

ORDINANCE NO. ____

WHEREAS, the City of Little Rock, Arkansas (the "City") owns and operates a waste collection and disposal system (the "System"); and

WHEREAS, the Board of Directors of the City has determined that in order to achieve debt service savings, the City should refund its Waste Disposal Refunding and Improvement Revenue Bonds, Series 2002 (the "Bonds Refunded") authorized by Ordinance No. 18,735 adopted August 20, 2002 (the "2002 Ordinance"); and

WHEREAS, the City can accomplish the refunding of the Bonds Refunded by the issuance of Waste Disposal Refunding Revenue Bonds, Taxable Series 2010, in the principal amount of \$_____ (the "bonds"); and

WHEREAS, the City has made arrangements for the sale of the bonds to Stephens Inc. (the "Purchaser"), at a price of \$_____ (principal amount less underwriter's discount of \$_____) (the "Purchase Price"), on a negotiated basis pursuant to a Bond Purchase Agreement (the "Purchase Agreement") which has been presented to and is before this meeting; and

WHEREAS, the Preliminary Official Statement, dated _____, 2010, offering the bonds for sale (the "Preliminary Official Statement") has been presented to and is before this meeting; and

WHEREAS, the Continuing Disclosure Agreement between the City and _____, _____, Arkansas, as Dissemination Agent (the "Continuing Disclosure Agreement"), providing for the ongoing disclosure obligations of the City with respect to the bonds has been presented to and is before this meeting; and

WHEREAS, the City has outstanding its Waste Disposal Revenue Bonds, Taxable Series 2007 (the "Senior Bonds") authorized by Ordinance No. 19,714, adopted on March 6, 2007 (the "Senior Ordinance");

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. The offer of the Purchaser for the purchase of the bonds from the City at the Purchase Price for bonds bearing interest at the rates per annum, maturing and otherwise subject to the terms and provisions hereafter in this Ordinance set forth in detail be, and is hereby

1 accepted, and the Purchase Agreement, in substantially the form submitted to this meeting, is
2 approved and the bonds are hereby sold to the Purchaser. The Mayor is hereby authorized and
3 directed to execute and deliver the Purchase Agreement on behalf of the City and to take all
4 action required on the part of the City to fulfill its obligations under the Purchase Agreement.

5 **Section 2.** The Preliminary Official Statement is hereby approved and the previous use of
6 the Preliminary Official Statement by the Purchaser in connection with the sale of the bonds is
7 hereby in all respects authorized and approved, and the Mayor is hereby authorized and directed,
8 for and on behalf of the City, to execute the Preliminary Official Statement and the final Official
9 Statement as set forth in the Purchase Agreement.

10 **Section 3.** The Continuing Disclosure Agreement, in substantially the form submitted to this
11 meeting, is approved, and the Mayor is hereby authorized and directed to execute and deliver the
12 Continuing Disclosure Agreement on behalf of the City. The Mayor is authorized and directed
13 to take all action required on the part of the City to fulfill the City's obligations under the
14 Continuing Disclosure Agreement.

15 **Section 4.** Under the authority of the Constitution and laws of the State of Arkansas (the
16 "State"), including particularly Title 14, Chapter 232 of the Arkansas Code of 1987 Annotated,
17 City of Little Rock, Arkansas Waste Disposal Refunding Revenue Bonds, Taxable Series 2010
18 are hereby authorized and ordered issued in the principal amount of \$_____ for the
19 purpose of refunding the Bonds Refunded, paying expenses of issuing the bonds and funding a
20 debt service reserve. The bonds shall bear interest at the rates and shall mature on the dates and
21 in the amounts as follows:

22

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2011		
2012		
2013		
2014		
2015		
2016		

23
24 The bonds shall be dated the date of issuance and delivery to the Purchaser and shall be
25 issuable only as fully registered bonds without coupons in the denomination of \$5,000 or any

1 integral multiple thereof. Unless the City shall otherwise direct, the bonds shall be numbered
2 from 1 upward in order of issuance. Each bond shall have a CUSIP number.

3 The bonds shall be registered initially in the name of Cede & Co., as nominee for the
4 Depository Trust Company ("DTC"), which shall be considered to be the registered owner of the
5 bonds for all purposes under this Ordinance, including, without limitation, payment by the City
6 of principal of, redemption price, premium, if any, and interest on the bonds, and receipt of
7 notices and exercise of rights of registered owners. There shall be one certificated, typewritten
8 bond for each stated maturity date which shall be immobilized in the custody of DTC with the
9 beneficial owners having no right to receive the bonds in the form of physical securities or
10 certificates. DTC and its participants shall be responsible for maintenance of records of the
11 ownership of beneficial interests in the bonds by book-entry on the system maintained and
12 operated by DTC and its participants, and transfers of ownership of beneficial interests shall be
13 made only by DTC and its participants, by book-entry, the City having no responsibility therefor.
14 DTC is expected to maintain records of the positions of participants in the bonds, and the
15 participants and persons acting through participants are expected to maintain records of the
16 purchasers of beneficial interests in the bonds. The bonds as such shall not be transferable or
17 exchangeable, except for transfer to another securities depository or to another nominee of a
18 securities depository, without further action by the City.

19 If any securities depository determines not to continue to act as a securities depository for the
20 bonds for use in a book-entry system, the City may establish a securities depository/book-entry
21 system relationship with another securities depository. If the City does not or is unable to do so,
22 or upon request of the beneficial owners of all outstanding bonds, the City and the Trustee
23 (hereinafter identified), after the Trustee has made provision for notification of the beneficial
24 owners by the then securities depository, shall permit withdrawal of the bonds from the securities
25 depository, and authenticate and deliver bond certificates in fully registered form (in
26 denominations of \$5,000 or integral multiples thereof) to the assigns of the securities depository
27 or its nominee, all at the cost and expense (including costs of printing definitive bonds) of the
28 City, if the City fails to maintain a securities depository/book-entry system, or of the beneficial
29 owners, if they request termination of the system.

30 Prior to issuance of the bonds, the City shall have executed and delivered to DTC a written
31 agreement (the "Representation Letter") setting forth (or incorporating therein by reference)

1 certain undertakings and responsibilities of the City with respect to the bonds so long as the
2 bonds or a portion thereof are registered in the name of Cede & Co. (or a substitute nominee) and
3 held by DTC. Notwithstanding such execution and delivery of the Representation Letter, the
4 terms thereof shall not in any way limit the provisions of this Section or in any other way impose
5 upon the City any obligation whatsoever with respect to persons having interests in the bonds
6 other than the registered owners, as shown on the registration books kept by the Trustee. The
7 Trustee shall take all action necessary for all representations of the City in the Representation
8 Letter with respect to the Trustee to at all times be complied with.

