

ORDINANCE NO. 115

PROVIDING FOR THE ISSUANCE OF \$315,000.00 OF WATERWORKS AND SEWER SYSTEM REVENUE BONDS; PLEDGING THE REVENUES FROM THE WATERWORKS AND SEWER SYSTEMS TO SECURE THE PAYMENT OF THE BONDS HEREIN AUTHORIZED; PROVIDING FOR THE EXPENSE OF OPERATING SAID SYSTEMS; MAKING CERTAIN COVENANTS OF THE CITY IN REFERENCE TO THE BONDS AND THE FUNDS FROM WHICH SAID PRINCIPAL AND INTEREST ARE TO BE PAID; PROVIDING THAT THE HOLDER OR HOLDERS OF SAID BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT OF SAID OBLIGATIONS OUT OF FUNDS RAISED OR TO BE RAISED BY TAXATION, AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH.

WHEREAS, on February 3, 1951, an election was held in the City of Mesquite, authorizing the issuance of bonds payable from and secured by a pledge of the net revenues of the Waterworks and Sewer Systems of said City as follows:

To refund outstanding Waterworks and Sewer System Revenue Bonds.....	\$ 21,000.00;
To improve and extend the Waterworks System...	418,000.00;
To improve and extend the Sewer System.....	241,000.00;

and

WHEREAS, by ordinance passed on March 20, 1951, this City directed the issuance of \$325,000.00 of bonds as follows:

Refunding outstanding Revenue Bonds.....	\$ 21,000.00;
To improve and extend the Waterworks System....	140,000.00;
To improve and extend the Sewer System.....	164,000.00;

and

WHEREAS, Twenty One Thousand (\$21,000.00) Dollars of said Bonds were duly exchanged for the outstanding Waterworks and Sewer Revenue Bonds, which were cancelled, and the Three Hundred Four Thousand (\$304,000.00) Dollars of said Bonds were sold and delivered; and

WHEREAS, by ordinance passed on April 20, 1954, this City directed the issuance of \$40,000.00 of bonds as follows:

To improve and extend the Waterworks System...\$	25,000.00;
To improve and extend the Sewer System.....	15,000.00;

and

WHEREAS, thereafter said bonds were duly approved by the Attorney General of the State of Texas, were registered by the Comptroller of Public Accounts of the State of Texas and were sold and delivered in accordance with law; and

WHEREAS, in the issuance of said Bonds, the City reserved the right under certain conditions, to issue the remaining voted bonds 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 authority, generally, to pass this ordinance authorizing the issuance of revenue bonds for the purpose of improving and extending the Waterworks and Sewer Systems, under 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, Chapter 249, Acts of the Regular Session of the Fifty-First Legislature, Chapter 250, Acts of the Regular Session of the Fifty-First Legislature, as amended by Chapter 23, Acts of the Fifty-Second Legislature; and

WHEREAS, the City Council now finds it necessary and proper to proceed with the issuance of such revenue bonds;

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

1. AUTHORIZATION OF BONDS. To provide Two Hundred Fifty Three Thousand (\$253,000.00) Dollars for the purpose of improving and extending the City's Waterworks System and Sixty Two Thousand (\$62,000.00) Dollars for the purpose of improving and extending the City's Sewer System, there shall be issued "City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1955", aggregating Three Hundred Fifteen Thousand (\$315,000.00) Dollars.

2. DATE, DENOMINATION, PLACE OF PAYMENT. That said Bonds shall be dated March 1, 1955, shall be of the denomination of One Thousand (\$1,000.00) Dollars each; shall be numbered consecutively from One (1) to Three Hundred Fifteen (315), 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.

3. MATURITIES. Said Bonds shall mature serially as follows:

<u>BONDS NUMBERS</u>	<u>MATURITY DATES</u>	<u>AMOUNTS</u>
1 and 2	March 1, 1958	\$ 2,000.00
3 and 4	March 1, 1959	2,000.00
5 and 6	March 1, 1960	2,000.00
7 and 8	March 1, 1961	2,000.00
9 and 10	March 1, 1962	2,000.00
11 to 16, both incl.	March 1, 1963	6,000.00
17 to 22 " "	March 1, 1964	6,000.00
23 to 28 " "	March 1, 1965	6,000.00
29 to 34 " "	March 1, 1966	6,000.00
35 to 40 " "	March 1, 1967	6,000.00
41 to 50 " "	March 1, 1968	10,000.00
51 to 60 " "	March 1, 1969	10,000.00
61 to 70 " "	March 1, 1970	10,000.00
71 to 80 " "	March 1, 1971	10,000.00
81 to 90 " "	March 1, 1972	10,000.00
91 to 100 " "	March 1, 1973	10,000.00
101 to 110 " "	March 1, 1974	10,000.00
111 to 125 " "	March 1, 1975	15,000.00
126 to 140 " "	March 1, 1976	15,000.00

