

ORDINANCE NO. 74

AN ORDINANCE AUTHORIZING AND DIRECTING THE ISSUANCE OF ONE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$165,000) NEGOTIABLE INTEREST-BEARING WATERWORKS SYSTEM REVENUE BONDS OF THE CITY OF PORTAGE DES SIOUX, ST. CHARLES COUNTY, MISSOURI, AUTHORIZED AT A SPECIAL ELECTION HELD AT THE TIME OF THE HOLDING OF THE GENERAL CITY ELECTION IN SAID CITY ON THE 5TH DAY OF APRIL, 1966 TO PROVIDE FUNDS WITH WHICH TO PAY THE COST OF CONSTRUCTING A WATERWORKS SYSTEM TO BE OWNED EXCLUSIVELY BY SAID CITY; PROVIDING FOR THE COLLECTION, SEGREGATION, AND DISTRIBUTION OF THE REVENUES TO BE DERIVED FROM THE OPERATION OF SAID SYSTEM IN AMOUNTS SUFFICIENT TO PAY THE COST OF OPERATION AND MAINTENANCE THEREOF AND THE PRINCIPAL OF AND THE INTEREST OF SAID BONDS; AND ESTABLISHING A RESERVE ACCOUNT AND A DEPRECIATION ACCOUNT.

WHEREAS, the Board of Aldermen of the City of Portage Des Sioux, St. Charles County, Missouri, finds that a waterworks system should be constructed to be owned exclusively by said City; and

WHEREAS, the said Board of Aldermen now finds and determines that the estimated cost of constructing the system will be at least One Hundred Sixty-Five Thousand Dollars (\$165,000); and

WHEREAS, the said Board of Aldermen now further finds and determines that it is necessary that the aforesaid sum of One Hundred Sixty-Five Thousand Dollars (\$165,000) be provided through the issuance of waterworks system revenue bonds of the City; and

WHEREAS, the Board of Aldermen of the City of Portage Des Sioux, Missouri, by Ordinance No. 70 duly and regularly passed and approved on the 7th day of March, 1966, directed that there be submitted to the qualified electors of said City at a special election to be held at the time of the holding of the General City Election therein on the 5th day of April, 1966, the following proposition, to-wit:

PROPOSITION

Proposition to issue negotiable waterworks system revenue bonds of the City of Portage Des Sioux, St.

Charles County, Missouri, to the amount of One Hundred Sixty-Five Thousand Dollars (\$165,000), for the purpose of providing funds with which to pay the cost of constructing a waterworks system to be owned exclusively by said City; said bonds to be payable solely from the revenues to be derived by said City from the operation of said waterworks system.

and

WHEREAS, the said Ordinance did direct that the aforesaid election be held at the polling places in said City therein set out; and

WHEREAS, due and regular notice of said election was given as directed by said Ordinance and as required by law, by publication in the Daily Banner-News on the 11th, 18th, and 25th days of March, 1966; said Daily Banner-News being a daily newspaper published and of general circulation in St. Charles County, Missouri, there being no newspaper published in said City of Fortage Des Sioux; and said newspaper having previously been admitted to the Post Office as second class matter and having been published regularly and consecutively for a period of more than three years prior to the publication of said notice; and said newspaper having a list of bona fide subscribers, voluntarily engaged as such, who have paid or agreed to pay a stated price for subscriptions thereto for a definite period of time; and

WHEREAS, said notice was published in said newspaper once a week for at least three (3) consecutive weeks prior to the date of said election, the first of said publications having occurred at least twenty-one (21) days before and the last one within two (2) weeks of the date of said election; and

WHEREAS, by the aforesaid Ordinance No. 70, the Board of Aldermen did appoint judges of said election and did make provision for the use at said election of ballots in the form provided by law; and

WHEREAS, the said ballots used at said special election were in the form as set forth in the aforesaid Ordinance; and

WHEREAS, said election was duly and regularly held in all respects as required by the Statutes of the State of Missouri; and

WHEREAS, the judges of said election, immediately upon the closing of the polls on said 5th day of April, 1966, did make out, certify, and transmit to the Board of Aldermen, through the City Clerk, the returns of said election; and

