

AN ORDINANCE AMENDING A FORMER ORDINANCE OF THE BOARD OF TRUSTEES OF THE TOWN OF RUSSELL SPRINGS, KENTUCKY, WHICH WAS ADOPTED BY SAID BOARD ON THE FIFTH DAY OF NOVEMBER, 1936, AND PROVIDED, AMONG OTHER THINGS, FOR THE ISSUANCE AND SALE BY SAID TOWN OF \$15,000.00 IN PRINCIPAL AMOUNT OF ITS WATERWORKS REVENUE BONDS UNDER THE APPLICABLE STATUTE LAWS OF THE STATE OF KENTUCKY, SO AS TO PROVIDE BY SUCH SAID ABOVE AMENDMENT FOR THE ISSUANCE AND SALE BY SAID TOWN OF \$20,000.00 IN PRINCIPAL AMOUNT OF ITS WATERWORKS REVENUE BONDS INSTEAD OF THE AMOUNT ORIGINALLY AUTHORIZED AND PROVIDED FOR, A CHANGE IN THE DENOMINATIONS OF CERTAIN OF THE BONDS AUTHORIZED TO BE ISSUED AND SOLD, AND THE PROPER SEGREGATION AND DISTRIBUTION OF THE REVENUES OF THE WATERWORKS SYSTEM OF SAID TOWN FOR THE PURPOSE OF PROTECTING AND PAYING THE SAID \$20,000.00 ISSUE OF SAID BONDS.

WHEREAS, the Board of Trustees of the Town of Russell Springs, Kentucky, by proper ordinance duly adopted on the 5th day of November, 1936, and thereafter duly published, provided for the establishment, construction and installation of a waterworks supply and distribution system in and for said town under and pursuant to the provisions of Chapter 133 of the Session Acts of the General Assembly of Kentucky for 1926, as amended by Chapter 92 of the Session Acts of said General Assembly for 1930, and authorized the issuance and sale of \$15,000.00 in principal amount of the Waterworks Revenue Bonds of said town to defray that part of the cost of said construction and installation said town must bear under conditions imposed by the Works Progress Administration of the United States of America for the furnishing by said Administration of certain labor and material for such said work, and

WHEREAS, the said sum of \$15,000.00 is now deemed and hereby declared to be insufficient to defray that part of the cost of said above work that said town must bear, as aforesaid, and

WHEREAS, it is now deemed and hereby declared to be desirable and necessary that said town issue and sell \$20,000.00 in principal amount of its Waterworks Revenue Bonds, instead of the \$15,000.00 in principal amount of same originally contemplated and provided for, so as to provide an adequate amount of funds to defray that part of the cost of said above mentioned work that said town must bear, as

aforesaid.

NOW, in consideration of the premises, the Board of Trustees of the Town of Russell Springs, Kentucky, DO ORDAIN AS FOLLOWS:

SECTION ONE. That the following hereinafter set forth paragraphs and sections of the said herein before mentioned ordinance of the Board of Trustees of the Town of Russell Springs, Kentucky, adopted and approved on the 5th day of November, 1936, be and the same are hereby amended and re-enacted as hereinafter set forth, so that same shall read, when amended and re-enacted, as follows, viz:

1. That the fourth paragraph of the preamble to said ordinance be amended by striking the figures "\$15,000.00" from the first line thereof and placing the figures "\$20,000.00" in lieu thereof, so that same when so amended shall read as follows: "WHEREAS, the sum of \$20,000.00 is deemed and is hereby declared to be a sufficient sum to defray that part of the cost of erecting, constructing and installing said waterworks system that said town must bear, as aforesaid, and. "

2. That SECTION THREE of said ordinance be repealed in its entirety, and hereby re-enacted, so that same shall read, when re-enacted as follows:

