ORDINANCE NO. $\qquad$


#### Abstract

AN ORDINANCE TO AMEND LITTLE ROCK, ARKANSAS, ORDINANCE NO. 19,769 (AUGUST 7, 2007); TO AUTHORIZE A REVISED REPAYMENT SCHEDULE AND INTEREST RATE FOR THE OUTSTANDING CITY OF LITTLE ROCK, ARKANSAS SEWER REVENUE BOND, SERIES 2007B; TO PRESCRIBE OTHER MATTERS THAT RELATE THERETO; AND FOR OTHER PURPOSES.


WHEREAS, the City of Little Rock, Arkansas (the "City"), has issued its Sewer Revenue Bond, Series 2007B, dated August 7, 2007 (the "Bond"), in order to finance extensions, betterments and improvements to the City's Water Reclamation System, which is operated by the Little Rock Water Reclamation Authority; and,

WHEREAS, the City entered into a Bond Purchase Agreement, dated July 31, 2007 (the "Bond Purchase Agreement"), with the Arkansas Natural Resources Commission ("ANRC") and the Arkansas Development Finance Authority (the "Bondholder") providing for the purchase by the Bondholder of the Bond in the principal amount of Eighteen Million Dollars (\$18,000,000.00); and,

WHEREAS, the Bond bears interest at the rate of $1.75 \%$ and principal installments are payable on each April $15^{\text {th }}$ and October $15^{\text {th }}$ with the final payment due October 15, 2029; and,

WHEREAS, the City pays a financing fee to the Bondholder on the dates that interest on the Bond is due at the rate of $1 \%$ on the outstanding principal of the Bond; and,

WHEREAS, ANRC and the Bondholder have agreed to modify the terms of the Bond by deferring the principal of the Bond due in 2021, 2022 and 2023 by three years after the current maturity date; and,

WHEREAS, ANRC and the Bondholder have agreed that the Bond will not bear interest after the current maturity date and that there will not be any additional interest or financing fee amounts as a result of the restructuring; and,

WHEREAS, the Bond was issued under and pursuant to Ordinance No. 19,769 passed June 19, 2007.
NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. The fifth and sixth WHEREAS clauses of Ordinance of No. 19,769 are hereby amended to read as follows:
"WHEREAS, the City (through the Committee) is making arrangements for the sale of its Sewer Revenue Bond, Series 2007B (the "2007B Bond"), in principal amount not to exceed Eighteen Million

Dollars $(\$ 18,000,000.00)$ to the Arkansas Development Finance Authority, as purchaser (the "Bondholder"), at a price of par pursuant to a Bond Purchase Agreement (the "Agreement") among the City, the Bondholder and the Arkansas Natural Resources Commission (the "Commission"), which Agreement has been presented to and is before this meeting; and,

WHEREAS, the City will also be required to pay to the Arkansas Development Finance Authority, as servicer with respect to the 2007B Bond, a financing fee based upon variable rates applied to the outstanding principal amount of the 2007B Bond (the "Financing Fee"); and,"

Section 2. Section 2 of Ordinance No. 19,769 is hereby amended to read as follows:
"The sale to the Bondholder of the 2007B Bond in the maximum principal amount of Eighteen Million Dollars $(\$ 18,000,000.00)$ at a price of par, subject to the terms and provisions hereafter in this ordinance set forth in detail be, and is hereby approved and the 2007B Bond is hereby sold to the Bondholder. The Mayor is hereby authorized and directed to execute and deliver the Agreement on behalf of the City and to take all action required on the part of the City to fulfill its obligations under the Agreement. The Agreement is hereby approved in substantially the form submitted to this meeting with such changes as may be approved by the Mayor, his execution to constitute complete evidence of such approval."

Section 3. The second paragraph of Section 4 of Ordinance No. 19,769 is hereby amended to read as follows:
"The 2007B Bond shall bear interest at the rates and shall be subject to Financing Fees calculated at the rates based upon a 360-day year of twelve (12) consecutive thirty (30)-day months compounded semiannually. The 2007B Bond shall be dated the date of its delivery to the Bondholder. Accrued interest and the Financing Fee only shall be payable on each April $15^{\text {th }}$ and October $15^{\text {th }}$, commencing October 15, 2007, to and including October 15, 2009. There shall be no interest and Financing Fees due after October 15, 2029. Principal, interest and the Financing Fees shall be payable on April 15, 2010, and on each April $15^{\text {th }}$ and October $15^{\text {th }}$ thereafter as follows:

Schedule appears below and on page 3

| Payment Date | Total Payment | Interest Rate | Interest | Financing Fee | Financing Fee | Principal |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| October 15, 2009 |  |  |  |  |  |  |
| April 15, 2010 | \$588,048.00 | 1.75\% | \$157,500.00 | 1.00\% | \$90,000.00 | \$340,548.00 |
| October 15, 2010 | 588,048.00 | 1.75\% | 154,520.00 | 1.00\% | 88,297.00 | 345,231.00 |
| April 15, 2011 | 588,048.00 | 1.75\% | 151,499.00 | 1.00\% | 86,571.00 | 349,978.00 |
| October 15, 2011 | 588,048.00 | 1.75\% | 148,437.00 | 1.00\% | 84,821.00 | 354,790.00 |
| April 15, 2012 | 588,048.00 | 1.75\% | 145,333.00 | 1.00\% | 83,047.00 | 359,668.00 |
| October 15, 2012 | 588,048.00 | 1.75\% | 142,186.00 | 1.00\% | 81,249.00 | 364,613.00 |
| April 15, 2013 | 588,048.00 | 1.75\% | 138,995.00 | 1.00\% | 79,426.00 | 369,627.00 |
| October 15, 2013 | 588,048.00 | 1.75\% | 135,761.00 | 1.00\% | 77,578.00 | 374,709.00 |
| April 15, 2014 | 588,048.00 | 1.75\% | 132,482.00 | 1.00\% | 75,704.00 | 379,862.00 |
| October 15, 2014 | 588,048.00 | 1.75\% | 129,159.00 | 1.00\% | 73,805.00 | 385,084.00 |
| April 15, 2015 | 588,048.00 | 1.75\% | 125,789.00 | 1.00\% | 71,879.00 | 390,380.00 |