WHEREAS, the said City Clerk did subsequently transmit said returns of said election to the Board of Aldermen; and

WHEREAS, this Board of Aldermen, on the 12th day of April, 1966, did canvass the returns of said election and then did find and does now again find, determine, and declare that there were cast on the aforesaid Proposition one hundred ten (110) votes, of which seventy-one (71) votes were "YES" and thirty-nine (39) votes were "NO"; and that the aforesaid Proposition was assented to by more than four-sevenths ($4/7$) of the qualified electors of said City voting thereon at said election; and

WHEREAS, the result of the aforesaid election was duly and formally declared by resolution of said Board of Aldermen adopted on the 12th day of April, 1966; and

WHEREAS, no bonds or certificates of indebtedness payable from the revenues of the proposed waterworks system are outstanding; and

WHEREAS, the City of Portage Des Sioux is authorized by Article VI, Section 27, of the Constitution of Missouri, as amended, to issue its negotiable interest-bearing revenue bonds for the purpose of providing funds with which to pay the cost of constructing a waterworks system to be owned exclusively by said

City, the principal of and the interest on said revenue bonds to be payable solely from the revenues to be derived by said City from the operation of said system:

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF PORTAGE DES SIOUX, MISSOURI, AS FOLLOWS:

SECTION I

That the negotiable interest-bearing revenue bonds of the City of Portage Des Sioux, St. Charles County, Missouri, be and the same are hereby authorized and directed to be issued in the principal sum of One Hundred Sixty-Five Thousand Dollars (\$165,000) for the purpose of providing funds with which to pay the cost of constructing a waterworks system to be owned exclusively by said City, the principal of and the interest on said revenue bonds to be payable solely from the revenues to be derived by said City from the operation of said system, in accordance with the Proposition submitted to the qualified electors of said City at the special election held thereon at the time of the holding of the General City Election held in said City on the 5th day of April, 1966, as set forth in the preamble hereto.

Said Bonds shall be dated April 1, 1967

Shall be numbered from One (1) to One Hundred Sixty-five (165) both inclusive;

Shall be in the denomination of One Thousand Dollars (\$1000) each;

Shall bear interest from the date thereof at the rates per annum hereinafter set forth; payable July 1, 1967 and semi-annually thereafter on January 1, and July 1

in each year until the principal of said bonds, respectively, shall have been fully paid (Interest to accrue

on and prior to maturity shall be evidenced by appropriate coupons to be attached to each of said bonds.)

Said bonds shall be payable in lawful money of the United States of America at the American National Bank and Trust Company of Chicago, in the City of Chicago State of Illinois; and

Said Bonds shall bear interest and shall mature as follows:

<u>BOND NUMBERS</u>	<u>RATE OF INTEREST</u>	<u>AMOUNT</u>	<u>MATURITY</u>
1	5%	\$1,000	January 1, 1970
2	5%	1,000	January 1, 1971
3	5%	1,000	January 1, 1972
4 and 5	5%	2,000	January 1, 1973
6 and 7	5%	2,000	January 1, 1974
8 and 9	5%	2,000	January 1, 1975
10 to 12, Inclusive	5%	3,000	January 1, 1976
13 to 15 "	5%	3,000	January 1, 1977
16 to 18 "	5%	3,000	January 1, 1978
19 to 22 "	5%	4,000	January 1, 1979
23 to 26 "	5%	4,000	January 1, 1980
27 to 30 "	5%	4,000	January 1, 1981
31 to 35 "	5 1/4%	5,000	January 1, 1982
36 to 40 "	5 1/4%	5,000	January 1, 1983
41 to 45 "	5 1/4%	5,000	January 1, 1984
46 to 50 "	5 1/4%	5,000	January 1, 1985
51 to 55 "	5 1/4%	5,000	January 1, 1986
56 to 60 "	5 1/4%	5,000	January 1, 1987
61 to 65 "	5 1/4%	5,000	January 1, 1988
66 to 70 "	5 1/4%	5,000	January 1, 1989
71 to 75 "	5 1/4%	5,000	January 1, 1990
76 to 80 "	5 1/4%	5,000	January 1, 1991
81 to 85 "	5 1/4%	5,000	January 1, 1992
86 to 90 "	5 1/4%	5,000	January 1, 1993
91 to 95 "	5 1/4%	5,000	January 1, 1994
96 to 100 "	5 1/4%	5,000	January 1, 1995
101 to 105 "	5 1/4%	5,000	January 1, 1996
106 to 110 "	5 1/4%	5,000	January 1, 1997
111 to 115 "	5 1/4%	5,000	January 1, 1998
116 to 120 "	5 1/4%	5,000	January 1, 1999
121 to 125 "	5 1/4%	5,000	January 1, 2000
126 to 130 "	5 1/4%	5,000	January 1, 2001
131 to 135 "	5 1/4%	5,000	January 1, 2002
136 to 145 "	5 1/4%	10,000	January 1, 2003
146 to 155 "	5 1/4%	10,000	January 1, 2004
156 to 165 "	5 1/4%	10,000	January 1, 2005

