

AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS

THE STATE OF TEXAS :  
 COUNTY OF DALLAS :  
 CITY OF MESQUITE :

WHEREAS, the bonds hereinafter authorized were duly and favorably voted at elections held in said City on the 23rd day of October, 1976, and the 22nd day of October, 1977; and

WHEREAS, out of the bonds voted at the election held on October 23, 1976, for various General Obligation purposes, the following previously have been issued and delivered:

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| \$1,030,000 | out of a voted total of \$11,650,000 for the purpose of the construction and improvement of the roads, bridges, and streets of said City, including providing drainage in connection therewith, represented by part of the bonds of Series 1978, and Series 1979; |
| \$1,735,000 | out of a voted total of \$3,500,000 for the purpose of constructing permanent drainage and flood control improvements for said City, represented by part of the bonds of Series 1978 and Series 1979;   |
| \$ 685,000  | out of a voted total of \$3,500,000 for constructing and permanently equipping public libraries, represented by part of the bonds of Series 1978 and Series 1979;   |
| \$ 455,000  | out of a voted total of \$500,000 for the purpose of purchasing and permanently improving lands for garbage disposal (landfill and transfer sites), represented by part of the bonds of Series 1977, and Series 1978, and Series 1979;                            |
| \$ 25,000   | out of a voted total of \$750,000 for the purpose of constructing and permanently equipping fire stations, represented by part of the bonds of Series 1977; and   |

WHEREAS, out of the Park Bonds voted at the election held on October 22, 1977, the following previously have been issued and delivered:

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| \$ 600,000 | out of a voted total of \$4,750,000 for the purpose of purchasing and permanently improving lands for park recreation purposes, represented by part of the bonds of Series 1978, and Series 1979; and |
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WHEREAS, it is necessary and advisable to authorize, issue and deliver an installment or series of said bonds; and

WHEREAS, the bonds hereinafter authorized and designated were voted and are to be issued and delivered pursuant to Vernon's Articles 823, 1175 and 6081f.

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

Section 1. That the said City's bonds are hereby authorized to be issued in the aggregate principal amount of \$4,000,000, for the purpose of providing \$2,845,000 FOR THE CONSTRUCTION AND IMPROVEMENT OF THE ROADS, BRIDGES, AND STREETS OF SAID CITY, INCLUDING DRAINAGE IN CONNECTION THEREWITH; \$610,000 FOR CONSTRUCTING AND PERMANENTLY EQUIPPING FIRE STATIONS; AND \$545,000 FOR PURCHASING AND PERMANENTLY IMPROVING LANDS FOR PARK RECREATION PURPOSES.

Section 2. That said bonds shall be designated as the: "CITY OF MESQUITE GENERAL OBLIGATION BONDS, SERIES 1981."

Section 3. That said bonds shall be dated NOVEMBER 1, 1981, 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: AUGUST 1

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1983	\$100,000	1992	\$200,000
1984	100,000	1993	200,000
1985	100,000	1994	200,000
1986	150,000	1995	300,000
1987	150,000	1996	300,000
1988	150,000	1997	400,000
1989	150,000	1998	400,000
1990	150,000	1999	400,000
1991	150,000	2000	400,000

Section 4. That the bonds scheduled to mature during the years, respectively, set forth below shall bear interest at the following rates per annum:

maturities 1983, 12.75%	maturities 1992, 12.00%
maturities 1984, 12.75%	maturities 1993, 11.00%
maturities 1985, 12.75%	maturities 1994, 11.20%
maturities 1986, 12.75%	maturities 1995, 11.40%
maturities 1987, 12.75%	maturities 1996, 11.55%
maturities 1988, 12.75%	maturities 1997, 11.70%
maturities 1989, 12.75%	maturities 1998, 11.80%
maturities 1990, 12.75%	maturities 1999, 11.75%
maturities 1991, 12.75%	maturities 2000, 10.75%

Said interest shall be evidenced by interest coupons which shall appertain to said bonds, and which shall be payable in the manner provided and on the dates stated in the FORM OF BOND set forth in this Ordinance.

Section 5. That said bonds and interest coupons shall be issued, shall be payable, may be redeemed prior to their scheduled maturities, shall have the characteristics, and shall be signed and executed (and said bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Ordinance.

Section 6. That the form of said bonds, 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 bonds, and the form of the aforesaid interest coupons which shall appertain and be attached initially to each of said bonds, shall be, respectively, substantially as follows:

FORM OF BOND

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

\$5,000

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTY OF DALLAS  
CITY OF MESQUITE  
GENERAL OBLIGATION BOND  
SERIES 1981

ON AUGUST 1, 19\_\_ , THE CITY OF MESQUITE, in Dallas County, Texas, hereby promises to pay to bearer hereof the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from date hereof, at the rate of \_\_\_\_\_% per annum, evidenced by interest coupons payable on August 1, 1982, and semiannually thereafter while this bond is outstanding.

THE PRINCIPAL of this bond 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 bond or proper interest coupon, at the following, which shall constitute and be defined as the "Paying Agent" for this Series of bonds:

MERCANTILE NATIONAL BANK AT DALLAS, DALLAS, TEXAS.

