

ORDINANCE NO. 718

AN ORDINANCE AUTHORIZING THE CITY OF MONTICELLO TO OBTAIN A LOAN FOR THE COST OF CONSTRUCTION OF HANGAR AND OTHER IMPROVEMENTS TO THE MONTICELLO AIRPORT; EXECUTE A PROMISSORY NOTE AND MORTGAGE OF THE REAL PROPERTY UPON WHICH THE HANGAR WILL BE SITUATED AS SECURITY FOR SAID LOAN; PROVIDING FOR THE REPAYMENT OF SAID LOAN; DESCRIBING OTHER MATTERS RELATING THERETO AND DECLARING AN EMERGENCY

WHEREAS, the City Council of the City of Monticello, AR (hereinafter sometimes referred to as the "Council") has previously determined that there is an immediate need to provide more hangar space for the Monticello Municipal Airport; and

WHEREAS, it is furthered determined that the construction of a hangar facility should be accomplished as soon as possible to accommodate the needs of the public and local businesses; and

WHEREAS, it shall be necessary for the City of Monticello to obtain a loan to provide for the construction of said hangar facility; and in doing so to execute certain promissory note or notes to obtain said loan; and

WHEREAS, it shall be necessary to pledge the real property and improvements as collateral to the financial institutions; and

WHEREAS, the City has entered into a loan agreement with Union Bank & Trust Co. and Commercial Bank and Trust Company, both of Monticello, Arkansas, whereby the said Bank is committed to make a loan to the City in the amount of \$130,000.00 at an interest rate of five and seventy five one-hundredths percent (5.75%) per annum for a term of not more than five (5) years; and

WHEREAS, the City is authorized pursuant to Amendment No. 78 of the constitution of the State of Arkansas authorizing cities to obtain short term financing; and

WHEREAS, the repayment of said loan shall be from the proceeds of certain sales and use tax enacted in 1997 or by any other funds possessed by the City of Monticello and contained within the general fund of the City which are not otherwise obligated for the retirement of bonded indebtedness and which may be utilized for such expenditures; and

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

Section 1. That the Mayor is hereby authorized and directed to obtain a loan to complete funding needed to pay for the construction of a hangar facility at the Monticello Municipal Airport which loan shall be in the amount of \$130,000.00.

Section 2. That the Mayor is hereby authorized and directed to enter into a certain loan agreement with Union Bank & Trust Company and Commercial Bank and Trust Company of Monticello, Arkansas, whereby the said Bank will loan and the City will borrow for the sole purpose of constructing the hangar facility.

Section 3. That under the authority of Amendment No. 78 of the Constitution of the State of Arkansas, the City of Monticello is hereby authorized to borrow the sum of \$130,000.00 from Union Bank & Trust Co. and Commercial Bank and Trust Company and issues evidence therefore its promissory note which shall bear interest at the rate of five and seventy five one- hundredths percent (5.75%) per annum with the first regular monthly amortized installment being due on a certain date as stated within the said note, and monthly thereafter, until the face amount of the said promissory note plus interest thereon is fully paid, that the final payment of the entire indebtedness, if not paid sooner, shall be due and payable five (5) years from the date of the promissory note.

Section 4. The note, together with interest thereon, shall be payable from the proceeds of a certain sales and use tax enacted by the City of Monticello in 1997 or by any other funds possessed by the City of Monticello and contained within the general fund of the City which are not otherwise obligated for the retirement of bonded indebtedness and which may be utilized for such expenditures, and the note shall be secured by a statutory mortgage lien on the real property and improvements to said real property.

Section 5. The note shall be signed by the Mayor and City Clerk/Treasurer and sealed with the corporate seal of the City and shall be substantially in the following form:

Section 6. That the mortgage shall be signed by the Mayor and City Clerk/Treasurer and sealed with the corporate seal of the City and be substantially in the following form:

Section 7. The Mayor of the City shall order and direct that all reporting requirements of Internal Revenue Service of the United States concerning obligations of this type shall be prepared, executed and delivered in proper form and in a timely manner as required by the said Internal Revenue Service.

Section 8. If any provisions of this ordinance shall for any reason be held in illegal or invalid by the Courts, it shall not effect the validity of the remainder of the ordinance.

Section 9. All ordinances or resolutions or parts thereof in conflict herewith may be repealed to the extent of any such conflict.

Section 10. It is ascertained and declared that on the account of the lack of hangar space at the airport exposes personal property to loss or damage and is therefore necessary for protection of the health, lives and property of the inhabitants of this City. It is, therefore, declared that an emergency exist and this ordinance is necessary for the immediate preservation of public peace, health and safety and this ordinance shall take effect and be in force from after its passage.

SO ORDAINED this 21 day of November, 2002.

APPROVED:



Mayor Harold West

ATTEST:



City Clerk/Treasurer

(SEAL)

CERTIFICATION

STATE OF ARKANSAS)
COUNTY OF D R E W)

I, the undersigned CINDY FAKOURI, hereby certify that I am the duly qualified and acting City Clerk for the City of Monticello, Arkansas, that the foregoing ordinance was adopted by the City Council of Monticello at a meeting of said council duly held on November 21, 2002, and that said ordinance is now duly recorded in the official records of this city, of which records I am the official custodian.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of said City on this 21 day of November, 2002.