The right is reserved unto said City to call in, pay, and redeem bonds numbered Forty-one (41) through One Hundred Sixty-

Five (165) on January 1, 1983, or on any interest payment date thereafter prior to maturity, in the inverse order of their numbers, at par and accrued interest, plus a premium of Fifty Dollars (\$50.00) for each bond so redeemed. Thirty (30) days' written notice of the call of any bond shall be given to the paying agent designated therefor. Interest shall cease to accrue on any bond so called from and after the date fixed for its payment, provided funds are available for such payment on that date.

SECTION II

That said bonds shall be executed by the signature of the Mayor and attested by the signature of the City Clerk, with the seal of said City impressed thereon, and the interest coupons to be attached thereto shall be in substantially the following forms:

UNITED STATES OF AMERICA

STATE OF MISSOURI

COUNTY OF ST. CHARLES

CITY OF PORTAGE DES SIOUX

WATERWORKS SYSTEM REVENUE BOND

NO _____

\$1,000

The City of Portage Des Sioux, St. Charles County, Missouri acknowledges itself indebted and, for value received, hereby promises to pay to bearer, solely from the revenues of the waterworks system of said City and not otherwise, the sum of

ONE THOUSAND DOLLARS

(\$1,000) on the first day of January, _____, with interest thereon from the date hereof at the rate of _____ per centum (____%) per annum, payable July 1, 1967, and semi-annually thereafter on January 1 and July 1 in each year until the principal of this bond

shall have been fully paid. Interest accruing on this bond on and prior to the maturity date hereof shall be payable upon presentation and surrender of the annexed interest coupons as they severally become due.

Both principal of and interest on this bond are payable in lawful money of the United States of America at the American National Bank and Trust Company of Chicago, in the City of Chicago, State of Illinois.

The right is reserved unto said City to call in, pay, and redeem bonds numbered Forty-one (41) through One Hundred Sixty-Five (165) of the issue of which this bond is one, on January 1, 1983, or on any interest payment date thereafter prior to maturity, in the inverse order of their numbers, at par and accrued interest, plus a premium of Fifty Dollars (\$50.00) for each bond so redeemed. Thirty (30) days' written notice of the call of any bond shall be given to the paying agent designated for this bond. Interest shall cease to accrue on any bond so called from and after the date fixed for its payment, provided funds are available for such payment on that date.

This bond is one of an authorized issue of one hundred sixty-five (165) bonds, numbered from One (1) to One Hundred Sixty-Five (165), both inclusive, all of like date, tenor, and effect, except as to date of maturity and provision for redemption prior to maturity, aggregating the sum of One Hundred Sixty-Five Thousand Dollars (\$165,000) issued by the City of Portage Des Sioux for the purpose of providing funds with which to pay the cost of constructing a waterworks system to be owned exclusively by said City, under authority of Section 27 of Article VI of the Constitution of the State of Missouri, as amended, pursuant to an ordin-

ance of said City duly adopted, and with the approval of four-sevenths (4/7) of the qualified electors of said City who voted at a special election held at the time of the holding of the General City Election on the 5th day of April, 1966.

