

ORDINANCE NO. 2002-6

AN ORDINANCE ACCEPTING A LOWER INTEREST RATE IN CONNECTION WITH A WATER AND SEWER REVENUE BOND OWNED BY THE ARKANSAS SOIL AND WATER CONSERVATION COMMISSION; EXTENDING THE NON-PREPAYMENT PERIOD ON THE BOND; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Brookland, Arkansas (the "City") has previously issued its Water and Sewer Revenue Bond, dated July 7, 1993 (the "bond"), which is owned by the Arkansas Soil and Water Conservation Commission (the "Commission") pursuant to a Loan Agreement between the City and the Commission; and

WHEREAS, the Commission purchased the bond from the City with funds made available by the issuance of the State of Arkansas Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Series 1990A, which were refunded by the State of Arkansas Waste Disposal and Pollution Abatement Facilities General Obligation Refunding Bonds, Series 1992B (the "1992B Bonds"); and

WHEREAS, the State of Arkansas (the "State"), acting by and through the Commission, has issued its Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2002C (the "2002C Bonds") for the purpose of refunding the 1992B Bonds at lower interest rates; and

WHEREAS, the State, as a result of the issuance of the 2002C Bonds at lower interest rates, has achieved a debt service savings, and the Commission desires to pass those savings to the City;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Brookland, Arkansas:

Section 1. That the City accepts the offer of the Commission to (a) reduce the interest rate on the bond from 7.50% per annum to 4.625% per annum, effective July 1, 2002, and (b) shorten the maturity of the bond from July 7, 2023 to July 7, 2017.

Section 2. That the City, in exchange for receiving a lower interest rate on the bond, agrees not to prepay the bond before July 1, 2012.

Section 3. That the bond is hereby designated as a "qualified tax-exempt obligation" under Section 265(b) of the Internal Revenue Code of 1986, as amended.

Section 4. That the Mayor and City Recorder are hereby authorized to execute all documents, certificates and instruments necessary to accomplish the intent of this Ordinance, including

particularly, without limitation, filings with the Internal Revenue Service and any amendments to the bond.

Section 5. That the provisions of this Ordinance are hereby declared to be separable, and if any provision shall for any reason be held illegal or invalid, it shall not affect the validity of the remainder of this Ordinance.

Section 6. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

ADOPTED: July 9, 2002.

APPROVED.

Joe McKeel
Mayor

ATTEST:

Beth Foster
City Recorder



CERTIFICATE

The undersigned, City Recorder of the City of Brookland, Arkansas, hereby certifies that the foregoing pages are a true and correct copy of Ordinance No. 2002-6, adopted at a regular session of the City Council of the City of Brookland, Arkansas, held at the regular meeting place of the Council in the City at 7 p.m., on the 9th day of July, 2002, and that said Ordinance is of record in Ordinance Record Book No. 2, Page _____, now in my possession.

GIVEN under my hand and seal this 9th day of July, 2002.

Beth Foster
City Recorder



AGREEMENT TO REVISE A TOWN OF BROOKLAND, ARKANSAS
WATER AND SEWER REVENUE BOND
OWNED BY THE ARKANSAS SOIL AND WATER CONSERVATION COMMISSION

This agreement is in reference to a Town of Brookland, Arkansas Water and Sewer Revenue Bond, dated July 7, 1993 (the "Bond") issued by the City of Brookland, Arkansas (the "City") and purchased by the Arkansas Soil and Water Conservation Commission (the "Commission") pursuant to a Loan Agreement between the City and the Commission. Pursuant to Ordinance No. ~~2002-6~~ of the City, the Bond is hereby amended, effective July 1, 2002, as follows:

The following terms, as used in the Bond, shall have the following definitions:

"Interest Rate" means 7.50% prior to July 1, 2002 and 4.625% on July 1, 2002 and thereafter.

"Maturity Date" means July 7, 2017.

"Payment Schedule" means equal semi-annual installments of \$3,957.80 on each Payment Date after the Dated Date to and including January 7, 2017; and a final installment of \$120.55 on the Maturity Date.

"Redemption Schedule" means the following schedule for redeeming this Bond on the Redemption Dates set forth in the following schedule at the Redemption Price (expressed as percentages of the Principal Amount) set forth in the following schedule, together with accrued interest to the Redemption Date:

Redemption Dates
(Dates Inclusive)

Redemption Price

July 1, 2012 and thereafter

par

"Trustee" means Regions Bank, Attention: Ms. Diane Davis, Vice President/Corporate Trust Officer, P.O. Box 1471, Little Rock, Arkansas 72203.

This agreement shall be affixed to the Bond by Regions Bank, as trustee, which is the custodian of the Bond.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the 15th day of May, 2002.

CITY OF BROOKLAND, ARKANSAS

ATTEST:

Beth Foster
City Recorder

Joe McKeel
Mayor

ARKANSAS SOIL AND WATER
CONSERVATION COMMISSION

ATTEST:

Chairman

Executive Director

REGIONS BANK

ATTEST:

Vice President/Corporate Trust Officer

(Title)