9 The authorized officers of the Trustee and the City shall do or perform such acts and execute
10 all such certificates, documents and other instruments as they or any of them deem necessary or
11 advisable to facilitate the efficient use of a securities depository for all or any portion of the
12 bonds; provided that neither the Trustee nor the City may assume any obligations to such
13 securities depository or beneficial owners of bonds that are inconsistent with their obligations to
14 any registered owner under this Ordinance.

15 Interest on the bonds shall be payable on May 1, 2011 and semiannually thereafter on May 1
16 and November 1 of each year. Payment of each installment of interest shall be made to the
17 person in whose name the bond is registered on the registration books of the City maintained by
18 _____, _____, Arkansas, as Trustee and Paying Agent (the
19 "Trustee"), at the close of business on the fifteenth day of the month (whether or not a business
20 day) next preceding each interest payment date (the "Record Date"), irrespective of any transfer
21 or exchange of any such bond subsequent to such Record Date and prior to such interest payment
22 date.

23 Each bond shall bear interest from the payment date next preceding the date on which it is
24 authenticated unless it is authenticated on an interest payment date, in which event it shall bear
25 interest from such date, or unless it is authenticated prior to the first interest payment date, in
26 which event it shall bear interest from the date of issuance and delivery to the Purchaser, or
27 unless it is authenticated during the period from the Record Date to the next interest payment
28 date, in which case it shall bear interest from such interest payment date, or unless at the time of
29 authentication thereof interest is in default thereon, in which event it shall bear interest from the
30 date to which interest has been paid.

1 Only such bonds as shall have endorsed thereon a Certificate of Authentication substantially
2 in the form set forth in Section 6 hereof (the "Certificate") duly executed by the Trustee shall be
3 entitled to any right or benefit under this ordinance. No bond shall be valid and obligatory for
4 any purpose unless and until the Certificate shall have been duly executed by the Trustee, and the
5 Certificate upon any such bond shall be conclusive evidence that such bond has been
6 authenticated and delivered under this Ordinance. The Certificate on any bond shall be deemed
7 to have been executed if signed by an authorized officer of the Trustee, but it shall not be
8 necessary that the same officer sign the Certificate on all of the bonds.

9 In case any bond shall become mutilated or be destroyed or lost, the City shall, if not then
10 prohibited by law, cause to be executed and the Trustee may authenticate and deliver a new bond
11 of like date, number, maturity and tenor in exchange and substitution for and upon cancellation
12 of such mutilated bond, or in lieu of and in substitution for such bond destroyed or lost, upon the
13 owner paying the reasonable expenses and charges of the City and Trustee in connection
14 therewith, and, in the case of a bond destroyed or lost, his filing with the Trustee evidence
15 satisfactory to it that such bond was destroyed or lost, and of his ownership thereof, and
16 furnishing the City and Trustee with indemnity satisfactory to them. The Trustee is hereby
17 authorized to authenticate any such new bond. In the event any such bond shall have matured,
18 instead of issuing a new bond, the City may pay the same without the surrender thereof. Upon
19 the issuance of a new bond under this Section 6, the City may require the payment of a sum
20 sufficient to cover any tax or other governmental charge that may be imposed in relation thereto
21 and any other expenses (including the fees and expenses of the Trustee) connected therewith.

22 The City shall cause books to be maintained for the registration and for the transfer of the
23 bonds as provided herein and in the bonds. The Trustee shall act as the bond registrar. Each
24 bond is transferable by the registered owner thereof or by his attorney duly authorized in writing
25 at the principal office of the Trustee. Upon such transfer a new fully registered bond or bonds of
26 the same maturity, of authorized denomination or denominations, for the same aggregate
27 principal amount will be issued to the transferee in exchange therefor.

28 No charge shall be made to any owner of any bond for the privilege of transfer or exchange,
29 but any owner of any bond requesting any such transfer or exchange shall pay any tax or other
30 governmental charge required to be paid with respect thereto. Except as otherwise provided in
31 the immediately preceding sentence, the cost of preparing each new bond upon each exchange or

1 transfer and any other expenses of the City or the Trustee incurred in connection therewith shall
2 be paid by the City. The City shall not be required to transfer or exchange any bonds selected for
3 redemption in whole or in part.

4 The person in whose name any bond shall be registered shall be deemed and regarded as the
5 absolute owner thereof for all purposes, and payment of or on account of the principal or
6 premium, if any, or interest on any bond shall be made only to or upon the order of the registered
7 owner thereof or his legal representative, but such registration may be changed as hereinabove
8 provided. All such payments shall be valid and effectual to satisfy and discharge the liability
9 upon such bond to the extent of the sum or sums so paid.

10 In any case where the date of maturity of interest on or principal of the bonds or the date
11 fixed for redemption of any bonds shall be a Saturday or Sunday or shall be in the State a legal
12 holiday or a day on which banking institutions are authorized by law to close, then payment of
13 interest or principal (and premium, if any) need not be made on such date but may be made on
14 the next succeeding business day with the same force and effect as if made on the date of
15 maturity or the date fixed for redemption, and no interest shall accrue for the period after the date
16 of maturity or date fixed for redemption.

17 Section 5. The bonds shall be executed on behalf of the City by the manual or facsimile
18 signatures of the Mayor and City Clerk and shall have impressed or imprinted thereon the seal of
19 the City. The bonds, together with interest thereon, are secured by and are payable solely from
20 the net revenues derived from the System which are hereby pledged and mortgaged for the equal
21 and ratable payment of the bonds. The pledge of net revenues of the System in favor of the
22 bonds is subordinate to the pledge in favor of the Senior Bonds. The bonds and interest thereon
23 shall not constitute an indebtedness of the City within any constitutional or statutory limitation.