This bond and the bonds of the issue of which it is one are payable solely from the revenues to be derived from the waterworks system of said City and not otherwise and do not constitute an indebtedness of said City within any constitutional or statutory limit.

The City of Fortage Des Sioux hereby covenants that it will perform all duties required by the Ordinance which authorized the issue of which this bond is one; that it will continuously operate said waterworks system; and that it will fix and maintain rates for the services thereof and will collect and account for revenues therefrom sufficient at all times to pay promptly the cost of maintenance and operation of said waterworks system, to provide an adequate depreciation fund, and to pay the principal of and the interest on the bonds authorized thereby.

It is hereby certified, recited, and represented that all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the issuance of this bond and of the issue of which it is one, in order to make the same valid and binding obligations of said City, do exist, have happened, and have been performed in regular and due time, form, and manner, as required by law. For the performance in apt time and manner of every official act necessary and for the prompt payment of this bond, both as to principal and interest, the full faith of said City of Fortage Des Sioux is hereby irrevocably pledged.

IN WITNESS WHEREOF, the City of Fortage Des Sioux, St. Charles

County, Missouri, has caused this bond to be signed by the Mayor of said City and attested by the City Clerk, under the seal of said City, the interest coupons hereto attached to be executed by the facsimile signature of said City Clerk, and this bond to be dated the first day of April, 1967.

CITY OF PORTAGE DES SIOUX, MISSOURI

By _____ Mayor

Attest:

City Clerk

FORM OF INTEREST COUPONS NUMBERED 1 to 32,
INCLUSIVE, TO BE ATTACHED TO SAID BONDS.

NO _____ January, \$ _____

On the first day of July 19__, the City of Portage Des Sioux, St. Charles County, Missouri, hereby promises to pay to bearer, solely from the revenues of the waterworks system of said City and not otherwise, in lawful money of the United States of America the amount shown on this coupon at the American National Bank and Trust Company of Chicago, in the City of Chicago, State of Illinois, being interest then due on its Waterworks System Revenue Bond, dated April 1, 1967, and numbered_____.

CITY OF PORTAGE DES SIOUX, MISSOURI

BY _____
Clerk

FORM OF INTEREST COUPONS NUMBERED 33 to 76,
INCLUSIVE, TO BE ATTACHED TO SAID BONDS

NO _____ \$26.25

January,
On the first day of July, _____, unless the bond to which this coupon pertains previously shall have been called for payment and redemption and provision therefor duly made, the City of Portage Des Sioux, St. Charles County, Missouri, hereby promises to pay to bearer, solely from the revenues of the waterworks system

of said City and not otherwise, in lawful money of the United States of America the amount shown on this coupon at the American National Bank and Trust Company of Chicago, in the City of Chicago, State of Illinois, being interest then due on its Waterworks System Revenue Bond, dated April 1, 1967, and numbered_____.

City of PORTAGE DES SIOUX, MISSOURI

By _____ Clerk

Interest coupons in the following amounts shall be attached to said bonds.

<u>Bond Numbers</u>	<u>Interest Coupon No. 1</u>	<u>All Subsequent Interest Coupons</u>
1 to 30, Inclusive	\$12.50	\$25.00
31 to 165, Inclusive	\$13.13	\$26.25

SECTION IV

That the Waterworks System Revenue Bonds authorized hereby and the interest thereon shall be payable solely from the revenues to be derived from the operation of the Waterworks System of said City, including any improvements and extensions thereto, and shall not constitute an indebtedness of the City of Portage Des Sioux within the meaning of any constitutional or statutory limitation.

SECTION V

That, from and after the delivery of any bonds issued under the provisions of this Ordinance, all revenues theretofore and thereafter derived from the operation of the waterworks system shall be deposited in a separate fund to be designated the "WATERWORKS SYSTEM FUND" and the amount so deposited shall be used only (1) to pay the cost of maintenance and operation of the

waterworks system (2) to provide an adequate depreciation fund, and (3) to pay the principal of and the interest on all bonds or other obligations of said City which may be payable from the revenues of said waterworks system.

