

ORDINANCE NO. 1192

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AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS,
AUTHORIZING THE ISSUANCE OF CITY OF MESQUITE
CERTIFICATES OF OBLIGATION, SERIES 1974.

WHEREAS, at an election held on February 7, 1970, the City was authorized to issue \$800,000 in principal amount of bonds for the purpose of constructing permanent improvements to the Municipal Building by constructing and permanently equipping an addition thereto for police facilities, and by remodelling and permanently equipping a portion of same to provide municipal offices; and

WHEREAS, pursuant to an advertisement for bids for the construction of the aforesaid Municipal Building improvements, made and published in accordance with Section 6 of Vernon's Article 2368a.1, the lowest responsible bid was \$1,011,103; and

WHEREAS, the proceeds from the aforesaid bonds, available in the sum of \$800,000, are committed to be used for the construction of the aforesaid Municipal Building improvements pursuant to the aforesaid best bid and the construction contract therefor; and

WHEREAS, the sum of \$11,103 in available current funds is committed to be used for the construction of the aforesaid Municipal Building Improvements pursuant to the aforesaid best bid and the construction contract therefor; and

WHEREAS, said current funds and bond funds are deficient for the required purpose to the extent of \$200,000; and

WHEREAS, Section 7(8) of Vernon's Article 2368a.1 authorizes the City to issue and sell for cash Certificates of Obligation in an amount which, together with the current funds and bond funds is adequate to permit the awarding of the aforesaid construction contract, and thereby provide the deficiency in the current funds and bond funds which are available for such purpose; and

WHEREAS, the City has duly caused notice of its intention to issue the Certificates of Obligation hereinafter authorized to be published at the times and in the manner required by Section 8(b) of Vernon's Article 2368a.1, and no petition has been filed protesting the issuance thereof.

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

SECTION 1. That the said City's Certificates of Obligation (hereinafter sometimes called "Certificates") are hereby authorized to be issued in the aggregate principal amount of \$200,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY PART OF THE CITY'S

OBLIGATION INCURRED PURSUANT TO THE CONSTRUCTION CONTRACT DESCRIBED IN THE PREAMBLE OF THIS ORDINANCE.

SECTION 2. That said Certificates shall be designated as the: CITY OF MESQUITE CERTIFICATES OF OBLIGATION, SERIES 1974.

SECTION 3. That said Certificates shall be dated JUNE 10, 1974, shall be in the denomination of \$5,000 each, shall be numbered consecutively from one upward, and shall mature serially on the maturity date, in each of the years, and in the amounts, respectively, as set forth in the following schedule:

MATURITY DATE: JANUARY 10

<u>YEARS</u>	<u>AMOUNTS</u>
1976	\$50,000
1977	50,000
1978	50,000
1979	50,000

SECTION 4. That the Certificates shall bear interest at the rate of 5-1/2% per annum, evidenced by interest coupons which shall appertain to said Certificates, and which shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE set forth in this Ordinance.

SECTION 5. That said Certificates and interest coupons shall be issued, shall be payable, shall have the characteristics, and shall be signed and executed (and said Certificates shall be sealed), all as provided, and in the manner indicated, in the FORM OF CERTIFICATE set forth in this Ordinance.

SECTION 6. That the form of said Certificates, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each of said Certificates, and the form of the aforesaid interest coupons which shall appertain and be attached initially to each of said Certificates, shall be, respectively, substantially as follows:

FORM OF CERTIFICATE:

NO. _____

\$5,000

UNITED STATES OF AMERICA
 STATE OF TEXAS
 COUNTY OF DALLAS
 CITY OF MESQUITE
 CERTIFICATE OF OBLIGATION
 SERIES 1974

ON JANUARY 10, 19__, THE CITY OF MESQUITE, DALLAS COUNTY, TEXAS, hereby promises to pay to bearer the principal amount of

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FIVE THOUSAND DOLLARS

and to pay interest thereon, from date hereof, at the rate of % per annum, evidenced by interest coupons payable JANUARY 10, 1975, and semi-annually thereafter while this Certificate is outstanding.

THE PRINCIPAL of this Certificate and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this Certificate or proper interest coupon, at the following, which shall constitute and be defined as the "Paying Agent" for this Series of Certificates:

THE FIRST NATIONAL BANK, MESQUITE, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
MERCANTILE NATIONAL BANK AT DALLAS, DALLAS, TEXAS.