24 Section 6. The bonds and the Certificate shall be in substantially the following form and the
25 Mayor and City Clerk are hereby expressly authorized and directed to make all recitals contained
26 therein:

27 (Form of Bond)
28 REGISTERED REGISTERED
29
30 No. _____
31
32

33 UNITED STATES OF AMERICA

1 STATE OF ARKANSAS
2 COUNTY OF PULASKI
3 CITY OF LITTLE ROCK
4 WASTE DISPOSAL REFUNDING REVENUE BOND,
5 TAXABLE SERIES 2010
6

7 Interest Rate: _____% Maturity Date: _____

8 Dated Date: _____

9 Registered Owner: Cede & Co.

10 Principal Amount: _____

11 CUSIP No.: _____
12

13 KNOW ALL MEN BY THESE PRESENTS:
14

15 That the City of Little Rock, County of Pulaski, State of Arkansas (the "City"),
16 for value received, hereby promises to pay, but solely from the source as hereinafter provided
17 and not otherwise, to the Registered Owner shown above upon the presentation and surrender
18 hereof at the principal corporate office of _____, _____, Arkansas, or
19 its successor or successors, as Trustee and Paying Agent (the "Trustee"), on the Maturity Date
20 shown above, the Principal Amount shown above, in such coin or currency of the United States
21 of America as at the time of payment shall be legal tender for the payment of public and private
22 debts and to pay by check or draft interest thereon, but solely from the source as hereinafter
23 provided and not otherwise, in like coin or currency from the interest commencement date
24 specified below at the Interest Rate per annum shown above, payable May 1, 2011 and
25 semiannually thereafter on the first days of May and November of each year, until payment of
26 such principal sum or, if this bond or a portion thereof shall be duly called for redemption, until
27 the date fixed for redemption, and to pay interest on overdue principal and interest (to the extent
28 legally enforceable) at the rate borne by this bond. Payment of each installment of interest shall
29 be made to the person in whose name this bond is registered on the registration books of the City
30 maintained by the Trustee at the close of business on the fifteenth day of the month (whether or
31 not a business day) next preceding each interest payment date (the "Record Date"), irrespective
32 of any transfer or exchange of this bond subsequent to such Record Date and prior to such
33 interest payment date.
34

35 Unless this bond is presented by an authorized representative of The Depository
36 Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer,
37 exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in
38 such other name as is requested by an authorized representative of DTC (and any payment is
39 made to Cede & Co. or to such other entity as is required by an authorized representative of
40 DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR
41 OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner
42 hereof, Cede & Co., has an interest herein.
43

44 This bond shall bear interest from the payment date next preceding the date on
45 which it is authenticated unless it is authenticated on an interest payment date, in which event it
46 shall bear interest from such date, or unless it is authenticated prior to the first interest payment

1 date, in which event it shall bear interest from the Dated Date shown above, or unless it is
2 authenticated during the period from the Record Date to the next interest payment date, in which
3 case it shall bear interest from such interest payment date, or unless at the time of authentication
4 hereof interest is in default hereon, in which event it shall bear interest from the date to which
5 interest has been paid.
6

7 This bond is one of an issue of City of Little Rock, Arkansas Waste Disposal
8 Refunding Revenue Bonds, Taxable Series 2010, aggregating
9 _____ Dollars (\$_____) in principal amount
10 (the "bonds"), and is issued for the purpose of refunding the City's Waste Disposal Refunding
11 and Improvement Revenue Bonds, Series 2002, funding a debt service reserve and paying
12 expenses incidental thereto and to the authorization and issuance of the bonds.
13

14 The bonds are issued pursuant to and in full compliance with the Constitution and
15 laws of the State of Arkansas (the "State"), including particularly Title 14, Chapter 232 of the
16 Arkansas Code of 1987 Annotated, and pursuant to Ordinance No. _____ duly adopted on
17 _____, 2010 (the "Authorizing Ordinance"), and do not constitute an
18 indebtedness of the City within any constitutional or statutory limitation. The bonds are not
19 general obligations of the City, but are special obligations payable solely from the net revenues
20 derived by the City from the operation of the City's waste collection and disposal system (the
21 "System"). In this regard, the pledge in favor of the bonds is subordinate to the pledge in favor
22 of the City's Waste Disposal Revenue Bonds, Taxable Series 2007. An amount of net System
23 revenues sufficient to pay the principal of and interest on the bonds has been duly pledged and
24 the City has covenanted to deposit such System revenues into the Series 2010 Bond Account
25 within the Waste Disposal Revenue Fund being maintained in accordance with the Authorizing
26 Ordinance. Reference is hereby made to the Authorizing Ordinance for a detailed statement of
27 the terms and conditions upon which the bonds are issued, of the nature and extent of the security
28 for the bonds, and the rights and obligations of the City, the Trustee and the registered owners of
29 the bonds. The City has fixed and has covenanted and agreed to maintain rates for the services
30 of the System which shall be sufficient at all times to provide for the proper and reasonable
31 expenses of operation and maintenance of the System and for the payment of the principal of and
32 interest on the bonds to which net revenues of the System are pledged, as the same become due
33 and payable, and to establish and maintain a debt service reserve.
34

35 The bonds shall not be subject to redemption prior to maturity.
36

37 This bond is transferable by the registered owner hereof in person or by his
38 attorney-in-fact duly authorized in writing at the principal corporate trust office of the Trustee,
39 but only in the manner, subject to the limitations and upon payment of the charges provided in
40 the Authorizing Ordinance, and upon surrender and cancellation of this bond. Upon such
41 transfer a new fully registered bond or bonds of the same maturity, of authorized denomination
42 or denominations, for the same aggregate principal amount, will be issued to the transferee in
43 exchange therefor. This bond is issued with the intent that the laws of the State shall govern its
44 construction.
45

1 The City and the Trustee may deem and treat the registered owner hereof as the
2 absolute owner hereof for the purpose of receiving payment of or on account of principal hereof
3 and premium, if any, hereon and interest due hereon and for all other purposes, and neither the
4 City nor the Trustee shall be affected by any notice to the contrary.

5
6 The bonds are issuable only as fully registered bonds in the denomination of
7 \$5,000, and any integral multiple thereof. Subject to the limitations and upon payment of the
8 charges provided in the Authorizing ordinance, fully registered bonds may be exchanged for a
9 like aggregate principal amount of fully registered bonds of the same maturity of other
10 authorized denominations.

11
12 IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts,
13 conditions and things required to exist, happen and be performed precedent to and in the issuance
14 of the bonds do exist, have happened and have been performed in due time, form and manner as
15 required by law; that the indebtedness represented by the bonds, together with all obligations of
16 the City, does not exceed any constitutional or statutory limitation; and that the above referred to
17 revenues pledged to the payment of the principal of and premium, if any, and interest on the
18 bonds as the same become due and payable will be sufficient in amount for that purpose.

19
20 This bond shall not be valid or become obligatory for any purpose or be entitled
21 to any security or benefit under the Authorizing Ordinance until the Certificate of Authentication
22 hereon shall have been signed by the Trustee.

23
24 IN WITNESS WHEREOF, the City of Little Rock, Arkansas has caused this bond
25 to be executed by its Mayor and City Clerk and its corporate seal to be impressed or imprinted on
26 this bond, all as of the Dated Date shown above.

27
28 CITY OF LITTLE ROCK, ARKANSAS
29 ATTEST: By _____
30 _____ Mayor
31 _____
32 City Clerk

33
34 (SEAL)
35

36 (Form of Trustee's Certificate)

37
38 TRUSTEE'S CERTIFICATE OF AUTHENTICATION
39

40 This bond is one of the bonds designated Taxable Series 2010 in and issued under
41 the provisions of the within mentioned Authorizing Ordinance.