(Maturity Schedule cont'd)

141 to 155, both incl.	March 1, 1977	\$ 15,000.00
156 to 170 " "	March 1, 1978	15,000.00
171 to 185 " "	March 1, 1979	15,000.00
186 to 200 " "	March 1, 1980	15,000.00
201 to 215 " "	March 1, 1981	15,000.00
216 to 240 " "	March 1, 1982	25,000.00
241 to 265 " "	March 1, 1983	25,000.00
266 to 290 " "	March 1, 1984	25,000.00
291 to 315 " "	March 1, 1985	25,000.00

4. OPTION OF REDEMPTION: In Bonds Numbers Seventy One (71) to Three Hundred Fifteen (315), both inclusive, the City reserves the right to redeem said bonds prior to maturity on March 1, 1970, or on any interest payment date thereafter, at their par value plus accrued interest provided thirty (30) days notice is given before the date so fixed for prior payment, and provided that, by the date fixed for redemption, funds are placed in the place of payment sufficient to pay the bonds called and accrued interest thereon to the date fixed for prior payment. Said notice shall be in writing mailed to the place of payment and a copy of said notice shall be published in a financial publication published in the City of New York, New York, at least one time, the date of said publication to be not less than thirty (30) days prior to the date fixed for said prior redemption. Upon the happening of the above conditions said bonds shall not thereafter bear interest.

5. INTEREST RATE. Said Bonds shall bear interest at the following rates:

Bonds Numbers 1 to 28, both incl.....	2-3/4% per annum;
Bonds Numbers 29 to 60 " "	3% per annum;
Bonds Numbers 61 to 215 " "	3-1/4% per annum;
Bonds Numbers 216 to 315 " "	3-1/2% per annum;

evidenced by coupons payable September 1, 1955, and semi-annually thereafter on March 1 and September 1 of each year.

6. EXECUTION OF BONDS AND COUPONS. Each of said bonds shall be signed by the Mayor and countersigned by the City Secretary, and the corporate seal of the City shall be impressed upon each of them. The facsimile signatures of the Mayor and City Secretary may be lithographed or printed upon the coupons attached to said bonds and shall have the same effect as if they had been signed by said persons.

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

NO. _____

\$ 1,000.00

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF DALLAS
CITY OF MESQUITE
WATERWORKS AND SEWER SYSTEM REVENUE BOND
SERIES 1955

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 September 1, 1955, and semi-annually thereafter on March 1 and September 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.

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 Three Hundred Fifteen (315), both inclusive, of the denomination of One Thousand (\$1,000.00) Dollars each, aggregating Three Hundred Fifteen Thousand (\$315,000.00) Dollars, issued by the City of Mesquite, Texas, for the purpose of providing Two Hundred Fifty Three Thousand (\$253,000.00) Dollars for the purpose of improving and extending the City's Waterworks System and Sixty Two Thousand (\$62,000.00) Dollars for the purpose of improving and extending the City's Sewer System, in accordance with the Constitution and laws of the State of Texas, including Articles 1111 to 1118, both inclusive, Revised Civil Statutes, as amended, Chapter 249, Acts of the Regular Session of the Fifty-First Legislature, Chapter 250, Acts of the Regular Session of the Fifty-First Legislature, as amended by Chapter 23, Acts of the Fifty-Second Legislature, and pursuant to an ordinance passed by the City Council, duly recorded in the minutes of said City Council.

*(The City reserves the right to redeem this bond prior to maturity while it is outstanding on any interest payment date, on and after March 1, 1970, at its par value plus accrued interest, provided thirty (30) days' notice is given before the date so fixed for prior payment, and provided that, by the date fixed for redemption, funds are placed in the place of payment sufficient to pay this bond and accrued interest thereon to date fixed for payment. Said notice shall be in writing mailed to the place of payment and a copy of said notice shall be published in a financial publication published in the City of New York, New York, the date of said publication to be not less than thirty (30) days prior to the date fixed for said prior redemption. Upon the happening of the above conditions said bonds shall not thereafter bear interest.)

The date of this bond in conformity with the ordinance above mentioned is March 1, 1955.

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 hereto attached, may be negotiated by delivery by any persons 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 revenues of the Waterworks and Sewer System, 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 Waterworks and Sewer Refunding and Improvement Revenue Bonds, Series 1951, dated March 1, 1951, and City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1954, dated April 1, 1954, which are payable from and secured by the revenues of the Waterworks and Sewer System.

