

ORDINANCE NO. 869

An Ordinance To Provide for the Issuance of \$275,000 Principal Amount of General Obligation Warrants of the City of Prichard to be Dated June 1, 1960.

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 RE-PECTING THE NEED FOR IMPROVEMENTS. The council has made an investigation of the need for the construction of certain improvements in the city of a capital nature, the acquisition of needed equipment, and the cost thereof, and as a result of such investigation the council hereby finds and declares that the following statements are true: it will be necessary to the proper use of certain public streets in the city that they be paved, the estimated cost of which will be \$90,000. The center section of Wilson Avenue in the business district of the city should be removed and paved in order to make possible the free flow of traffic in the city, and curbs, gutters and sidewalks need to be constructed in connection with said work, the estimated cost of which will be \$60,000. In order to provide facilities for the city to carry on its municipal functions in an efficient and economical manner it will be necessary that an addition be constructed to the city hall and that certain equipment be purchased for use therein, the estimated cost of all of which is \$75,000. In order to afford proper library facilities for the citizens of the city it will be necessary that an addition be constructed to the existing library and to construct a new library, all at an estimated cost of \$50,000. The total estimated cost of all of the said proposed improvements, including the said proposed equipment, is \$275,000. The city does not now have and will not have from its current funds moneys sufficient to pay the said estimated costs, and it will be to the advantage of the city and its citizens and taxpayers if the city would raise the funds necessary for said purposes by the issuance of the warrants hereinafter authorized payable in convenient installments over a period of ten years. The council does hereby estimate that the said proposed improvement, including the said equipment will all have a life in excess of ten years.

Section 2. AUTHORIZATION OF THE WARRANTS. Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly Section 466 of Title 37 of the Code of Alabama of 1940, and for the purpose of paying the costs of acquiring and constructing the improvements and purchasing the equipment referred to in Section 1 hereof, there are hereby authorized to be issued by the city two hundred seventy-five (275) General Obligation Warrants of the city in the aggregate principal amount of \$275,000, numbered from 1 to 275, inclusive, in the principal amount of \$1,000 each, to be dated June 1, 1960, and to mature on June 1 as follows:

Warrant Numbers (both inclusive)	Year of Maturity	Aggregate Principal Amount Maturing
1 to 25	1962	\$25,000
26 to 55	1963	30,000
56 to 90	1964	35,000
91 to 125	1965	35,000
126 to 160	1966	35,000
161 to 195	1967	35,000
196 to 235	1968	40,000
236 to 275	1969	40,000

The warrants shall bear interest from their date until their respective maturities at the following per annum rates: 4-1/8% on those having stated maturities in 1962 and 1963; and 4-1/4% on those having stated maturities in 1964 to 1969, inclusive. The said interest shall be payable semi-annually on each June 1 and December 1 until and at the respective maturities of the warrants, and shall be evidenced by separate interest coupons (herein called "the coupons") attached thereto. The warrants and the coupons shall bear interest after their maturities until paid at the rate of 6% per annum and shall be payable in lawful money of the United States of America at the principal office of The First National Bank of Birmingham, in the City of Birmingham, in the State of Alabama.

Section 3. EXECUTION OF THE WARRANTS. The warrants shall be executed and the corporate seal of the city shall be affixed thereto by the mayor of the city, and the city clerk shall attest the same by affixing her signature thereto. The coupons shall be executed with the facsimile signature of the mayor and shall be attested with the facsimile signature of the city clerk, whose facsimile signatures shall be valid in all respects as if they had signed the coupons in person. The warrants and the coupons shall be registered by the city treasurer in the records maintained by her as a claim against the city. Said officers are hereby directed so to execute, seal, attest and register the warrants and coupons.

Section 4. GENERAL OBLIGATION. The indebtedness evidenced and ordered paid by the warrants is and shall be a general obligation of the city for the payment of the principal of and interest on which the full faith and credit of the city are hereby irrevocably pledged.

Section 5. FORM OF WARRANTS. The warrants and coupons and the provisions for assignment thereof shall be in substantially the following forms, with appropriate insertions and variations therein to conform to the provisions hereof:

(Form of Warrant)

No. _____ \$1,000
UNITED STATES OF AMERICA
STATE OF ALABAMA
CITY OF PRICHARD
GENERAL OBLIGATION
WARRANT

The City Treasurer of the City of Prichard (herein called "the city"), a municipal corporation in the State of Alabama, is hereby ordered and directed to pay to

V. Hugo Marx, Jr., or assigns, the principal sum of

ONE THOUSAND DOLLARS on the 1st day of June, 19____, upon surrender of this warrant, with interest thereon from the date hereof until the maturity hereof at the rate of _____% per annum, payable semiannually on June 1 and December 1 upon surrender of the appropriate interest coupons hereto attached as the same respectively become due. Both this warrant and the said coupons shall be payable in lawful money of the United States of America at the principal office of The First National Bank of Birmingham, in the city of Birmingham in the State of Alabama.