SECTION VI

That sums in the Waterworks System Fund shall be set aside for, allocated to, and deposited in the following separate accounts, which are hereby created in said Fund, by the financial officer of the City of Portage Des Sioux, without further direction of or action by the Board of Aldermen or other authority of said City. Such allocations and deposits shall be made on the first business day of each month as long as any of the bonds authorized hereby or the coupons attached thereto shall remain outstanding and unpaid:

(a) Into an account designated the "WATERWORKS SYSTEM OPERATION AND MAINTENANCE ACCOUNT" there shall be deposited a sum sufficient to pay the estimated cost of operating and maintaining the system in good repair and working order during the next ensuing month.

(b) Into an account designated the "WATERWORKS SYSTEM REVENUE BOND ACCOUNT" there shall be deposited sums at least equal to one-sixth ($1/6$) of the amount of interest that will come due on all bonds then outstanding on the next interest payment date, plus, beginning on January 1 1969, at least one-twelfth ($1/12$) of the amount of principal that will come due on said bonds on the next maturity date. Sums in the Account shall be used only for the payment of the principal of and the interest on the bonds authorized hereby as the same shall come due.

(c) Into an account designated the "WATERWORKS SYSTEM DEPRECIATION ACCOUNT" the sum of Fifty Dollars (\$50.00) shall be deposited. Said deposits shall be continued until the amount on deposit in this Account shall equal Thirteen Thousand Dollars (\$13,000). When and as long as said amount shall be on deposit in said account, no further deposits need be made therein. If said Account should be depleted for any cause, including payments therefrom made in accordance with this Ordinance, then additional monthly deposits of Fifty Dollars (\$50.00) shall be made thereafter until Thirteen Thousand Dollars (\$13,000) shall be on deposit in said Account. Sums in

said account shall be expended only for unusual and extraordinary repairs and replacements of the waterworks system and for emergency expenses thereof.

(d) Into an account designated the "WATERWORKS SYSTEM REVENUE BOND RESERVE ACCOUNT" there shall be deposited the sum of One Hundred Dollars (\$100.00) until the sum of Thirteen Thousand Dollars (\$13,000) shall have been accumulated in said Account. If said Account should be depleted thereafter for any cause, including payments therefrom made in accordance with this Ordinance, then such monthly deposits of One Hundred Dollars (\$100.00) shall be resumed until said Account shall be restored to the sum of Thirteen Thousand Dollars (\$13,000). Sums in said Reserve Account shall be disbursed only for the payment of the bonds authorized hereby or the interest thereon, and then only when and to the extent that other funds are not available for the purpose.

Any surplus remaining in the Waterworks System Fund after making all deposits into the Accounts established in paragraphs (a) (b), (c), and (d), above, of this Ordinance, shall be placed to the credit of an account designated the "WATERWORKS SYSTEM SURPLUS ACCOUNT" which may be used to improve and extend the waterworks system, to accelerate the accumulations of funds required by subparagraphs (c) and (d), above; to redeem in advance of maturity any of the bonds issued hereunder.

SECTION VII

All sums in the Accounts created by Section 6 hereof shall be kept on deposit in a bank account or bank accounts separate from other bank accounts of the City, in a bank or banks which is or are a member or members of the Federal Deposit Insurance Corporation. Sums in the Waterworks System Depreciation Account, the Waterworks System Revenue Bond Reserve Account, and the Waterworks System Surplus Account may be held as cash deposits or, subject to the applicable law, may be invested in direct obligations of the United States Government or in securities unconditionally guaranteed by that Government.

SECTION VIII

That the annual amounts to be set aside for the payment of the bonds authorized hereby and deposited in the Waterworks System Revenue Bond account are declared to be as follows:

In the twelve months ending on December 31

	<u>For Principal</u>	<u>For Interest</u>	<u>Total</u>
1967		\$6,441.30	\$ 6,441.30
1968		8,587.50	8,587.50
1969		8,587.50	8,587.50
1970	\$ 1,000	8,587.50	9,587.50
1971	1,000	8,537.50	9,537.50
1972	1,000	8,487.50	9,487.50
1973	2,000	8,437.50	10,437.50
1974	2,000	8,387.50	10,387.50
1975	2,000	8,237.50	10,237.50
1976	3,000	8,137.50	11,137.50
1977	3,000	7,987.50	10,987.50
1978	3,000	7,837.50	10,837.50
1979	4,000	7,687.50	11,687.50
1980	4,000	7,487.50	11,487.50
1981	4,000	7,287.50	11,287.50
1982	5,000	7,987.50	12,087.50
1983	5,000	6,825	11,825
1984	5,000	6,562.50	11,562.50
1985	5,000	6,300	11,300
1986	5,000	6,037.50	11,037.50
1987	5,000	5,775	10,775
1988	5,000	5,512.50	10,512.50
1989	5,000	5,250	10,250
1990	5,000	4,987.50	9,987.50
1991	5,000	4,725	9,725
1992	5,000	4,462.50	9,462.50
1993	5,000	4,200	9,200
1994	5,000	3,937.50	8,937.50
1995	5,000	3,675	8,675
1996	5,000	3,412.50	8,412.50
1997	5,000	3,150	8,150
1998	5,000	2,887.50	7,887.50
1999	5,000	2,625	7,625
2000	5,000	2,362.50	7,362.50
2001	5,000	2,100	7,100
2002	5,000	1,837.50	6,837.50
2003	10,000	1,575	11,575
2004	10,000	1,050	11,050
2005	10,000	525	10,525

If all bonds authorized hereunder be not issued or if some of the bonds which are issued be retired before maturity, then the amounts to be deposited as above stated shall be correspondingly reduced.

No error in stating the amounts due in any year shall impair the obligation upon said City to pay promptly all bonds and the interest thereon.

SECTION IX

That, if the revenues derived from the operation of the waterworks system should be insufficient at any time to make the payments or deposits required by Section 6 of this Ordinance, the deficiency shall be made good by additional payments to be made out of the first available revenues of said system received during any succeeding month or months. Whenever and as long as sums actually on deposit in the Waterworks System Revenue Bond Account together shall equal the principal amount of all outstanding bonds, plus the amount of all interest due thereon until the respective maturity dates of all such bonds, then no further deposits need be made into said Accounts.

SECTION X

That the City of Fortage Des Sioux covenants and agrees with the holder or holders of the bonds herein authorized to be issued that it will preform all duties with respect to the operation and maintenance of said system, including all improvements and extensions thereto, and with respect to the fixing, maintaining, and collecting of the rates, fees, and charges for the services and facilities thereof and the establishment of the Fund and Accounts herein authorized and created, and all other matters and things required by law and by this Ordinance, and that it will do or cause to be done, in apt time and season, each and every official act necessary for the payment of the principal of and the interest on the bonds herein authorized to be issued, as the same shall mature and accrue.

Said City further covenants with the holders of said bonds as follows:

(a) That it will construct the waterworks system contemplated by this Ordinance and that, as long as any of the bonds or interest coupons authorized by this Ordinance are outstanding and unpaid, it will operate and maintain said system in an efficient manner and at a reasonable cost and will preserve said system in good repair and condition;

(b) That, as long as any of said bonds or the interest coupons pertaining thereto remain outstanding and unpaid, the City shall fix and maintain rates and make and collect charges for the use and services of the waterworks system, without regard for the user thereof, sufficient to pay the cost of maintenance and operation thereof; to pay the principal of and the interest on the bonds herein authorized to be issued and all revenue bonds or other obligations which may be issued later by said City chargeable to the revenues of said system; to provide the sums required to maintain the Reserve Account and the Depreciation Account created by Section 6 hereof; and to provide ample funds to meet all requirements of this Ordinance (Such rates shall be revised from time to time so as fully to meet the requirements of this Ordinance, and no free use of the system shall be permitted, nor shall any discounts be allowed from the schedule of rates initially established.);

(c) That, as long as any of said bonds or interest coupons shall remain outstanding and unpaid, the said City shall carry and maintain all-risk insurance, including public liability insurance, upon all of the properties forming a part of said system which may be of an insurable nature (such insurance to be of the type and kind and for such amount or amounts as carried and maintained by other municipalities or private companies rendering services of a similar character in similar communities), and the proceeds of all such insurance, except public liability insurance, shall be used only for the maintenance and restoration of said system or for the payment of the principal of and interest on the bonds authorized to be issued by this Ordinance;

(d) That said City shall set up and maintain a proper system of accounts and records, separate from all other accounts and records, showing the amount of revenue received from its waterworks system, the application of such revenues, and all financial transactions in connection therewith, which accounts, at least once a year, shall be audited properly by an accountant employed for the purpose, and a report of such audit shall be furnished each year upon request to the Midwest Securities Co., 134 South La Salle Street, Chicago, Illinois, 60603, and to any bondholder.

