

ORDINANCE NO. 68-18

AN ORDINANCE ESTABLISHING THE MATURITY SCHEDULE FOR THE CITY'S WATER AND SEWER REFUNDING AND CONSTRUCTION REVENUE BONDS, SERIES 2018; RATIFYING AND CONFIRMING THE SALE OF THE BONDS; PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to Ordinance No. 57-18, adopted July 24, 2018 ("Ordinance No. 57-18"), the Board of Directors of the City of Fort Smith, Arkansas (the "City") has authorized the issuance and sale of the City's Water and Sewer Refunding and Construction Revenue Bonds, Series 2018 (the "Bonds") in the maximum aggregate principal amount of \$160,000,000 for the purpose of financing all or a portion of the costs of extensions, betterments and improvements to the water and sewer facilities of the City (the "Improvements") and refunding certain outstanding bonds; and

WHEREAS, the City Council has determined that the Bonds should be issued in the aggregate principal amount of \$130,680,000, which when combined with the face amount of the municipal bond debt service reserve policy to be issued by Build America Mutual Assurance Company (the "Insurer"), is within the parameters set by Ordinance No. 57-18; and

WHEREAS, the City has made arrangements for the sale of the Bonds to Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of a group of underwriters (the "Underwriters"), pursuant to a Bond Purchase Agreement between the Underwriters and the City (the "Agreement"), which has been approved by Ordinance No. 57-18; and

WHEREAS, the Agreement provides a maturity schedule and purchase price for the Bonds, which are within the parameters set by Ordinance No. 57-18; and

WHEREAS, payment when due of the scheduled principal of and interest on the Bonds identified herein as the Insured Bonds will be guaranteed by the Insurer, or any successor thereto or assignee thereof (the "Insurer"), pursuant to a municipal bond insurance policy (the "Insurance Policy"), as set forth in the Insurance Policy; and

WHEREAS, the first optional redemption date for the Bonds shall be October 1, 2028, which is within the parameters set by Ordinance No. 57-18;

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the City of Fort Smith, Arkansas:

Section 1. The sale of the Bonds to the Underwriter at a price of \$146,364,797.15 (principal amount less Underwriters' discount of \$563,649.25 plus net original issue premium of \$16,248,446.40), pursuant to the Agreement, is hereby authorized and approved.

Section 2. The Bonds shall bear interest at the rates and shall mature on October 1 in the amounts and in the years as follows:

<u>Year</u> <u>(October 1)</u>	<u>Amount</u>	<u>Interest Rate</u>
2020	\$2,660,000	4.00%
2021	3,635,000	5.00
2022	4,700,000	2.00
2023	4,805,000	5.00
2024	5,860,000	4.00
2025	4,215,000	3.00
2025	1,880,000	5.00
2026	6,270,000	5.00
2027	6,585,000	5.00
2028	7,950,000	5.00
2029	7,755,000	3.00
2030	8,570,000	5.00
2031	9,000,000	5.00
2032	9,455,000	5.00
2033	15,015,000	5.00
2034	15,770,000	5.00
2035	5,000,000	3.50
2035	11,555,000	5.00

Section 3. The first optional redemption date for the Bonds shall be October 1, 2028.

Section 4. Bonds maturing in the year 2022 are hereby identified as the “Insured Bonds” in Ordinance No. 57-18.

Section 5. The form of Bond contained in Ordinance No. 57-18 shall be amended and completed according to the terms of this Ordinance.

Section 6. This Ordinance shall supplement Ordinance No. 57-18 in authorizing the issuance of the Bonds.

Section 7. The provisions of this Ordinance are separable and in the event that any section or part hereof shall be held to be invalid, such invalidity shall not affect the remainder of this Ordinance.

Section 8. All ordinances and resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. It is hereby ascertained and declared that the Improvements are immediately needed for the preservation of the public peace, health and safety and to remove existing hazards thereto. The Improvements cannot be accomplished without the issuance of the Bonds. Therefore, it is declared that an emergency exists and this Ordinance being necessary for the preservation of the public peace, health and safety shall be in force and take effect immediately upon and after its passage.

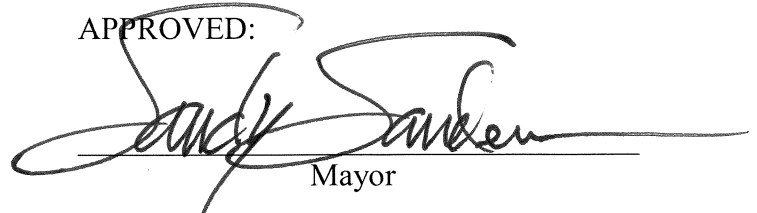
PASSED: August 28, 2018.

ATTEST:



City Clerk

APPROVED:



Mayor



CERTIFICATE

The undersigned, City Clerk of the City of Fort Smith, Arkansas (the "City"), hereby certifies that the foregoing pages are a true and correct copy of Ordinance No. 68-18, passed at a special session of the City Council of the City, held at the River Park Events Building West Room, 121 Riverfront Drive at 12:00 o'clock noon on the 28th day of August, 2018, and that the Ordinance is of record in Ordinance Record Book No. , now in my possession.

GIVEN under my hand and seal this 28th day of August, 2018.

Shuni Gard
City Clerk