This warrant is one of an issue aggregating \$275,000 in principal amount, consisting of two hundred seventy-five (275) coupon warrants numbered from 1 to 275, inclusive, issued pursuant to the constitution and laws of Alabama, including particularly Section 466 of Title 37 of the Code of Alabama of 1940, and an ordinance of the city duly and legally adopted for the purpose of constructing improvements and purchasing equipment of a capital nature, consisting of paving public ways, and construction of curbs, gutters and sidewalks in connection therewith, the construction of an addition to the city hall and the purchase of equipment therefor, and the construction of an addition to a public library and the construction of an additional public library. The indebtedness evidenced and ordered paid by the said warrants is a general obligation of the city for the payment of the principal of and interest on which the full faith and credit of the city have been irrevocably pledged.

By the execution of this warrant, the city acknowledges that it is indebted to the payee hereof in the principal amount hereof.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this warrant is lawfully due without condition, abatement or offset of any description; that this warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of Alabama to exist, be performed or happen precedent to and in the issuance of this warrant exist, have been performed, and have happened; and that the indebtedness evidenced and ordered paid by this warrant, together with all other indebtedness of the city, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

This warrant is nonnegotiable but is transferable by assignment. Each taker, owner, purchaser or holder hereof, by receiving or accepting this warrant or any interest coupon shall consent and agree and shall be estopped to deny: (1) that title to the coupons hereunto appertaining may be transferred by delivery without the necessity of a written assignment, and any person making such delivery shall be deemed to have transferred to the person to whom such delivery is made all of his equities or rights in the coupons so delivered; (2) that any person in possession of any such coupon, regardless of the manner in which he shall have acquired possession, is authorized to represent himself as the absolute owner thereof, and has the power and authority to transfer absolute title thereto by delivery thereof to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against his transferor or any person in the chain of title and before the maturity thereof; and (3) that whenever and so long as this warrant may be assigned in blank by written assignment by the original payee hereof or by any subsequent assignee hereof in the chain of title to whom written assignment is made, the city may treat any person in possession of this warrant, regardless of how such possession may have been acquired and regardless of the genuineness or effectiveness of any assignment, as the absolute owner hereof for all purposes, and payment to any such person shall discharge all obligations hereunder.

IN WITNESS WHEREOF, the city has caused this warrant to be executed and its official seal to be hereunto affixed by its mayor and to be attested by its city clerk, who have hereunto subscribed their signatures, has caused the annexed interest coupons to be executed and attached with the facsimile signatures of said officers, and has caused this warrant to be dated June 1, 1960.

CITY OF PRICHARD

By _____ Its Mayor

Attest: _____

City Clerk

(Form of Coupon)

No. _____ \$ _____
On the 1st day of _____, 19____, the City Treasurer of the City of Prichard, a municipal corporation in the State of Alabama, is hereby ordered to pay to the bearer hereof _____

Dollars upon surrender hereof at the principal office of The First National Bank of Birmingham in the City of Birmingham, Alabama. This coupon represents six months' interest which will become due on said date on, and is a part of and subject to the provisions contained in the General Obligation Warrant of the said City of Prichard, Alabama, dated June 1, 1960, numbered _____.

CITY OF PRICHARD

By _____ Its Mayor

Attest: _____

City Clerk

(Form of Assignment)

For value received, this warrant and the indebtedness evidenced and ordered paid thereby are hereby transferred and assigned, without recourse or warranties, to _____.

Section 6. PROVISIONS CONSTITUTE CONTRACT. The provisions of this ordinance shall constitute a contract between the

city and the holders of the warrants and the coupons.

Section 7. WARRANTS PAYABLE AT PAR. Each bank at which the warrants and the coupons shall at any time be payable, by acceptance of its duties as paying agent therefor, shall be construed to have agreed thereby with the holders of the warrants and the coupons that all remittances made by it on the warrants and the coupons shall be made in bankable funds at par and without deduction for exchange, fees, or expenses. The city agrees with the holders of the warrants and the coupons that it will pay all charges for exchange, fees or expenses which may be made by any such bank in the making of remittances in bankable funds of the warrants and the coupons.

Section 8. PROVISIONS OF ORDINANCE SEVERABLE. The various provisions of this ordinance are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction such invalidity shall not affect any other portion of this ordinance.

Section 9. SALE OF WARRANTS. The bid made by Hugo Marx & Co. for the purchase of the warrants at a purchase price equal to \$275,000.00 plus accrued interest on the warrants to the date of their delivery is hereby ascertained and declared to be the bid made for the warrants that reflects the lowest net interest cost to the city computed to the respective maturities of the warrants and to be the best bid received therefor. The said bid is hereby accepted by the city and the warrants are hereby sold and awarded to the said bidder at the said purchase price. The warrants shall be issued in the name of V. Hugo Marx, Jr., the nominee of said purchaser, in accordance with directions given by the said purchaser. The city treasurer is hereby authorized and directed to deliver the warrants to the said purchaser upon payment to the city of the said purchase price.

Adopted this 6th day of June, 1960.

L. L. DREW,

President of the City Council

Authenticated:

BERNIECE H. CENTANNE,

City Clerk.

The Citizen: June 16, 1960.