42
43 Date of Authentication: _____
44
45 _____

1 _____, Arkansas
2 Trustee

3
4 By _____
5 Authorized Signature
6

7 (A Form of Assignment shall be attached to the bonds.)
8

9 **Section 7.** The City covenants that it will continuously operate the System as a revenue
10 producing undertaking; provided, however, the City shall have the authority to sell, lease or
11 contract for management or operation of the landfill and composting facilities of the System in
12 accordance with Section 27 of this Ordinance. The City covenants and agrees that while any of
13 the bonds are outstanding it will fix, charge and collect user fees and tipping fees sufficient to
14 produce gross System revenues in any fiscal year sufficient to pay (i) operation and maintenance
15 expenses of the System, (ii) each year's required payments of principal, premium, if any, and
16 interest on the bonds and all other bonds or interest bearing obligations secured by a pledge of
17 System revenues ("System Bonds"), (iii) to restore debt service reserve funds to their required
18 levels, if necessary, and (iv) to make the required deposits into the Rebate, Closure and Post-
19 Closure Accounts (hereinafter identified). If necessary, the rates will be increased to produce
20 Net Revenues (Net Revenues being defined as gross System revenues less the expenses of
21 operation and maintenance of the System, including all expense items, except depreciation and
22 amortization expenses, properly attributable to the operation and maintenance of the System,
23 under generally accepted accounting principles applicable to municipal utility systems), which
24 are at least equal to 110% of the current year's debt service on the outstanding System Bonds.
25 For purposes of this paragraph, the current year's debt service shall not include the principal of
26 temporary bonds or bond anticipation notes for which refinancing plans exist.

27 **Section 8.** The Treasurer of the City shall be custodian of the gross revenues derived from
28 the operation of the System and that officer shall give bond for the faithful discharge of his
29 duties as such custodian. All System revenues shall be deposited by or on behalf of the City
30 Treasurer into a special fund heretofore created and designated "Waste Disposal Revenue Fund"
31 (the "Revenue Fund"). The Revenue Fund and the other special funds hereafter in this
32 Ordinance provided for or referred to shall be maintained in such depository or depositories for
33 the City as may be lawfully designated from time to time by the City; subject, however, to the

1 giving of security as now or hereafter may be required by law, and provided that such
2 depositories shall hold membership in the Federal Deposit Insurance Corporation (the "FDIC").
3 All deposits shall be in the name of the City and shall be so designated as to indicate the
4 particular fund or account to which System revenues belong. Payments from the respective
5 funds or accounts held by the City shall be made by check or voucher, signed by either the
6 Mayor, the City Treasurer, the City Manager or the Assistant City Manager, and drawn on the
7 depository. Each check or voucher shall be supported by appropriate documentation specifying
8 the purpose of the expenditure. Any deposit in excess of the amount insured by the FDIC shall
9 be secured by securities authorized by law to secure public funds, unless invested as herein
10 authorized.

11 **Section 9.** The following accounts shall be maintained within the Revenue Fund:

- 12 (a) Operation and Maintenance Account;
- 13 (b) Bond Account (the "2007 Bond Account");
- 14 (c) 2010 Bond Account;
- 15 (d) Closure Account;
- 16 (e) 2007 Debt Service Reserve Account;
- 17 (f) 2010 Debt Service Reserve Account;
- 18 (g) Post-Closure Account;
- 19 (h) Capital Reserve Account; and
- 20 (i) Surplus Account.

21
22 **Section 10.** Revenues from the System in the Revenue Fund shall be applied at the times, in
23 the amounts, and in the priority, as follows:

24 FIRST, the City shall deposit monthly into the Operation and Maintenance Account
25 revenues from the System in an amount sufficient to pay all operating expenses and to
26 make reasonable provision for the repair and maintenance of the System.

27
28 SECOND, the City shall deposit into the 2007 Bond Account revenues from the System
29 on the first business day of each month until all outstanding Senior Bonds, with interest
30 thereon, have been paid in full or provision made for such payment, the amount required
31 by the Senior Ordinance for the purpose of paying when due the principal of and interest
32 on the Senior Bonds.

33

1 THIRD, if at any time the amounts on deposit in the 2007 Debt Service Reserve Account
2 are reduced to an amount less than the level required by the Senior Ordinance, the City
3 shall, from revenues of the System, immediately deposit into the 2007 Debt Service
4 Reserve Account amounts required to replenish the 2007 Debt Service Reserve Account
5 to its required level in twelve (12) equal monthly installments.
6

7 FOURTH, the City shall deposit into the 2010 Bond Account revenues from the System
8 on the first business day of each month, commencing in January 2011, until all
9 outstanding bonds, with interest thereon, have been paid in full or provision made for
10 such payment, a sum equal to 1/6 of the next installment of interest on the bonds plus a
11 sum equal to 1/12 of the next installment of principal of the bonds due at maturity or
12 upon mandatory sinking fund redemption; provided, however, the payments for the
13 months of January, February, March and April of 2011 shall be approximately level to
14 provide funds to pay the principal and interest on the bonds due May 1, 2011. The City
15 shall receive a credit against monthly payments to be made into the 2010 Bond Account
16 from System revenues from interest earnings thereon.
17

18 FIFTH, if at any time the amounts on deposit in the 2010 Debt Service Reserve Account
19 are reduced to an amount less than the level required by the this Ordinance, the City shall,
20 from System revenues, immediately deposit into the 2010 Debt Service Reserve Account
21 amounts required to replenish the 2010 Debt Service Reserve Account to its required
22 level in twelve (12) equal monthly installments.
23

24 SIXTH, after payment of items FIRST through FIFTH above, all remaining System
25 revenues in the Revenue Fund shall be used as set forth in Sections 11 to 15 hereof.

26 Moneys in the Operation and Maintenance Account shall be used to pay for the operation,
27 repair and maintenance of the System. Moneys in the 2007 Bond Account and the 2007 Debt
28 Service Reserve Account shall be used for the payment and security of the Senior Bonds in
29 accordance with the Senior Ordinance.

30 When the moneys held in the 2010 Bond Account and the 2010 Debt Service Reserve
31 Account shall be and remain sufficient to pay the principal of, premium, if any, and interest on

1 all of the bonds then outstanding plus Trustee's and Paying Agent's fees, the City shall not be
2 obligated to make any further payments into the 2010 Bond Account.