THIS BOND is one of a Series dated as of November 1, 1981, authorized, issued and delivered in the principal amount of \$4,000,000, for the purpose of providing \$2,845,000 FOR THE

CONSTRUCTION AND IMPROVEMENT OF THE ROADS, BRIDGES, AND STREETS OF SAID CITY, INCLUDING PROVIDING DRAINAGE IN CONNECTION THEREWITH; \$610,000 FOR CONSTRUCTING AND PERMANENTLY EQUIPPING FIRE STATIONS; AND \$545,000 FOR PURCHASING AND PERMANENTLY IMPROVING LANDS FOR PARK RECREATION PURPOSES.

ON AUGUST 1, 1992, or on any interest payment date thereafter, any outstanding bonds of this series may be redeemed prior to their scheduled maturities, at the option of said City, in whole or in part, for the principal amount thereof and accrued interest thereon to the date fixed for redemption. At least thirty days prior to the date fixed for any such redemption said City shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York. By the date fixed for any such redemption due provision shall be made with the "Paying Agent" for the payment of the principal amount of the bonds which are to be so redeemed and accrued interest thereon to the date fixed for redemption. If such written notice of redemption is published, and if due provision for such payment is made, all as provided above, the bonds, which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the bearer to receive the redemption price from the "Paying Agent" out of the funds provided for such payment.

IT IS HEREBY certified, recited and covenanted that this bond has been duly and validly voted, 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 voting, authorization, issuance and delivery of this bond have been performed, existed, and been done in accordance with law; that this bond 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 bond, 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 bond 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 bond.

XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
City Secretary

XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
Mayor

FORM OF REGISTRATION CERTIFICATE

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

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

Witness my signature and seal this

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

FORM OF INTEREST COUPON

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

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

ON \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

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, unless due provision has been made for the redemption prior to scheduled maturity of bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at

MERCANTILE NATIONAL BANK AT DALLAS, DALLAS, TEXAS

said amount being interest coming due that day on the bond, bearing the number hereinafter designated, of that issue of CITY OF MESQUITE GENERAL OBLIGATION BONDS, SERIES 1981, DATED NOVEMBER 1, 1981.  
Bond No. \_\_\_\_\_

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX  
City Secretary

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX  
Mayor

Section 7. That a special "Interest and Sinking Fund" is hereby created solely for the benefit of said bonds, 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 bonds. All ad valorem taxes levied and collected for an account of said bonds shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said bonds 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 bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of such bonds as such principal matures (but never less than 2% of the original amount of said bonds 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 bonds 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 bonds, 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 there is hereby appropriated from surplus funds of the City lawfully available for such purpose, and shall be deposited into the aforesaid Interest and Sinking Fund the amount of money required to pay the interest coming due on said bonds on August 1, 1982. The money thus appropriated and deposited shall be used for no purpose other than to pay said interest. The appropriate City officials are hereby authorized and directed to do any and all things necessary or convenient to accomplish said appropriation and deposit.

Section 9. That the Mayor of said City is hereby authorized to have control of said bonds and all necessary records and proceedings pertaining to said bonds 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 bonds, 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 bonds, and the seal of said Comptroller shall be placed in facsimile, on each of said bonds.

Section 10. That the City covenants to and with the purchasers of the bonds that it will make no use of the proceeds of the bonds at any time throughout the term of this issue of bonds which, if such use had been reasonably expected on the date of delivery of the bonds to and payment for the bonds by the purchasers, would have caused the bonds to be arbitrage bonds within the meaning of Section 103(c) 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(c) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The City

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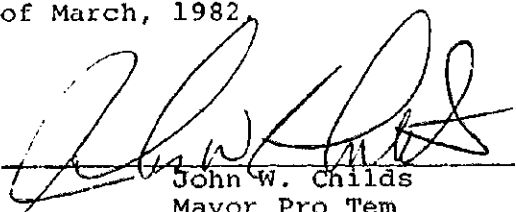
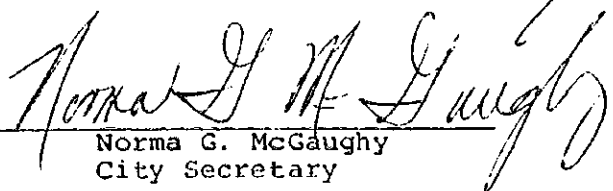
further covenants that the proceeds of the bonds will not otherwise be used directly or indirectly so as to cause all or any part of the bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(c), or any regulations or ruling pertaining thereto.

Section 11. That it is hereby officially found and determined 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 bonds 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, as amended.

Section 12. That said bonds are hereby sold and shall be delivered to Underwood, Neuhaus & Co., Inc. for cash for the par value thereof and accrued interest thereon to the date of delivery, plus a premium of \$-0-. It is hereby officially found, determined and declared that said purchaser is the highest and best bidder for said bonds and that said bonds have been sold at public sale to the bidder offering the lowest net interest cost after receiving bids pursuant to a Notice of Sale and Official Statement, dated September 7, 1981, prepared and distributed in connection with the sale of the bonds. Said Notice of Sale and Official Statement have been and are hereby approved by the City Council. It is further officially found, determined and declared that the statements and representations contained in said Notice of Sale and Official Statement are true and correct in all material respects, to the best knowledge and belief of the City Council.

DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 15th day of March, 1982.

ATTEST:

  
John W. Childs  
Mayor Pro Tem  
Norma G. McGaughy  
City Secretary

C0064