| October 15, 2015 | 588,048.00 | 1.75\% | 122,373.00 | 1.00\% | 69,928.00 | 395,747.00 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| April 15, 2016 | 588,048.00 | 1.75\% | 118,910.00 | 1.00\% | 67,949.00 | 401,189.00 |
| October 15, 2020 | 588,048.00 | 1.75\% | 85,522.00 | 1.00\% | 48,870.00 | 453,656.00 |
| April 15, 2021 | 128,155.00 | 1.75\% | 81,553.00 | 1.00\% | 46,602.00 | - |
| October 15, 2021 | 121,831.00 | 1.66\% | 77,529.00 | 0.95\% | 44,302.00 | - |
| April 15, 2022 | 115,420.00 | 1.58\% | 73,449.00 | 0.90\% | 41,971.00 | - |
| October 15, 2022 | 108,922.00 | 1.49\% | 69,314.00 | 0.85\% | 39,608.00 | - |
| April 15, 2023 | 102,333.00 | 1.40\% | 65,121.00 | 0.80\% | 37,212.00 | - |
| October 15, 2023 | 95,655.00 | 1.31\% | 60,871.00 | 0.75\% | 34,784.00 | - |
| April 15, 2024 | 588,048.00 | 1.21\% | 56,563.00 | 0.69\% | 32,322.00 | 499,163.00 |
| October 15, 2024 | 588,048.00 | 1.18\% | 52,195.00 | 0.68\% | 29,826.00 | 506,027.00 |
| April 15, 2025 | 588,048.00 | 1.15\% | 47,768.00 | 0.66\% | 27,296.00 | 512,984.00 |
| October 15, 2025 | 588,048.00 | 1.11\% | 43,279.00 | 0.63\% | 24,731.00 | 520,038.00 |
| April 15, 2026 | 588,048.00 | 1.06\% | 38,729.00 | 0.61\% | 22,131.00 | 527,188.00 |
| October 15, 2026 | 588,048.00 | 1.01\% | 34,116.00 | 0.58\% | 19,495.00 | 534,437.00 |
| April 15, 2027 | 588,048.00 | 0.95\% | 29,439.00 | 0.54\% | 16,823.00 | 541,786.00 |
| October 15, 2027 | 588,048.00 | 0.87\% | 24,699.00 | 0.50\% | 14,114.00 | 549,235.00 |
| April 15, 2028 | 588,048.00 | 0.78\% | 19,893.00 | 0.44\% | 11,367.00 | 556,788.00 |
| October 15, 2028 | 588,048.00 | 0.66\% | 15,021.00 | 0.38\% | 8,583.00 | 564,444.00 |
| April 15, 2029 | 588,048.00 | 0.50\% | 10,082.00 | 0.29\% | 5,761.00 | 572,205.00 |
| October 15, 2029 | 588,023.00 | 0.30\% | 5,075.00 | 0.17\% | 2,900.00 | 580,048.00 |
| April 15, 2030 | 459,893.00 | 0.00\% | - | 0.00\% | - | 459,893.00 |
| October 15, 2030 | 466,217.00 | 0.00\% | - | 0.00\% | - | 466,217.00 |
| April 15, 2031 | 472,628.00 | 0.00\% | - | 0.00\% | - | 472,628.00 |
| October 15, 2031 | 479,126.00 | 0.00\% | - | 0.00\% | - | 479,126.00 |
| April 15, 2032 | 485,715.00 | 0.00\% | - | 0.00\% | - | 485,715.00 |
| October 15, 2032 | 492,393.00 | 0.00\% | - | 0.00\% | - | 492,393.00 |

Section 4. The Mayor, for and on behalf of the City, is hereby authorized and directed to enter into a supplement to the Bond Purchase Agreement having terms consistent with the provisions of this ordinance.

Section 5. The Mayor and City Clerk, for and on behalf of the City, are authorized to execute and deliver a new Bond Certificate providing (a) that this ordinance has been adopted, (b) for the new debt service payment schedule, (c) for variable interest rates and Financing Fees and (d) such other terms as consistent with this ordinance. The new bond certificate shall be a bond issued under the provisions of Ordinance No. 19,769 and shall be entitled to the benefits, security and terms of Ordinance No. 19,769, except as to the interest rate, Financing Fee and repayment terms set forth herein.

Section 6. Severability. In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of the ordinance.
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Section 7. Repealer. All ordinances, resolutions, bylaws, and other matters inconsistent with this ordinance, particularly including but not limited to Little Rock, Arkansas, Ordinance No. 19769 (August 7, 2007), are hereby repealed to the extent of such inconsistency.

PASSED: October 20, 2020

ATTEST:

Susan Langley, City Clerk APPROVED AS TO LEGAL FORM:

## APPROVED:

Frank Scott, Jr., Mayor

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[^0]:    Thomas M. Carpenter, City Attorney