3 It shall be the duty of the City to cause to be withdrawn from the 2010 Bond Account no later
4 than one business day before the due date of any principal and/or interest on any bond and
5 deposited with the Trustee, an amount equal to the amount of such bond and interest due thereon
6 for the sole purpose of paying the same, together with the Trustee's and Paying Agent's fee. No
7 withdrawal of funds from the 2010 Bond Account shall be made for any other purpose except as
8 otherwise authorized in this Ordinance.

9 If System revenues are insufficient to make the required payment on the first business day of
10 the following month into the 2010 Bond Account, the amount of any such deficiency in the
11 payment made shall be added to the amount otherwise required to be paid into the 2010 Bond
12 Account on the first business day of the next month.

13 The bonds shall be specifically secured by a pledge of the net revenues of the System, which
14 pledge shall be subordinate to the pledge in favor of the Senior Bonds. This pledge in favor of
15 the bonds is hereby irrevocable made according to the terms of this Ordinance, and the City and
16 its officers and employees shall execute, perform and carry out the terms thereof in strict
17 conformity with the provisions of this Ordinance.

18 **Section 11.** The "2010 Debt Service Reserve Account" shall be maintained in an amount
19 equal to 10% of the original principal amount of the bonds ("Required Level"). Should the 2010
20 Debt Service Reserve Account become impaired or be reduced below the Required Level, the
21 City shall make additional monthly payments from the Revenue Fund until the impairment or
22 reduction is corrected within a twelve month period. Monthly payments into the 2010 Debt
23 Service Reserve Account, if necessary, shall be made from System revenues on the first business
24 day of each month after the required deposits into the Operation and Maintenance Account, the
25 2007 Bond Account, the 2007 Debt Service Reserve Account and the 2010 Bond Account have
26 been made. Moneys held for the credit of the 2010 Debt Service Reserve Account which exceed
27 the Required Level shall be withdrawn by the City from the 2010 Debt Service Reserve Account
28 and deposited into another account in the Revenue Fund. The 2010 Debt Service Reserve
29 Account shall be initially funded with proceeds of the bonds.

30 If for any reason at any time there shall be a deficiency in the payments made into the 2010
31 Bond Account so that there are unavailable sufficient moneys to pay the principal of and interest

1 on the bonds as the same become due, any sums then held in the 2010 Debt Service Reserve
2 Account shall be used by the City to the extent necessary to pay the principal and interest, but the
3 2010 Debt Service Reserve Account shall be reimbursed in the manner described above.

4 **Section 12.** After making the required payments into the Operation and Maintenance
5 Account, 2007 Bond Account, 2007 Debt Service Reserve Account, 2010 Bond Account and
6 2010 Debt Service Reserve Account, there shall be paid from System revenues for deposit into
7 the Closure Account annually on the last business day of each year while any of the bonds are
8 outstanding the amount, if any, required by the Solid Waste Disposal Facility Criteria of the
9 United States Environmental Protection Agency, 40 C.F.R. Part 258, and any regulations
10 amendatory thereto. The moneys in the Closure Account shall be used solely for the purpose of
11 paying the cost of closing the System landfills or federal or state mandated cleanup. The Trustee
12 shall have no lien on or security interest in the Closure Account with respect to the payment of
13 the principal of and interest on the bonds or any fees, charges or expenses due to the Trustee
14 under this Ordinance.

15 In lieu of depositing moneys into the Closure Account, the requirements of this Section may
16 be satisfied with a surety bond, letter of credit or insurance in the principal amount equal to the
17 requirement, or portion, being satisfied, as set forth in 40 C.F.R. Part 258, and any regulation
18 amendatory thereto.

19 **Section 13.** After making the required payments into the Operation and Maintenance
20 Account, 2007 Bond Account, 2007 Debt Service Reserve Account, 2010 Bond Account , 2010
21 Debt Service Reserve Account and Closure Account, there shall be paid from System revenues
22 for deposit into the Post-Closure Account, annually on the last business day of each year while
23 any of the bonds are outstanding the amounts, if any, required by the Solid Waste Disposal
24 Facility Criteria of the United States Environmental Protection Agency, 40 C.F.R. Part 258, and
25 any regulations amendatory thereto. The moneys in the Post-Closure Account shall be used
26 solely for the purpose of paying the cost of post-closure care of the System landfills or federal or
27 state mandated cleanup. The Trustee shall have no lien on or security interest in the Post-
28 Closure Account with respect to the payment of the principal of and interest on the bonds or any
29 fees, charges or expenses due to the Trustee under this Ordinance.

1 In lieu of depositing moneys into the Post-Closure Account, the requirements of this Section
2 may be satisfied with a surety bond, letter of credit or insurance as set forth in 40 C.F.R. Part
3 258, and any regulations amendatory thereto.

4 **Section 14.** After making the required payments into the Operation and Maintenance
5 Account, 2007 Bond Account, 2007 Debt Service Reserve Account, 2010 Debt Service Reserve
6 Account, Closure Account and Post-Closure Account, the Treasurer may deposit System
7 revenues into the Capital Reserve Account. The moneys in the Capital Reserve Account shall be
8 used solely for the purposes of funding replacements of capital equipment for the System, except
9 that moneys in the Capital Reserve Account shall be used to the extent necessary at any time to
10 prevent the default in the payment of the principal and interest on the bonds and the Senior
11 Bonds and the Trustee's and Paying Agent's fees.

12 **Section 15.** Any System revenues remaining after making all disbursements and providing
13 for all accounts and funds described above shall be deposited into the Surplus Account. Moneys
14 in the Surplus Account may be used, at the option of the City, (i) for the redemption of System
15 Bonds, as the City in its discretion shall determine, prior to maturity in accordance with their
16 respective redemption provisions; (ii) for constructing extensions, betterments and improvements
17 to the System; (iii) to cure any deficiency in the other accounts in the Revenue Fund; or (iv) for
18 the transfer to the General Fund of the City for use for any other lawful municipal purpose
19 authorized by the City.