THIS CERTIFICATE is one of a Series dated as of June 10, 1974, authorized, issued, and delivered in the principal amount of \$200,000 FOR THE PURPOSE OF PROVIDING FUNDS TO PAY PART OF THE CITY'S OBLIGATION INCURRED PURSUANT TO A CONSTRUCTION CONTRACT FOR MUNICIPAL BUILDING IMPROVEMENTS.

IT IS HEREBY certified, recited, and convened that this Certificate has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate have been performed, existed, and been done in accordance with law; that this Certificate is a general obligation of said City, issued on the full faith and credit thereof; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said City, and have been pledged irrevocably for such payment, within the limit prescribed by law.

IN WITNESS WHEREOF, this Certificate and the interest coupons appertaining hereto have been signed with the facsimile signature of the Mayor of said City and countersigned with the facsimile signature of the City Secretary of said City, and the official seal of said City has been duly impressed, or placed in facsimile, on this Certificate.

XXXXXXXXX

City Secretary

XXXXXXXXX

Mayor

FORM OF REGISTRATION CERTIFICATE:

COMPROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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I hereby certify that this Certificate of Obligation has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Certificate of Obligation has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

XXXXXXXXXX
Comptroller of Public Accounts of
the State of Texas.

FORM OF INTEREST COUPON:

NO. _____ \$ _____

ON _____ 10, 19__ ,

THE CITY OF MESQUITE, IN DALLAS COUNTY, TEXAS, promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this interest coupon, at
THE FIRST NATIONAL BANK, MESQUITE, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
MERCANTILE NATIONAL BANK AT DALLAS, DALLAS, TEXAS,
said amount being interest coming due that day on the Certificate, bearing the number hereinafter designated, of that issue of CITY OF MESQUITE CERTIFICATES OF OBLIGATION, SERIES 1974, DATED JUNE 10, 1974. Certificate No. _____.

XXXXXXXXXX

City Secretary

XXXXXXXXXX

Mayor

SECTION 7. That a special "Interest and Sinking Fund" is hereby created solely for the benefit of said Certificates, and said Interest and Sinking Fund shall be established and maintained by said City at an official depository bank of said City. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said City, and shall be used only for paying the interest on and principal of said Certificates. All ad valorem taxes levied and collected for and on account of said Certificates shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Certificates or interest coupons appertaining thereto are outstanding and unpaid, the governing body of said City shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient to raise and produce the money required to pay the interest on said Certificates as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of such Certificates as such principal matures (but never less than 2% of the original principal amount of said Certificates as a sinking fund each year);

and said tax shall be based on the latest approved tax rolls of said City, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said City for each year while any of said Certificates or interest coupons appertaining thereto are outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Certificates, as such interest comes due and such principal matures, are hereby pledged irrevocably for such payment, within the limit prescribed by law.

SECTION 8. That the Mayor of said City is hereby authorized to have control of said Certificates and all necessary records and proceedings pertaining to said Certificates pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of said Certificates, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of said Certificates, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of said Certificates.

SECTION 9. That the City covenants to and with the purchaser of the Certificates that it will make no use of the proceeds of the Certificates at any time throughout the term of this issue of Certificates which, if such use had been reasonably expected on the date of delivery of the Certificates to and payment for the Certificates by the purchaser, would have caused the Certificates to be arbitrage bonds within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto; and by this covenant the City is obligated to comply with the requirements of the aforesaid Section 103(d) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The City further covenants that the proceeds of the Certificates will not otherwise be used directly or indirectly so as to cause all or any part of the Certificates to be or become arbitrage bonds within the meaning of the aforesaid Section 103(d), or any regulations or rulings pertaining thereto.


SECTION 10. That it is hereby officially found and determined and declared: that a case of emergency or urgent public necessity exists which requires the holding of the meeting at which this Ordinance is passed, such emergency or urgent public necessity being that the proceeds from the sale of said Certificates are required as soon as possible and without delay for necessary and urgently needed public improvements; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Vernon's Ann. Civ. St. Article 6252-17.

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SECTION 11. That said Certificates are hereby sold and shall be delivered to Cullen Center Bank & Trust and Corpus Christi State National Bank for cash for the par value thereof and accrued interest to date of delivery, and such accrued interest shall be deposited into the Interest and Sinking Fund.

PASSED by the City Council of the City of Mesquite, Texas, on the 20th day of May, 1974.



Bob Beard
Mayor

ATTEST:



Norma G. McGaughy
City Secretary