ORDINANCE NO. _________

AN ORDINANCE TO AUTHORIZE THE EXECUTION OF A MASTER BOND PURCHASE AND CONTINUING COVENANT AGREEMENT (THE "MASTER AGREEMENT") TO PROVIDE FINANCING FOR THE ACQUISITION OF VEHICLES AND EQUIPMENT FOR THE CITY'S WASTE COLLECTION AND DISPOSAL SYSTEM; AUTHORIZING THE ISSUANCE OF ONE OR MORE WASTE DISPOSAL REVENUE BONDS UNDER THE MASTER AGREEMENT IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $17,000,000; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City proposes to finance the acquisition of vehicles and equipment (the "Property to be Financed") for the City's waste collection and disposal system (the "System") by the issuance and sale of one or more Waste Disposal Revenue Bonds (each a "Bond" and collectively, the "Bonds") in the maximum aggregate principal amount of $17,000,000; and

WHEREAS, the Bonds will be secured by a pledge of Net Revenues (as defined herein) of the System; and

WHEREAS, the City solicited proposals from financial institutions for the purchase of one or more Bonds, and the proposal of JPMorgan Chase Bank, National Association ("JPM") was selected as the best proposal; and

WHEREAS, the financing will be provided in accordance with the terms and conditions set forth in a Master Bond Purchase and Continuing Covenant Agreement between the City and JPM or one of its affiliates (the "Purchaser"), a copy of which has been presented to and is before this meeting (the "Master Agreement"); and

WHEREAS, each Bond may be issued and sold under the Master Agreement without separate approval of the Board of Directors so long as the sale parameters set forth herein are met;

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

Section 1. The acquisition of the Property to be Financed shall be accomplished. The Mayor and other officials of the City are hereby authorized to take, or cause to be taken, all action necessary to accomplish the acquisition of the Property to be Financed.

Section 2. The Mayor and City Clerk are hereby authorized to execute and deliver the Master Agreement for and on behalf of the City. The Master Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor and the Chief Financial Officer are hereby authorized to complete the Master Agreement with such changes as deemed necessary to effectuate the purposes of this Ordinance, subject to all terms and conditions set forth herein.

Section 3. Under the authority of the Constitution and laws of the State of Arkansas (the "State"), including particularly Amendment No. 65 to the Constitution of the State ("Amendment No. 65") and Title 14, Chapter 164, Subchapter 4 and Title 14, Chapter 232 of the Arkansas Code of 1987 Annotated (collectively, the "Authorizing Legislation"), and pursuant to the Master Agreement, the Bonds in the maximum aggregate principal amount of $17,000,000 are hereby authorized and ordered issued for the purpose of financing the costs of the acquisition of the Property to be Financed and paying the expenses of issuing the Bonds. Each Bond shall be dated the date of issuance. Each Bond shall be issued in fully registered form. Each Bond shall be executed by the Mayor and the City Clerk and the seal of the City shall be affixed thereto.

Section 4. Each Bond may be issued and sold pursuant to the Master Agreement so long as the following parameters are met:

(i) the principal amount of the Bond plus the principal amount of all previous Bonds issued and sold pursuant to the Master Agreement does not exceed $17,000,000;

(ii) the interest rate on the Bond is a fixed rate that does not exceed _____% per annum;

(iii) the weighted average maturity of the Bond shall not be greater than _____ years;

(iv) the Bond shall mature not later than ten (10) years after issuance; and

(v) the Bond is issued on or before November 1, 2028.

Section 5. Each Bond shall be sold upon the terms and conditions set forth in the Master Agreement.

Section 6. The Bonds are being issued pursuant to and in full compliance with Amendment No. 65 and the Authorizing Legislation and do not constitute an indebtedness of the City within any constitutional or statutory limitation. The Bonds are not general obligations of the City, but are special obligations payable solely from a pledge of the Net Revenues derived by the City from the operation of the System. "Net Revenues" means gross System revenues less the expenses of operation and maintenance of the System, including all expense items, except depreciation and amortization expenses, properly attributable to the operation and maintenance of the System, under generally accepted accounting principles applicable to the System.

Section 7. (a) With respect to each Bond issued on a federally tax-exempt basis (a "Tax-Exempt Bond"), the City covenants that it shall not take any action or suffer or permit any action to be taken or any condition to exist which causes or may cause the interest payable on any Tax-Exempt Bond to be included in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the City covenants that the proceeds of the sale of each Tax-Exempt Bond will not be used directly or indirectly in such manner as to cause such Tax-Exempt Bond to be treated as an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").

(b) The City covenants that it will not use or permit the use of the proceeds of any Tax-Exempt Bond in such manner as to cause such Tax-Exempt Bond to be a "private activity bond" within the meaning of Section 141 of the Code.

(c) The City covenants that it will not reimburse itself from Tax-Exempt Bond proceeds for any costs paid prior to the date such Tax-Exempt Bond is issued except in compliance with United States Treasury Regulation § 1.150-2 (the "Regulation"). This Ordinance shall constitute an "official intent" for purposes of the Regulation.

(d) The City covenants that it will submit to the Secretary of the Treasury of the United States, not later than the 15th day of the second calendar month after the close of the calendar quarter in which each Tax-Exempt Bond is issued, a statement concerning such Tax-Exempt Bond which contains the information required by Section 149(e) of the Code.

Section 8. The City shall provide such financial information to the Purchaser as the Purchaser may reasonably request.

Section 9. The Mayor, City Manager, Chief Financial Officer, Treasury Manager, City Attorney and City Clerk are hereby authorized and directed, for and on behalf of the City, to perform all acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance and to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 10. The City Clerk shall maintain, in the permanent records of the City, for inspection by any interested person, a copy of the Master Agreement.

Section 11. ***Severability.*** In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this Ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of this Ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional were not originally part of this Ordinance.

Section 12. ***Repealer.*** All laws, ordinances, resolutions, or parts of the same which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

Section 13. ***Emergency Clause***. The Board of Directors hereby determines that the acquisition of the Property to be Financed is essential to the public health, safety and welfare of the citizens of the City and must be financed as quickly as possible; an emergency is, therefore, declared to exist and this Ordinance shall be in force and take effect immediately upon and after its passage.

PASSED: October 5, 2026

ATTEST: **APPROVED:**

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Allison Segars, City Clerk **Frank Scott, Jr., Mayor**

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney

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