20 **Section 16.** So long as any of the bonds are outstanding, the City shall not issue or attempt
21 to issue any bonds claimed to be entitled to a priority of lien on revenues of the System over the
22 lien securing the bonds. The City reserves the right to issue additional bonds to finance or pay
23 the cost of making any future extensions, betterments or improvements to the System, or to
24 refund outstanding System Bonds, but the City shall not authorize or issue any such additional
25 bonds ranking on a parity with the bonds unless and until either: (1) there shall have been
26 procured and filed with the City Clerk and the Trustee a statement by an independent certified
27 public accountant ("Accountant") reciting the opinion, based upon necessary investigation, that
28 the net revenues of the System for the fiscal year immediately preceding the fiscal year in which
29 it is proposed to issue such additional bonds shall equal not less than 110% of the average annual
30 principal and interest requirements on all the then outstanding System Bonds and the additional
31 bonds then proposed to be issued; or (2) there shall have been procured and filed with the City

1 Clerk and the Trustee a statement by an Accountant reciting the opinion, based upon necessary
2 investigation, that the net revenues of the System for the next ensuing fiscal year as reflected by
3 a certificate of a duly qualified consulting engineer or rate analyst not in the regular employ of
4 the City and approved by the Trustee, and taking into consideration any rate increase, shall equal
5 not less than 110% of the average annual principal and interest requirements on all the
6 outstanding System Bonds and the additional bonds then proposed to be issued. The term "net
7 revenues" shall mean gross revenues of the System less the expense of operation and
8 maintenance of the System, including all expenses items, except depreciation and amortization
9 expenses, properly attributable to the operation of the System, under generally accepted
10 accounting principles applicable to municipality systems. In making the computation set forth in
11 (1) above, the City, and the Accountant on behalf of the City, may treat any increase in rates for
12 the System enacted subsequent to the first day of the preceding fiscal year as having been in
13 effect throughout such fiscal year and may include in gross revenues for such fiscal year the
14 amount that would have been received based on such opinion or report, had the increase been in
15 effect throughout such fiscal year.

16 **Section 17.** The City covenants and agrees that it will maintain the System in good condition
17 and operate the same in an efficient manner and at reasonable cost. While any of the bonds are
18 outstanding, the City agrees that it will insure and at all times keep insured, in the amount of the
19 actual value thereof, in a responsible insurance company or companies authorized and qualified
20 under the laws of the State to assume the risk thereof, properties of the System, to the extent that
21 such properties would be covered by insurance by private companies engaged in similar types of
22 businesses, against loss or damage thereto from fire and other causes covered by extended
23 coverage insurance. Satisfactory evidence of said insurance shall be filed with the Trustee. In
24 the event of loss, the proceeds of such insurance shall be applied solely toward the
25 reconstruction, replacement or repair of the System, and in such event the City will, with
26 reasonable promptness, cause to be commenced and completed the reconstruction, replacement
27 and repair work. If such proceeds are more than sufficient for such purposes, the balance
28 remaining shall be deposited to the credit of the Revenue Fund. Nothing shall be construed as
29 requiring the City to expend any moneys for operation and maintenance of the System or for
30 premiums on its insurance which are derived from sources other than the operation of the
31 System, but nothing shall be construed as preventing the City from doing so. Notwithstanding

1 anything herein to the contrary, the City shall have the authority to sell, lease or contract for
2 management or operation of the landfill and composting facilities of the System in accordance
3 with Section 27 hereof and in the case of a lease, management agreement or operations
4 agreement, shall have the right to assign such insurance and maintenance obligations to the
5 lessee, manager or operator.

6 **Section 18.** It is covenanted and agreed by the City with the registered owners of the bonds,
7 or any of them, that the City will faithfully and punctually perform all duties with reference to
8 the System required by the Constitution and laws of the State, including the charging and
9 collecting of reasonable and sufficient rates lawfully established for services rendered by the
10 System, the segregating of System revenues as herein required, and the applying of System
11 revenues to the respective funds or accounts herein created or referred to.

12 **Section 19.** The City will keep proper books of accounts and records in which complete and
13 correct entries shall be made of all transactions relating to the operation of the System, and such
14 books shall be available for inspection by the registered owner of any of the bonds at reasonable
15 times and under reasonable circumstances. The City will have these records audited by an
16 Accountant at least once each year, and a copy of the audit shall be delivered to the Trustee and
17 made available to the registered owners of the bonds. In the event that the City fails or refuse to
18 make the audit, the Trustee, or any registered owner of the bonds, may have the audit made at the
19 expense of the Revenue Fund.

20 **Section 20.** Any bond shall be deemed to be paid within the meaning of this Ordinance
21 when payment of the principal of and interest on such bond (whether at maturity or upon
22 redemption as provided herein, or otherwise), either (i) shall have been made or caused to be
23 made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably
24 depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment (1)
25 cash sufficient to make such payment and/or (2) United States Treasury Certificates, Notes and
26 Bonds (including State and Local Government Series) ("Defeasance Securities"), maturing as to
27 principal and interest in such amounts and at such times as will provide sufficient moneys to
28 make such payment, and all necessary and proper fees, compensation and expenses of the
29 Trustee shall have been paid or the payment thereof provided for to the satisfaction of the
30 Trustee.

1 On the payment of any such bonds within the meaning of this Ordinance, the Trustee shall
2 hold in trust, for the benefit of the owners of such bonds, all such moneys and/or Defeasance
3 Securities.

4 When all the bonds shall have been paid within the meaning of this Ordinance and the
5 Trustee has been paid its fees and expenses, the Trustee shall take all appropriate action to cause
6 (i) the pledge and lien of this Ordinance to be discharged and cancelled, and (ii) all moneys held
7 by it pursuant to this Ordinance and which are not required for the payment of such bonds to be
8 paid over or delivered to or at the direction of the City. In determining the sufficiency of the
9 deposit of Defeasance Securities there shall be considered the principal amount of such
10 Defeasance Securities and interest to be earned thereon until the maturity of such Defeasance
11 Securities.

12 **Section 21.** (a) If there be any default in the payment of the principal of, premium, if any, or
13 interest on any of the bonds, or if the City defaults in the performance of any of the other
14 covenants contained in this Ordinance, the Trustee may, and upon the written request of the
15 registered owners of not less than 10% in principal amount of the then outstanding bonds, shall,
16 by proper suit, compel the performance of the duties of the officials of the City under the laws of
17 Arkansas. In the case of a default in the payment of the principal of, premium, if any, and
18 interest on any of the bonds, the Trustee may and upon written request of the registered owners
19 of not less than 10% in principal amount of the then outstanding bonds, shall apply in a proper
20 action to a court of competent jurisdiction for the appointment of a receiver to administer the
21 System (or so much of the System that is not leased or operated as permitted by Section 27 of
22 this Ordinance) on behalf of the City and the registered owners of the bonds with power to
23 charge and collect (or by mandatory injunction or otherwise to cause to be charged and
24 collected) rates sufficient to provide for the payment of the expenses of operation, maintenance
25 and repair and to pay any bonds outstanding and to apply the System revenues in conformity
26 with the laws of Arkansas and with this Ordinance. When defaults in such payments have been
27 cured, the custody and operation of the System shall revert to the City.

