonds Numbers Ninety Six (96) to One Thousand Two Hundred Thirty (1,230), both inclusive, the City reserves the option of calling each such bond for redemption prior to maturity on March 1, 1981, or on any interest payment date thereafter, at par and accrued interest to date so fixed for redemption. Thirty days' notice of such redemption shall be given in writing to the place of payment, and notice of such redemption shall be published in a financial publication published in the City of New York, New York. Said notice shall appear in said publication in at least one issue, the date of said issue being not less than thirty days prior to the date so fixed for redemption. If any such bond is called for redemption in said manner, and if funds sufficient to pay the redemption price have been duly placed in the bank of payment by the date fixed for redemption, it shall not thereafter bear interest. If fewer than all the bonds are called for redemption, they shall be called in their inverse numerical order.

Page 4  
Ordinance No. 399

5. INTEREST RATES. That said Bonds shall bear interest at the following rates:

Bonds Nos. 1 to 45, both inclusive,	5% per annum;
Bonds Nos. 46 to 325, both inclusive,	3.90% per annum;
Bonds Nos. 326 to 490 " " " H. 05	4.85% per annum;
Bonds Nos. 491 to 1,230" " "	4.10% per annum;

evidenced by coupons payable March 1, 1962, and semi-annually thereafter on September 1 and March 1 of each year.

6. EXECUTION OF BONDS AND COUPONS. Each of said bonds and coupons shall be executed by the imprinted facsimile signature of the Mayor and countersigned by the imprinted facsimile signature of the City Secretary, and such facsimile signatures shall have the same effect as manual signatures, and the corporate seal of the City shall be impressed upon each of the bonds.

7. FORM OF BOND. The form of the said Bonds shall be substantially as follows:

NO. _____	UNITED STATES OF AMERICA	\$1,000.00
	STATE OF TEXAS	
	COUNTY OF DALLAS	
	CITY OF MESQUITE	
	WATERWORKS AND SEWER SYSTEM	
	REVENUE BOND	
	SERIES 1961	

The City of Mesquite, in the County of Dallas, State of Texas, a municipal corporation duly incorporated under the laws of the State of Texas, for value received, hereby promises to pay to bearer hereof on the 1st day of March, 19\_\_\_\_, the sum of

ONE THOUSAND DOLLARS

in lawful money of the United States of America, with interest thereon from date hereof at the rate of \_\_\_\_\_ per cent (\_\_\_\_%) per annum, evidenced by coupons payable March 1, 1962, and semi-annually thereafter on September 1 and March 1 of each year, both principal and interest payable upon presentation and surrender of bond or proper coupon at the Mercantile National Bank at Dallas, Dallas, Texas, without exchange or collection charges to the owner or holder hereof.

This bond is one of a series of bonds of like tenor and effect, except as to number, interest rate, maturity and right of prior redemption, numbered One (1) to One Thousand Two Hundred Thirty (1,230), both inclusive, of the denomination of One Thousand Dollars (\$1,000.00) each, aggregating One Million Two Hundred Thirty Thousand Dollars (\$1,230,000.00) issued by the City of Mesquite, Texas, for the purpose of providing Five Thousand

Dollars (\$5,000.00) for improving and extending the City's Waterworks System and providing One Million Two Hundred Twenty Five Thousand Dollars (\$1,225,000.00) for improving and extending the City's Sanitary Sewer System, in accordance with the Constitution and laws of the State of Texas, including Articles 1111 to 1118, both inclusive, of the 1925 Revised Civil Statutes of Texas, as amended and supplemented, and pursuant to an ordinance passed by the City Council of the City of Mesquite, Texas, duly recorded in the minutes of said City Council.

The date of this bond, in conformity with the ordinance above mentioned, is October 1, 1961.

\*(The City reserves the right to redeem this bond prior to maturity on March 1, 1981, or on any interest payment date thereafter, at par and accrued interest to date so fixed for redemption, provided thirty days' notice of such redemption is given in writing to the place of payment, and notice of such redemption is published in a financial publication published in the City of New York, New York. Said notice shall appear in said publication in at least one issue, the date of said issue being not less than thirty days prior to the date so fixed for redemption. If this bond is called for redemption in said manner, and if funds sufficient to pay the redemption price shall have been duly placed in the bank of payment by the date fixed for redemption, it shall not thereafter bear interest. If fewer than all the optional bonds are called for redemption, they shall be called in their inverse numerical order.)

