

Legal Advertising

ORDINANCE NO. 538

An Ordinance Authorizing The Issuance of \$70,000 Principal Amount of Public Improvement Bonds, Series 1950, of the City of Prichard to be Dated August 1, 1950.

BE IT ORDAINED by the City Council (herein called "the council") of the City of Prichard (herein called "the city") in the State of Alabama as follows:

Section 1. Findings Respecting Improvements.

By Ordinance No. 518 heretofore adopted by the council on January 24, 1949, and confirmed by resolution adopted by the council on April 11, 1949, the city has authorized the paving of certain public streets in the city (herein called "the improvements"). The council does hereby find and declare as follows: that the improvements have been completed; that the total cost of the improvements is \$73,292.00; that no bonds or other securities of the city have heretofore been issued by it for the purpose of raising funds to pay the cost of constructing the improvements, and that it will be necessary that the city sell and issue the bonds hereinafter referred to for the purpose of paying such costs.

Section 2. Authorization of Bonds.

Pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly Chapter 6 of Title 37 of the Code of Alabama of 1940, as amended, there are hereby authorized to be sold and issued by the city \$70,000 aggregate principal amount of Public Improvement Bonds, Series 1950 (herein called "the bonds"), of the city for the purpose of providing funds to pay the cost of making the improvements. The bonds shall be dated August 1, 1950, shall consist of 70 coupon bonds in the denomination of \$1,000 each, shall be numbered consecutively from 1 to 70, inclusive, and shall mature as follows:

Bond Numbers (Both Inclusive)	Maturity Dates	Aggregate Principal Amount Maturing
1 to 7	Aug. 1, 1951	\$7,000
8 to 14	Aug. 1, 1952	7,000
15 to 21	Aug. 1, 1953	7,000
22 to 28	Aug. 1, 1954	7,000
29 to 35	Aug. 1, 1955	7,000
36 to 42	Aug. 1, 1956	7,000
43 to 49	Aug. 1, 1957	7,000
50 to 56	Aug. 1, 1958	7,000
57 to 63	Aug. 1, 1959	7,000
64 to 70	Aug. 1, 1960	7,000

The bonds shall bear interest from their date until their respective maturities at such rate as may be hereafter fixed by an ordinance of the city which may hereafter be adopted by the council. Such interest shall be payable semi-

annually on February 1 and August 1 until and at the respective maturities of the bonds. Both bonds and coupons shall bear interest at the rate of 6% per annum after their respective maturities. Such interest prior to and at maturity shall be evidenced by coupons (herein called "the coupons") attached to the bonds. The

bonds and the coupons shall be payable in lawful money of the United States of America at the principal office of Prichard National Bank, in the City of Prichard in the State of Alabama, or at the principal office of The Merchants National Bank of Mobile, in the City of Mobile in the State of Alabama, at the option of the respective holders thereof.

Section 3. Redemption Provisions.

Those of the bonds maturing in 1952 and thereafter, being those numbered from 8 to 70, inclusive (herein called "the callable bonds"), may be redeemed prior to maturity at the option of the city on February 1, 1952, and on any interest payment date thereafter as a whole or in part in inverse numerical order, at their face value, plus accrued interest thereon to the redemption date and a premium equal to twelve months' interest on the bonds so redeemed computed at the rate they would have borne on the redemption date had they not been called for redemption.

Any such redemption shall be effected in the following manner:

(1) The city by resolution of its governing body shall call for redemption on a stated date callable bonds having stated numbers.

(2) The city shall cause to be published one time in a daily newspaper published in the English language not less than six days during each calendar week in the City of Birmingham, Alabama, a notice stating the numbers of the callable bonds so called for redemption, stating that the callable bonds bearing such numbers will become due and payable on the date specified at the redemption price, and that all interest thereon will cease after said date. In the event there is no daily newspaper being published in said City of Birmingham at the time such publication is directed to be given by the governing body of the city, then such publication shall be made in either a daily newspaper or a financial journal published in the English language in the City of New York, New York. A newspaper published not less often than six times during each calendar week shall be deemed to be a daily newspaper within the meaning of this section. Any such notice shall be published not less than thirty days prior to the redemption date.

(3) On or prior to such redemption date the city shall notify the bank at which the callable bonds are payable of the

city's compliance with the requirements of paragraphs (1) and (2) of this section and shall further make available at said bank amounts sufficient to pay as they are presented for payment the total redemption price of the callable bonds so called.

Upon compliance with the foregoing requirements the callable bonds so called for redemption shall become due and payable on the redemption date and interest thereon shall thereafter cease.

Section 4. Execution of Bonds.

The bonds shall be signed in behalf of the city by the mayor and by the city clerk, and the corporate seal of the city shall be affixed to each thereof. The coupons shall bear the facsimile signatures of the said mayor and clerk, which facsimile signatures shall be valid in all respects as if the said officers had signed the said coupons in person.

Section 5. Special Pledge.

The bonds shall be general obligations of the city and for the payment of the principal thereof and interest thereon the full faith and credit of the city are hereby irrevocably pledged. As additional security for the payment of the principal of and interest on the bonds, there are further hereby irrevocably pledged all assessments which may have been made or which may be made against the properties benefitted by the said improvements to be constructed under the provisions of the improvement ordinance, together with the proceeds from all such assessments, and the liens which the city may now or hereafter have on said properties are hereby transferred and assigned for the benefit of the holders of the bonds and the coupons with power to enforce the same either at law or in equity.

Section 6. Completion of Improvements and Assessments.

The city agrees that it will complete the construction of the improvements in accordance with the provisions of the improvement ordinance, and thereafter it will take all steps necessary to cause valid assessments to be made against the properties benefitted thereby in the manner and to the extent provided therein and under the laws of Alabama. The city agrees that it will undertake to collect all such assessments promptly as and when the same become due and payable, and further agrees that in the event any of the owners of any of the properties against which such assessments shall be made should elect to pay the same in installments in the manner authorized under the laws of Alabama and any such installments shall remain unpaid for as long as one year after the same shall become due and payable, the city thereupon will take all steps necessary to enforce the liens of such