28 (b) No registered owner of any of the outstanding bonds shall have any right to
29 institute any suit, action, mandamus or other proceeding in equity or at law for the protection or
30 enforcement of any power or right unless such owner previously shall have given to the Trustee
31 written notice of the default on account of which such suit, action or proceeding is to be taken,

1 and unless the registered owners of not less than 10% in principal amount of the bonds then
2 outstanding shall have made written request of the Trustee after the right to exercise such power
3 or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a
4 reasonable opportunity either to proceed to exercise the powers granted to the Trustee, or to
5 institute such action, suit or proceeding in its name, and unless, also, there shall have been
6 offered to the Trustee reasonable security and indemnity against the costs, expenses and
7 liabilities to be incurred therein or thereby and the Trustee shall have refused or neglected to
8 comply with such request within a reasonable time. Such notification, request and offer of
9 indemnity are, at the option of the Trustee, conditions precedent to the execution of any remedy.
10 No one or more registered owners of the bonds shall have any right in any manner whatever by
11 his or their action to affect, disturb or prejudice the security of this Ordinance, or to enforce any
12 right thereunder except the manner herein described. All proceedings at law or in equity shall be
13 instituted, had and maintained in the manner herein described and for the benefit of all registered
14 owners of the outstanding bonds.

15 (c) No remedy conferred upon or reserved to the Trustee or to the registered owners
16 of the bonds is intended to be exclusive of any other remedy or remedies, and every such remedy
17 shall be cumulative and shall be in addition to every other remedy given under this Ordinance or
18 by law.

19 (d) The Trustee may, and upon the written request of the registered owners of not less
20 than 50% in principal amount of the bonds then outstanding shall, waive any default which shall
21 have been remedied before the entry of final judgment or decree in any suit, action or proceeding
22 instituted under the provisions of this Ordinance or before the completion of the enforcement of
23 any other remedy, but no such waiver shall extend to or affect any other existing or any
24 subsequent default or defaults or impair any rights or remedies consequent thereon.

25 (e) All rights of action under this Ordinance or under any of the bonds, enforceable
26 by the Trustee, may be enforced by it without the possession of any of the bonds, and any such
27 suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of
28 all the registered owners of such bonds, subject to the provisions of this Ordinance.

29 (f) No delay or omission of the Trustee or of any registered owners of the bonds to
30 exercise any right or power accrued upon any default shall impair any such right or power or
31 shall be construed to be a waiver of any such default or an acquiescence therein; and every

1 power and remedy given by this ordinance to the Trustee and to the holders and registered
2 owners of the bonds, respectively, may be exercised from time to time and as often as may be
3 deemed expedient.

4 (g) In any proceeding in which any plaintiff bondholder prevails to enforce the
5 provisions of this Ordinance, any plaintiff bondholder shall be entitled to recover from the City
6 all costs of such proceeding, including reasonable attorneys' fees.

7 **Section 22.** (a) The terms of this Ordinance shall constitute a contract between the City and
8 the registered owners of the bonds and no variation or change in the undertaking herein set forth
9 shall be made while any of these bonds are outstanding, except as hereinafter set forth in
10 subsections (b) and (c).

11 (b) The Trustee may consent to any variation or change in this Ordinance without the
12 consent of the owners of the outstanding bonds (i) in order to cure any ambiguity or correct any
13 defect herein as the City may deem necessary or desirable and not inconsistent herewith or (ii) in
14 order to make any other variation or change which the Trustee determines shall not materially
15 adversely affect the interests of the owners of the bonds.

16 (c) The owners of not less than 75% in aggregate principal amount of the bonds then
17 outstanding shall have the right, from time to time, anything contained in this ordinance to the
18 contrary notwithstanding, to consent to and approve the adoption by the City of such ordinance
19 supplemental hereto as shall be necessary or desirable for the purpose of modifying, altering,
20 amending, adding to or rescinding, in any particular, any of the terms or provisions contained in
21 this ordinance or in any supplemental ordinance; provided, however, that nothing contained in
22 this Section shall permit or be construed as permitting (i) an extension of the maturity of the
23 principal of or the interest on any bond, or (ii) a reduction in the principal amount of any bond or
24 the rate of interest thereon, or (iii) the creation of a lien or pledge superior to the lien and pledge
25 created by this Ordinance, or (iv) a privilege or priority of any bond or bonds over any other
26 bond or bonds, or (v) a reduction in the aggregate principal amount of the bonds required for
27 consent to such supplemental ordinance. Copies of any amendments to this Ordinance
28 authorized by this subparagraph (c) shall be sent by the City to any nationally recognized
29 statistical rating organization maintaining a credit rating on the bonds.

30 **Section 23.** When the bonds have been executed and sealed as herein provided, they shall be
31 authenticated by the Trustee, and the Trustee shall deliver the bonds to the Purchaser upon

1 payment of the Purchase Price. The expenses of issuing the bonds as set forth in the delivery
2 instructions to the Trustee signed by the Mayor and City Clerk shall be paid from the Purchase
3 Price (the "Delivery Instructions"). The amount necessary to fund the 2010 Debt Service
4 Reserve Account at the required level shall be deposited into that account. The amount
5 necessary, along with funds appropriated by Section 28 hereof, as provided in the Delivery
6 Instructions, to redeem the Bonds Refunded, shall be deposited in escrow with the trustee for the
7 Bonds Refunded. The remainder of the Purchase Price shall be remitted to the City for deposit
8 into an account of the City hereby created and designated "Waste Disposal Revenue Bond Cost
9 of Issuance Fund, Taxable Series 2010 ("Cost of Issuance Fund"). The moneys deposited into
10 the Cost of Issuance Fund shall be disbursed in payment of expenses of issuing the bonds. Any
11 moneys not needed to pay expenses of issuing the bonds shall be transferred to the 2010 Bond
12 Account.

13 **Section 24.** In the event the office of Mayor, City Clerk, City Treasurer, City Manager,
14 Assistant City Manager or Board shall be abolished, or any two or more of such offices shall be
15 merged or consolidated, or in the event the duties of a particular office shall be transferred to
16 another office or officer, or in the event of a vacancy in any such office by reason of death,
17 resignation, removal from office or otherwise, or in the event any such officer shall become
18 incapable of performing the duties of his office by reason of sickness, absence from the City or
19 otherwise, all powers conferred and all obligations and duties imposed upon such office or
20 officer shall be performed by the office or officer succeeding to the principal functions thereof,
21 or by the office or officer upon whom such powers, obligations and duties shall be imposed by
22 law.