The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation. Each successive holder of this bond and each successive holder of each of the coupons hereto attached, is conclusively presumed to forego and renounce his equities in favor of subsequent holders for value without notice, and to agree that this bond and each of the coupons attached hereto may be negotiated by delivery by any person having possession hereof, howsoever such possession may have been acquired and that any holder who shall have taken this bond or any of the coupons from any person for value and without notice, thereby has acquired absolute title thereto, free from any defenses enforceable against any prior holder and free from all equities and claims of ownership of any such prior holder. The City of Mesquite, and its officials and the paying agent hereinabove named shall not be affected by any notice to the contrary.

This bond and the series of which it is a part constitute special obligations of the City of Mesquite, Texas, payable both as to principal and interest from and secured by a first lien on and pledge of the revenues of the Waterworks and Sewer System of said City, after deduction of reasonable operation and maintenance expenses, including all salaries, labor, materials, repairs and extensions necessary to render efficient service, and are on a parity with City of Mesquite, Texas, Waterworks and Sewer Refunding and Improvement Revenue Bonds, Series 1957, dated March 1, 1957, City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1959, dated March 1, 1959, and City of Mesquite Waterworks and Sewer System Revenue

Page 6  
Ordinance No. 399

Bonds, Series 1960, dated March 1, 1960, which issues are likewise payable from and secured by said revenues of the Waterworks and Sewer System of said City.

AND IT IS HEREBY CERTIFIED AND RECITED that the issuance of this bond and the series of which it is a part is duly authorized by law and by a majority of the resident, qualified electors owning taxable property in said City, and who had duly rendered the same for taxation, voting at an election held for that purpose within said City; that all acts, conditions and things required to exist precedent to and in the issuance of this bond to render the same lawful and valid have been properly done, have happened and been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the ordinance herein-after mentioned, and that this series of revenue bonds does not exceed any constitutional or statutory limitations, and that provision has been made for the payment of the principal of and interest on this bond and the series of which it is a part by irrevocably pledging to the payment thereof the Net Revenues of the Waterworks and Sewer System of said City.

The City reserves the right, subject to the conditions set forth in the ordinance authorizing the Series 1957 Bonds, to issue additional parity revenue bonds hereafter voted, which will be payable from the Net Revenues from said Waterworks and Sewer System and which will be on a parity in all respects with this issue of Bonds and with City of Mesquite, Texas, Waterworks and Sewer Refunding and Improvement Revenue Bonds, Series 1957, dated March 1, 1957, City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1959, dated March 1, 1959, and City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1960, dated March 1, 1960.

IN TESTIMONY WHEREOF, the City Council of the City of Mesquite, Texas, has caused the seal of said City to be impressed hereon and this bond and the interest coupons hereto attached to be executed by the imprinted facsimile signatures of the Mayor and City Secretary.

COUNTERSIGNED:

\_\_\_\_\_  
Mayor, City of Mesquite, Texas.

\_\_\_\_\_  
City Secretary, City of Mesquite, Texas

\*(This paragraph shall appear only in Bonds Nos. 96 to 1,230, both inclusive.)

8. FORM OF COUPON. The form of said coupons shall be substantially as follows:

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

ON THE 1ST DAY OF \_\_\_\_\_

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

\_\_\_\_\_, 19\_\_\_\_

The City of Mesquite, Texas, out of revenues specified in the bond to which this coupon is attached, will pay to the bearer \*(unless the bond to which this coupon is attached shall have been previously called for redemption as therein provided and provision for the redemption thereof made) at the Mercantile National Bank at Dallas, Dallas, Texas, without exchange or collection charges to the owner or holder hereof, the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_), in lawful money of the United States of America, said sum being interest due that day on "City of Mesquite Waterworks and Sewer System Revenue Bond, Series 1961, "bearing the number hereinafter specified, dated October 1, 1961. The holder hereof shall never have the right to demand payment of this obligation out of funds raised or to be raised by taxation. Bond No. \_\_\_\_\_.

\_\_\_\_\_  
City Secretary, City of Mesquite, Texas.

\_\_\_\_\_  
Mayor, City of Mesquite, Texas.

\*(This parenthetical expression shall be printed only in coupons which are to become due after March 1, 1981, which are attached to the optional bonds.)