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 have 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 issuing 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 hereinabove mentioned, and that this series of revenue bonds does not exceed any constitutional or statutory limitation, 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 and City of Mesquite Waterworks and Sewer Refunding and Improvement Revenue Bonds, Series 1951, and City of Mesquite Waterworks and Sewer System Revenue Bonds, Series 1954, by irrevocably pledging to the payment thereof the net revenues of the Waterworks and Sewer System of the City of Mesquite, Texas.

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 to be signed by the Mayor of said City and countersigned by the City Secretary, and has caused the annexed coupons to be signed by the facsimile signatures of the Mayor and City Secretary.

Mayor, City of Mesquite, Texas

COUNTERSIGNED:

City Secretary, City of Mesquite, Texas

*(This paragraph shall appear only in Bonds Numbers 71 to 315, 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 redeemed in

accordance with its terms)* at the Mercantile National Bank at Dallas, Dallas, Texas, without expense 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 1955", bearing the number hereinafter specified, dated March 1, 1955. 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

Mayor

*(This parenthetical provision shall be printed only in coupons which are to become due after March 1, 1970, 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 bonds have 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. The Bonds authorized by this ordinance are "Remaining Voted Bonds" as defined and permitted by the said ordinance of March 20, 1951. Section Eleven (11) to Twenty Seven (27), both inclusive, of said ordinance of March 20, 1951, authorizing the issuance of City of Mesquite, Texas, Waterworks and Sewer Refunding and Improvement Revenue Bonds, Series 1951, Three Hundred Twenty Five Thousand (\$325,000.00) Dollars, are hereby made applicable to the Three Hundred Fifteen Thousand (\$315,000.00) Dollars of Bonds authorized by this ordinance except as hereinafter provided, and the Bonds authorized by this ordinance are hereby secured by a pledge of the net revenues of the waterworks and sewer system to the same extent and in the same manner as City of Mesquite, Texas, Waterworks and Sewer Refunding and Improvement Revenue Bonds, Series 1951, and City of Mesquite, Texas Waterworks and sewer System Revenue Bonds, Series 1954.

11. In addition to the amount required by the ordinance of March 20, 1951, and the ordinance of April 20, 1954, to be deposited into the Interest and Redemption Fund, there shall be deposited the following amounts:

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(a) On the 10th day of each month beginning March 10, 1955, to and including Feb. 10, 1957, the City shall deposit into the Interest and Redemption Fund One-sixth (1/6th) of the next maturing interest;

(b) On the 10th day of March, 1957, and on the 10th day of each month thereafter, the City shall deposit into the Interest and Redemption Fund One Sixth (1/6th) of the next maturing interest and One-twelfth (1/12th) of the next maturing principal.

12. In addition to the amount required by the ordinance of March 20, 1951, and the ordinance of April 20, 1954, to be deposited in the Reserve Fund created by said ordinance of March 20, 1951, there shall be deposited by the 10th day of March, 1955, and on the 10th day of each month thereafter an amount of money equal to Twenty (20%) per cent of the additional amount then required by this ordinance to be deposited into the Interest and Redemption Fund. No deposits need be made into the Reserve Fund under this Section after the aggregate amount accumulated therein under this Section, under the said ordinance of March 20, 1951, and under the said ordinance of April 20, 1954, is equal to one year's average annual requirement for the payment of principal and interest on the bonds issued under this ordinance, on the Bonds issued under the said ordinance of March 20, 1951, and on the bonds issued under the said ordinance of April 20, 1954, except that when the Reserve Fund is reduced below that amount, payments into the Fund shall be resumed and continued until such time as the Fund has been restored to such sum.

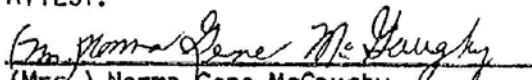
13. The Bonds authorized by this ordinance and a complete record relating thereto shall be submitted to the Attorney General of Texas for his approval, and after he shall have approved them, the Bonds shall be deposited with the Comptroller of Public Accounts for registration.


14. The Three Hundred Fifteen Thousand (\$315,000.00) Dollars of Bonds authorized by this ordinance are hereby awarded to, and shall be sold and delivered to Garrett & Company, Dallas, Texas, and to the First Southwest Company, Dallas, Texas, for the price of par and accrued interest to date of delivery.

15. This ordinance shall take effect immediately upon its passage at this meeting and all other ordinances and resolutions, and parts thereof in conflict with any part of this Ordinance are hereby expressly repealed to the extent of such conflict.

PASSED AND APPROVED this the 15th day of February, 1955.

ATTEST:


(Mrs.) Norma Gene McGaughy
City Secretary


T. O. Williams
Mayor