23 **Section 25.** The Trustee shall only be responsible for the exercise of good faith and
24 reasonable prudence in the execution of its trust. The recitals in this Ordinance and in the bonds
25 are the recitals of the City and not of the Trustee. The Trustee shall not be required to take any
26 action as Trustee unless it shall have been requested to do so in writing by the owners of not less
27 than 10% in principal amount of the bonds then outstanding and shall have been offered
28 reasonable security and indemnity against the costs, expenses and liabilities to be incurred
29 therein or thereby. The Trustee may resign at any time by 60 days' notice in writing to the City
30 Clerk and to the registered owners of the bonds, and the City, so long as the City is not in default
31 under this Ordinance, or the majority in value of the registered owners of the outstanding bonds

1 at any time, with or without cause, may remove the Trustee. In the event of a vacancy in the
2 office of Trustee, either by resignation or by removal, the City shall appoint a new Trustee, such
3 appointment to be evidenced by a written instrument or instruments filed with the City Clerk.
4 Every successor Trustee appointed pursuant to this Section shall be a trust company or bank in
5 good standing, duly authorized to exercise trust powers and subject to examination by federal or
6 state authority. The original Trustee and any successor Trustee shall file a written acceptance
7 and agreement to execute the trust imposed upon it or them by this Ordinance, but only upon the
8 terms and conditions set forth in this Ordinance and subject to the provisions of this Ordinance,
9 to all of which the respective owners of the bonds agree. Such written acceptance shall be filed
10 with the City Clerk and a copy thereof shall be placed in the bond transcript. Any successor
11 Trustee shall have all the powers herein granted to the original Trustee. The Trustee's
12 resignation shall become effective upon the acceptance of the trusts by the successor Trustee.

13 **Section 26.** (a) Moneys held for the credit of the 2007 Debt Service Reserve Account and
14 the 2010 Debt Service Reserve Account shall be invested and reinvested at the direction of the
15 City Treasurer in (i) direct obligations of the United States of America (including obligations
16 issued or held in book-entry form on the books of the Department of the Treasury) or obligations
17 the principal of and interest on which are unconditionally guaranteed by the United States of
18 America ("Government Securities"), (ii) certificates of deposit of banks which are members of
19 the FDIC or (iii) other investments as may, from time to time, be permitted under Arkansas law
20 and under the City's investment policy (currently established by Resolution No. 10,609)
21 (collectively, the "Eligible Investments), all of which shall mature, or which shall be subject to
22 redemption by the holder thereof, at the option of such holder, not later than five (5) years after
23 the date of investment.

24 (b) Moneys held for the credit of any other fund or account shall be continuously invested
25 and reinvested pursuant to the direction of the City Treasurer in Eligible Investments, which
26 shall mature, or which shall be subject to redemption by the holder thereof, at the option of such
27 holder, not later than the date or dates when the moneys held for the credit of the particular fund
28 will be required for purposes intended.

29 (c) Obligations so purchased as an investment of moneys in any fund shall be deemed at all
30 times to be a part of such fund and the interest accruing thereon and any profit realized from such

1 investments shall be credited to such fund or account, and any loss resulting from such
2 investment shall be charged to such fund or account.

3 (d) Moneys so invested in certificates of deposit of banks or other bank deposits shall be
4 continuously secured by Government Securities or other securities authorized by Arkansas law to
5 secure public funds to the extent that the deposits are not insured by the FDIC.

6 (e) All investments and deposits for the benefit of the 2010 Debt Service Reserve Account
7 shall have a par value (or market value when less than par), exclusive of accrued interest, at all
8 times at least equal to the amount of money credited to such funds and shall be made in such a
9 manner that the money required to be expended from any fund will be available at the proper
10 time or times.

11 (f) Investments of moneys in the 2010 Debt Service Reserve Account shall be valued in
12 terms of current market value as of the last day of each year, except that direct obligations of the
13 United States (State and Local Government Series) in book-entry form shall be continuously
14 valued at par or face principal amount.

15 **Section 27.** The City covenants that it will not sell or lease the System, or any substantial
16 portion thereof; provided, however, (1) that nothing herein shall be construed to prohibit the City
17 from making such dispositions of properties of the System and such replacements and
18 substitutions for properties of the System as shall be necessary or incidental to the efficient
19 operation of the System as a revenue-producing undertaking and (2) that the City may sell or
20 lease the landfill and composting facilities of the System so long as the projected revenues from
21 the collection facilities of the System following the sale or lease will be sufficient to meet the
22 rate covenant in Section 7 of this Ordinance. All revenues derived from any such dispositions
23 shall be deposited into the Revenue Fund. In addition, the City may contract with a manager or
24 operator for the management or operation of the landfill and composting facilities of the System
25 on such terms and conditions that the City will be in compliance with its rate covenant in Section
26 7 of this Ordinance. In the event the landfill and composting facilities are sold, the term
27 “System” shall only include the collection facilities and any landfill facilities that remain unsold.

28 **Section 28.** The Bonds Refunded shall be called for redemption on December ___, 2010 or the
29 earliest practical date thereafter. There shall be appropriated all funds in the Debt Service
30 Reserve Fund created by the 2002 Ordinance plus moneys in the 2007 Bond Account attributable
31 to the Bonds Refunded for use in the redemption of the Bond Refunded.

1 **Section 29.** The requirements of Ordinance No. 15,249, as they may relate to the sale of the
2 bonds, are hereby waived.

3 **Section 30.** The provisions of this Ordinance are hereby declared to be separable and if any
4 provision shall for any reason be held illegal or invalid, such holding shall not affect the validity
5 of the remainder of this Ordinance.

6 **Section 31.** All ordinances and resolutions or parts thereof, in conflict herewith are hereby
7 repealed to the extent of such conflict.

8 **Section 32.** It is hereby ascertained and declared that the refunding of the Bonds Refunded
9 must be accomplished as soon as possible in order to lower the interest cost on obligations of the
10 System. The refunding cannot be accomplished without the issuance of the bonds, and therefore,
11 it is declared that an emergency exists and this Ordinance being necessary for the preservation of
12 the public peace, health and safety shall be in force and take effect immediately upon and after
13 its passage.

14 **PASSED: November 16, 2010**

15 **ATTEST:**

APPROVED:

16
17 _____
18 **Susan Langley, City Clerk**

16
17 _____
18 **Mark Stodola, Mayor**

19
20 **APPROVED AS TO LEGAL FORM:**

21
22 _____
23 **Thomas M. Carpenter, City Attorney**

24
25

CERTIFICATE

The undersigned, City Clerk of the City of Little Rock, Arkansas, hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. _____, adopted at a _____ session of the Board of Directors of the City of Little Rock, Arkansas, held at the regular meeting place of the City at _____ o'clock p.m., on the _____ day of _____, 2010, and that the Ordinance is of record in Ordinance Record Book No. _____, at page _____, now in my possession.

GIVEN under my hand and seal on this _____ day of _____, 2010.

City Clerk

(SEAL)