(e) That the original purchaser of said bonds or any holder or holders of or any purchaser of not less than twenty-five

per centum (25%) in principal amount of said bonds then outstanding shall be permitted, at all reasonable times, to inspect said system and all records and data relating thereto and shall be furnished all data and information relating to said system which reasonably may be requested;

(f) That, as long as any of said bonds or the coupons pertaining thereto shall remain outstanding and unpaid, the said City shall not sell, lease, loan, mortgage, pledge, or otherwise encumber, permit any lien to attach to, or in any manner dispose of any revenue-producing portion of said system, unless the bonds authorized hereby shall have been paid in full, both as to principal and interest, or unless adequate provision shall have been made which will assure the payment of said bonds and the interest thereon to maturity in full, according to their terms;

(g) That, as long as any of said bonds or the coupons pertaining thereto shall remain outstanding and unpaid, the City shall do all that it legally may do to prevent a private or public person, firm, corporation, or agency from supplying water to users within the City limits of said City of Fortage Des Sioux on a competitive basis with the said City's waterworks system herein contemplated;

(h) That, as long as any of said bonds or the coupons pertaining thereto shall remain outstanding and unpaid, the City shall pay over into the Waterworks System Fund hereinabove in Section 5 created a reasonable sum per month for each City fire hydrant connected to the afore-said waterworks system;

(i) That said City shall employ a competent, experienced, and qualified person to supervise and manage the operation of said system and such further employees as may be required for its efficient and economical operation;

(j) That the Board of Aldermen shall require that accounts be rendered to it monthly, as of the first of each month, showing the revenues, disbursements, and other transactions in connection with the system; and

(k) That financial statements will be published as required by Section 79.160, Vernon's Annotated Missouri Statutes, so that the City Treasurer may pay out money of the City without violating Section 79.165, Vernon's Annotated Missouri Statutes, or incurring the penalty imposed thereby.

SECTION XI

That, from and after the issuance of the bonds authorized hereby, no further bonds shall be issued or obligations incurred by said City which are in whole or in part payable from or

chargeable to the revenues derived or to be derived from the operation of said waterworks system (except obligations incurred in the operation and maintenance thereof) unless the average annual revenues derived from the operation thereof for the three (3) then next-preceding fiscal years shall be equal to the sum of the following:

(a) The average annual expenses of operation and maintenance of said system (including the provisions for an adequate depreciation reserve as herein provided) incurred during said fiscal years; plus

(b) One hundred thirty-five per centum (135%) of the highest combined amount which thereafter shall become due in any one (1) fiscal year as principal of and as interest on all bonds or other obligations then to be issued (not, however, including any amounts required to be paid into or held in the Waterworks System Revenue Bond Reserve Account provided for by Section 6d).

In which case, additional bonds or other obligations may be issued on a parity with the bonds authorized hereby. If such average annual revenues are not equal to such sum, then no further bonds shall be issued or obligations incurred which are so payable unless such additional bonds or obligations are in all respects junior and subordinate bonds may be made prior to making the allocations and deposits required by paragraphs (c) and (d) of said section 6.

