

AUTHORIZING THE ISSUANCE OF CERTIFICATES OF OBLIGATION

THE STATE OF TEXAS
COUNTY OF DALLAS
CITY OF MESQUITE

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WHEREAS, the City Council deems it advisable to issue Certificates of Obligation in the amount of \$370,000 for the purpose of paying, in whole or in part, contractual obligations for acquiring land for a sanitation landfill, and to pay all or a portion of the legal and fiscal fees in connection with this project; and

WHEREAS, the Certificates of Obligation hereinafter authorized and designated are to be issued and delivered for cash pursuant to Article 2368a.1, V.A.T.C.S.; and

WHEREAS, the City Council has heretofore, on the 16th day of May, 1983, passed an ordinance authorizing and directing the city secretary to give notice of intention to issue Certificates of Obligation; and

WHEREAS, said notice has been duly published in the Mesquite Daily News, a newspaper of general circulation in said City, in its issues of May 20, 1983, and May 27, 1983; and

WHEREAS, the City received no petition from the qualified electors of the City protesting the issuance of such Certificates of Obligation; and

WHEREAS, it is considered to be to the best interest of the City that said interest bearing Certificates of Obligation of even denominations in the amount of \$5,000 to be issued.

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

1. That the City's Certificates of Obligation, to be called the "CITY OF MESQUITE, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 1983" shall be issued under and by virtue of the Constitution and laws of the State of Texas, for the purpose of paying, in whole or in part, contractual obligations for acquiring land for a sanitation landfill, and to pay all or a portion of the legal and fiscal fees in connection with this project.

2. That said Certificates of Obligation shall be dated June 1, 1983, shall be numbered consecutively from one upward, shall be in the denomination of \$5,000 each, aggregating \$370,000, shall become due and payable on August 1 of each of the years as follows:

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<u>YEARS</u>	<u>AMOUNTS</u>
1984	\$25,000
1985	25,000
1986	50,000
1987	50,000
1988	50,000
1989	50,000
1990	50,000
1991	70,000

3. That the Certificates of Obligation scheduled to mature during the years, respectively, set forth below shall bear interest at the following rates per annum:

maturities 1984 through 1985,	8.50%
maturities 1986 through 1987,	8.35%
maturities 1987 through 1989,	8.20%
maturities 1990 through 1991,	8.35%
maturities 1991 through 1992,	8.50%
maturities 1992 through 1993,	_____%
maturities 1993 through 1994,	_____%

evidenced by interest coupons which shall appertain to said Certificates of Obligation, and which shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE set forth in this Ordinance.

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

5. That the form of said Certificates of Obligation, 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, TEXAS
 CERTIFICATE OF OBLIGATION
 SERIES 1983

ON AUGUST 1, 19__ , THE CITY OF MESQUITE, COUNTY OF DALLAS, STATE OF TEXAS, promises to pay to bearer hereof the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of % per annum, evidenced by interest coupons payable on February 1, 1984, and semiannually thereafter, while this Certificate is outstanding.

THE PRINCIPAL of this Certificate of Obligation 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 of Obligation or proper interest coupons at the following, which shall constitute and be defined as the "Paying Agent" for this Series of Certificates:

MERCANTILE NATIONAL BANK AT DALLAS, DALLAS, TEXAS

THIS CERTIFICATE OF OBLIGATION is one of a series dated as of June 1, 1983, issued in the principal amount of \$370,000, for the purpose of paying, in whole or in part, contractual obligations for acquiring land for a sanitation landfill, and to pay all or a portion of the legal and fiscal fees in connection with this project.

IT IS HEREBY certified, recited and covenanted that this Certificate of Obligation 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 of Obligation have been performed, existed and been done in accordance with law; that this Certificate of Obligation 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 of Obligation, 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.

XXXXXXXXXX
City Secretary

XXXXXXXXXX
Mayor

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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 _____.

Comptroller of Public Accounts
of the State of Texas

FORM OF INTEREST COUPON

NO. _____ \$ _____

THE CITY OF MESQUITE, COUNTY OF DALLAS, STATE OF 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 hereof, upon presentation and surrender of this interest coupon at the MERCANTILE NATIONAL BANK AT DALLAS, DALLAS, TEXAS, said amount being interest due that day on the Certificate of Obligation bearing the number hereinafter designated, of that issue of CITY OF MESQUITE, TEXAS, CERTIFICATES OF OBLIGATION, SERIES 1983, Dated June 1, 1983. Certificate of Obligation No. _____.

XXXXXXXXXX

City Secretary

XXXXXXXXXX

Mayor

6. That a special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the 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 of Obligation. All ad valorem taxes levied and collected for and on account of said Certificates of Obligation shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Certificates of Obligation or interest coupons appertaining thereto are outstanding and unpaid, the City Council 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 of Obligation as such principal matures (but never less than 2% of the original amount of said Certificates of

Obligation as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said City, with full allowances 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 of Obligation 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 of Obligation, as such interest comes due and such principal matures, are hereby pledged irrevocably for such payment, within the limit prescribed by law.

7. That the Mayor and the City Secretary are hereby ordered to do any and all things necessary to accomplish the transfer of monies to the Interest and Sinking Fund of this issue in ample time to pay such items of principal and interest.

8. That the Mayor of said City is hereby authorized to have control of said Certificates of Obligation and all necessary records and proceedings pertaining to said Certificates of Obligation 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 of Obligation, and the seal of said Comptroller shall be impressed or placed in facsimile, on each of said Certificates of Obligation.

9. That the City covenants to and with the purchasers of the Certificates of Obligation that it will make no use of the proceeds of the Certificates of Obligation at any time throughout the term of this issue of Certificates of Obligation which, if such use had been reasonably expected on the date of delivery of the Certificates of Obligation to and payment for the Certificates of Obligation by the purchasers, would have caused the Certificates of Obligation 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 further covenants that the proceeds of the Certificates of Obligation will not otherwise be used directly or indirectly so as to cause all or any part of the Certificates of Obligation to be or become arbitrage bonds within the meaning of the aforesaid Section 103(c), or any regulations or rulings pertaining thereto.

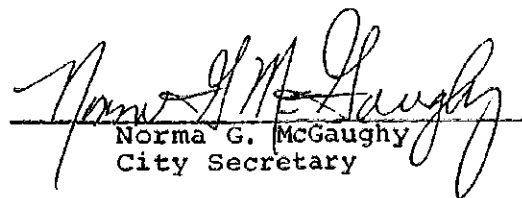
10. That it is hereby officially found and determined that a case of emergency or urgent public necessity exists which requires the holding of the meeting at which this Ordinance is passed, and such Ordinance is passed as an emergency measure, such emergency or urgent public necessity being that the proposed Certificates of Obligation 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.

Section 11. That said Certificates of Obligation are hereby sold and shall be delivered to Republic Bank Dallas for cash for the par value thereof and accrued interest thereon to date of delivery, plus a premium of \$ -0-. It is hereby officially found, determined, and declared that said purchaser is the highest bidder for said Certificates of Obligation, and that said Certificates of Obligation have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to a Notice of Sale and Official Statement, dated May, 23, 1983, prepared and distributed in connection with the sale of said Certificates of Obligation. 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 6th day of June, A.D., 1983.


Mrs. Brunhilde Nystrom
Mayor

ATTEST:


Norma G. McGaughy
City Secretary

Elland Archer
City Attorney