9. COMPTROLLER'S CERTIFICATE. The form of Comptroller's Certificate which shall be printed on the back of each bond shall be substantially as follows:

OFFICE OF COMPTROLLER :  
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 special obligation of the City of Mesquite, Texas, payable from the revenues pledged to its payment by and in the ordinance authorizing same, 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.

10. PROVISIONS OF PREVIOUS ORDINANCE. The Bonds authorized by this Ordinance are "Additional Bonds" as defined and permitted by the Ordinance dated March 5, 1957, authorizing that issue of City of Mesquite, Texas, Waterworks and Sewer Refunding and Improvement Revenue Bonds, Series 1957, dated March 1, 1957. Sections 12 to 29, both inclusive, of said Ordinance of March 5, 1957, are hereby referred to, adopted and made applicable to the \$1,230,000.00 of Series 1961 Bonds authorized by this Ordinance, except as hereinafter modified and supplemented, and said Series 1961 Bonds, and the interest thereon, are hereby secured by and

shall be payable from a first lien on and pledge of the Net Revenues of the Waterworks and Sewer System of said City to the same extent and in the same manner as City of Mesquite, Texas, Waterworks and Sewer Refunding and Improvement Revenue Bonds, Series 1957, dated March 1, 1957, City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1959, dated March 1, 1959, and City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1960, dated March 1, 1960, and all of the aforesaid bonds shall be on a parity and of equal dignity for all purposes.

11. INTEREST AND REDEMPTION FUND. In addition to the amounts required by the Ordinance dated March 5, 1957, authorizing said Series 1957 Bonds, the Ordinance dated March 3, 1959, authorizing said Series 1959 Bonds and the Ordinance dated February 10, 1960, authorizing said Series 1960 Bonds, to be deposited into the Interest and Redemption Fund created by said Ordinance of March 5, 1957, there shall be deposited into said Fund the following amounts:

(a) On or before the 10th day of November, 1961, and on or before the 10th day of each month thereafter, to and including February 10, 1962, one-fourth (1/4) of the next maturing interest on this issue of Series 1961 Bonds;

(b) On or before the 10th day of March, 1962, and on or before the 10th day of each month thereafter, one-sixth (1/6) of the next maturing interest on this issue of Series 1961 Bonds;

(c) On or before the 10th day of March, 1962, and on or before the 10th day of each month thereafter, one-twelve (1/12) of the next maturing principal of this issue of Series 1961 Bonds.

12. RESERVE FUND. In addition to the amounts required by said Ordinance dated March 5, 1957, said Ordinance dated March 3, 1959, and said Ordinance dated February 10, 1960, to be deposited in the Reserve Fund created by said Ordinance dated March 5, 1957, there shall be deposited on or before the 10th day of November, 1961, and on or before the 10th day of each month thereafter, the sum of \$900.00, until there shall have been accumulated in said Reserve Fund the aggregate amount of \$207,750.00, which amount thereafter shall be maintained therein accordance with the procedures, as herein modified and supplemented, set forth in said Ordinance dated March 5, 1957.

13. APPROVAL BY ATTORNEY GENERAL. The Bonds authorized by this Ordinance and a complete record relating thereto shall be submitted to the Attorney General of Texas for his approval, and after he shall have approved them, the Bonds shall be deposited with the Comptroller of Public Accounts for registration.

14. COMPTROLLER'S REGISTRATION OF BONDS. Upon registration of said bonds, the Comptroller of Public Accounts (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's certificate of registration prescribed herein to be printed on the back of



each Bond, and the seal of said Comptroller shall be affixed to each of said Bonds.

15. SALE OF BONDS. The One Million Two Hundred Thirty Thousand Dollars (\$1,230,000.00) of Bonds authorized by this Ordinance are hereby awarded and sold to, and shall be delivered to Eastman Dillon-Union Securities Co. and Associates, for the price of par and accrued interest to date of delivery, plus a premium of \$-0-.

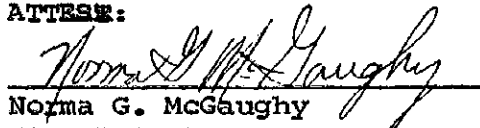
16. All ordinances and resolutions, and parts thereof, in conflict herewith, are hereby expressly repealed insofar as they conflict herewith.

PASSED AND APPROVED this the 2nd day of October, 1961.



Perry Masterson  
Perry Masterson  
Mayor Pro Tem

ATTEST:

  
Norma G. McGaughy  
Norma G. McGaughy  
City Secretary