Restrictions upon the issuance of additional bonds or other obligations set out in this Section shall not apply in the following events:

(1) That the waterworks system of said City hereafter should be destroyed or damaged to such an extent that substantially it cannot be operated;

(2) That all funds received from insurance or otherwise available shall be insufficient to pay the cost of the restoration of said waterworks system to such a condition that it can be operated again (the cost of such restoration shall be determined by the estimate of a reputable and competent engineer or engineering firm or corporation

selected by the City, with the approval of the holders of seventy-five per centum (75%) of the outstanding bonds, and such estimate shall be based upon the plans and specifications for the restoration of the system prepared for that purpose); and

(3) That the holders of at least seventy-five per centum (75%) of the principal amount of the bonds authorized by this Ordinance then outstanding shall give written consent to the issuance of additional bonds on a parity with the bonds authorized hereby and shall file such written consents with the Clerk of the City of Portage Des Sioux, which consents shall be acknowledged before a notary public and shall state the precise amount of additional bonds which may be issued.

Upon the occurrence of all the circumstances above set out, additional bonds may be issued solely for the purpose of paying the cost of restoring the waterworks system to reasonable working order and in an amount not greater than the amount stated in the consents filed by the holders of the outstanding bonds.

SECTION XII

That the provisions of this Ordinance shall constitute a contract between the City of Portage Des Sioux and the holders of the bonds herein authorized to be issued, and, after the issuance of the bonds, no changes, additions, or alterations of any kind shall be made herein or hereto in any manner except in accordance with the provisions of this Ordinance.

SECTION XIII

That all bonds issued hereunder shall be payable equally and ratably, without regard to the date when said bonds actually shall be delivered, and shall enjoy parity of lien, one with the other, upon the revenues of said system.

SECTION IV

That, at least ten (10) days prior to January and July 1 in each year, the City Treasurer shall remit to the paying agent designated therefor the sums due as principal of and interest on

the bonds authorized hereby.

SECTION XV

That, when the bonds authorized hereby have been prepared and executed, they shall be lodged with the City Treasurer who shall deliver then to the purchasers thereof, upon payment of the agreed purchase price for each bond so delivered. From the proceeds of said bonds, the sum of Eight Thousand, Five Hundred Eighty-seven Dollars and Fifty Cents (\$8,587.50) shall be remitted forthwith to the paying agent designated for said bonds to be held for the payment of interest thereon. The remaining amount of the proceeds of said bonds shall be held in a bank which is a member of the Federal Deposit Insurance Corporation, in a bank account which shall be designated the "WATERWORKS SYSTEM CONSTRUCTION ACCOUNT" The amount so deposited in said Account shall be expended only for the purpose of constructing the waterworks system contemplated by this Ordinance. Expenditures therefrom shall be made only upon presentation to the proper authorities of said City of a certificate executed by the person, firm, or corporation charged with the supervision of the construction. Such certificate shall state:

(a) That the purpose for which the expenditure is to be made is within the scope of the construction contemplated by this Ordinance:

(b) That the work done is or the materials furnished are in accordance with the contract therefor (if such work is done or such materials are furnished under a contract) or that such work is or materials are suitable for their purpose (if such expenditures are not covered by an express contract); and

(c) That the amount of such expenditure is in accordance with the contract or is a reasonable amount.

Provided, however, that nothing herein shall be construed as prohibiting the payment without such certificate of expenses incident

to the issuance of the bonds authorized hereby. The provisions of this Section are hereby declared to be a part of the contract evidenced by the bonds authorized hereby. Any surplus remaining after the payment of all costs of the construction proposed shall be credited to the Waterworks System Revenue Bond Reserve Account established hereby.

SECTION XVI

That, if any section, paragraph, clause, or provision of this Ordinance shall be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause, or provision shall not affect any other provision or provisions of this Ordinance.

Passed this 3rd day of April, 1967.

Mayor

Attest:

Clerk

STATE OF MISSOURI)SS
COUNTY OF ST. CHARLES)

I, LAWRENCE J. JACOBS, City Clerk within and for the City of Portage Des Sioux, St. Charles County, Missouri, do hereby certify that the foregoing pages constitute a true and correct copy of Ordinance No. 74 of said City as passed by the Board of Aldermen on the 3rd day of April, 1967, and approved by the Mayor on the 3rd day of April, 1967.

I do further certify that said Ordinance has been spread at length upon the permanent records of said City, where it now appears and remains in the Book of Ordinances of said City, at pages _____ to _____, inclusive.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said City, this 3rd day of April, 1967.

City Clerk