Cindy Fakouri, City Clerk-Treasurer

ORDINANCE NO. 718
AN ORDINANCE AUTHORIZING THE
CITY OF MONTICELLO TO OBTAIN A
LOAN FOR THE COST OF
CONSTRUCTION OF HANGAR AND
OTHER IMPROVEMENTS TO THE
MONTICELLO AIRPORT; EXECUTE A
PROMISSORY NOTE AND MORTGAGE
OF THE REAL PROPERTY UPON
WHICH THE HANGAR WILL BE
SITUATED AS SECURITY FOR SAID
LOAN; PROVIDING FOR THE
REPAYMENT OF SAID LOAN;
DESCRIBING OTHER MATTERS RELAT-
ING THERETO
AND DECLARING AN EMERGENCY

WHEREAS, the City Council of the City of Monticello, AR (hereinafter sometimes referred to as the "Council") has previously determined that there is an immediate need to provide more hangar space for the Monticello Municipal Airport; and

WHEREAS, it is further determined that the construction of a hangar facility should be accomplished as soon as possible to accommodate the needs of the public and local businesses; and

WHEREAS, it shall be necessary for the City of Monticello to obtain a loan to provide for the construction of said hangar facility; and in doing so to execute a certain promissory note or notes to obtain said loan; and

WHEREAS, it shall be necessary to pledge the real property and improvements as collateral to the financial institutions; and

WHEREAS, the City has entered into a loan agreement with Union Bank & Trust Co. and Commercial Bank and Trust Company, both of Monticello, Arkansas, whereby the said Bank is committed to make a loan to the City in the amount of \$130,000.00 at an interest rate of five and seventy five one-hundredths percent (5.75%) per annum for the term of not more than five (5) years; and

WHEREAS, the City is authorized pursuant to Amendment No. 78 of the constitution of the State of Arkansas authorizing cities to obtain short term financing; and

WHEREAS, the repayment of said loan shall be from the proceeds of certain sales and use tax enacted in 1997 or by any other funds possessed by the City of Monticello and contained within the general fund of the City which are not otherwise obligated for the

retirement of bonded indebtedness and which may be utilized for such expenditures; and

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

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Section 2. That the Mayor is hereby authorized and directed to enter into a certain loan agreement with Union Bank & Trust Company and Commercial Bank and Trust Company of Monticello, Arkansas, whereby the said Bank will loan and the City will borrow for the sole purpose of constructing the hangar facility.

Section 3. That under the authority of Amendment No. 78 of the Constitution of the State of Arkansas, the City of Monticello is hereby authorized to borrow the sum of \$130,000.00 from Union Bank & Trust Co. and Commercial Bank and Trust Company and issues evidence therefore its promissory note which shall bear interest at the rate of five and seventy five one-hundredths percent (5.75%) per annum with the first regular monthly amortized installment being due on a certain date as stated within the said note, and monthly thereafter, until the face amount of the said promissory note plus interest thereon is fully paid, that the final payment of the entire indebtedness, if not paid sooner, shall be due and payable five (5) years from the date of the promissory note.

Section 4. The note, together with interest thereon, shall be payable from the proceeds of a certain sales and use tax enacted by the City of Monticello in 1997 or by any other funds possessed by the City of Monticello and contained within the general fund of the City which are not otherwise obligated for the retirement of bonded indebtedness and which may be utilized for such expenditures, and the note shall be secured by a statutory mortgage lien on the real property and improvements to said real property.

Section 5. The note shall be signed by the mayor and City Clerk/Treasurer and sealed with the corporate seal of the City and shall be substantially in the following form:

Section 6. That the mortgage shall be signed by the Mayor and City Clerk/Treasurer and sealed with the corporate

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Section 7. The Mayor of the City shall order and direct that all reporting requirements of Internal Revenue Service of the United States concerning obligations of this type shall be prepared, executed and delivered in proper form and in a timely manner as required by the said Internal Revenue Service.

Section 8. If any provisions of this ordinance shall for any reason be held illegal or invalid by the Courts, it shall not effect the validity of the remainder of the ordinance.

Section 9. All ordinances or resolutions or parts thereof in conflict herewith may be repealed to the extent of any such conflict.

Section 10. It is ascertained and declared that on the account of the lack of hangar space at the airport exposes personal property to loss or damage and is therefore necessary for protection of the health, lives and property of the inhabitants of this City. It is, therefore, declared that an emergency exists and this ordinance is necessary for the immediate preservation of public peace, health and safety and this ordinance shall take effect and be in force from and after its passage.

SO ORDAINED this 21st day of November, 2002.

APPROVED:
Mayor Harold West

ATTEST:
Cindy Fakouri
City Clerk/Treasurer
11/29/02

Proof of Publication

STATE OF ARKANSAS
COUNTY OF DREW.

I, Tom White; do swear that I am Editor, Chief Accountant of the ADVANCE MONTICELLONIAN, a weekly newspaper published in Drew County, Arkansas, having an actual and bona fide circulation in the City of Monticello and in said county and that the NOTICE, of which the annexed and attached is a true copy, was published for 1 consecutive weeks, as follows, to wit: 12/4

Tom White

Subscribed and sworn to before me this 1 day of Jan 2002

Deborah A. Carter
Notary Public Clerk

My Commission Expires 10-5-11



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Mayor Harold West

ATTEST:
Cindy Fakouri
City Clerk/Treasurer