"SECTION THREE. For the purpose of providing the funds for defraying that part of the cost of the establishment, construction, erection and installation of the said waterworks system, together with all the appurtenances thereto, that said town must provide funds for, as aforesaid, there shall be issued the bonds of said town to be known as Waterworks Revenue Bonds, in the principal amount of Twenty Thousand (\$20,000.00) Dollars, which bonds shall bear date of January 1, 1937, be numbered consecutively from one (1) to fifty-two (52) inclusive, and said bonds bearing numbers one (1) to fifteen (15) inclusive shall be of the denomination of One Hundred (\$100.00) Dollars each

and those bearing numbers sixteen (16) to fifty-two (52) inclusive shall be of the denomination of Five Hundred (\$500.00) Dollars each, all shall bear interest at the rate of five per centum (5%) per annum payable semi-annually on the first days of July and January of each year until retired, commencing July 1, 1937, and mature on the first day of January in the following numbers and amounts in the following years:

<u>BOND NO.</u>	<u>YEAR</u>	<u>AMOUNT</u>
1-2	1939	\$200.00
3-4	1940	200.00
5-6-7	1941	300.00
8-9-10	1942	300.00
11-12-13-14-15	1943	500.00
16	1944	500.00
17	1945	500.00
18	1946	500.00
19	1947	500.00
20-21	1948	1,000.00
22-23	1949	1,000.00
24-25	1950	1,000.00
26-27	1951	1,000.00
28-29	1952	1,000.00
30-31	1953	1,000.00
32-33	1954	1,000.00
34-35	1955	1,000.00
36-37-38	1956	1,500.00
39-40-41	1957	1,500.00
42-43-44	1958	1,500.00
45-46-47-48	1959	2,000.00
49-50-51-52	1960	2,000.00

Both the principal of and interest upon said bonds shall be payable in such funds as are then legal tender for the payment of debts due to the United States of American at the office of the Town Treasurer of the Town of Russell Springs, Kentucky.

Said bonds shall be signed by the Chairman of the Board of Trustees and sealed with the corporate seal of said Town and attested by the Town Clerk, and the interest coupons attached to said bonds shall be executed with the fac-simile signatures of said Chairman and said Town Clerk, and said officials by the execution of said bonds shall adopt as and for their own proper signatures their respective fac-simile signatures on said coupons. All of said bonds, together with the interest thereon, shall be payable out of the Bond and Interest Sinking Fund Account hereinafter provided for, and shall be a valid claim of the holder thereof only against said account and the fixed and determined portion or amount of the gross income and revenues of said waterworks system of said Town of Russell Springs, Kentucky, pledged to said account, and such bonds shall not constitute an indebtedness of said Town within the meaning of any constitutional provisions or limitations."

3. That SECTION FIVE of said ordinance shall be and the same is hereby repealed in its entirety, and is hereby re-enacted so as to read as follows:

"SECTION FIVE. That said bonds shall be in substantially the following form:

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF RUSSELL  
TOWN OF RUSSELL SPRINGS  
WATERWORKS REVENUE BOND

NO. \_\_\_\_\_

(\$100.00) (\$500.00)

The Town of Russell Springs, in the County of Russell and Commonwealth of Kentucky, for value received, hereby promises to pay to bearer, or if this bond is registered, to the registered holder thereof as hereinafter provided, the sum of (One Hundred Dollars (\$100.00)) (Five Hundred Dollars (\$500.00) ) on the first day of January, 19--\_\_\_\_, and to pay interest on said sum from the date hereon until paid at the rate of five per cent. (5%) per annum, payable semi-annually on the first days of July and January of each year, commencing July 1, 1937, upon presentation and surrender of the attached interest coupons as same severally mature; both principal and interest being payable in such funds as are then legal tender for the payment of debts due to the United States of America, at the office of the Treasurer of the Town of Russell Springs, Kentucky.

This bond is issued by said Town pursuant to an ordinance duly enacted by the Board of Trustees thereof on the 5th day of November, 1936, as amended by an ordinance of said Board duly enacted on the \_\_\_\_\_ day of \_\_\_\_\_, 1937, for the purpose of defraying the cost of constructing and erecting a municipal waterworks system for said Town under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including, among others, Chapter 133 of the 1926 Acts of the General Assembly of Kentucky, as amended by Chapter 92 of the 1930 Acts of said General Assembly.

This bond is payable only from and secured by a pledge of a fixed and determined portion of the gross income and revenues to be derived from the operation of said waterworks system, which has been set aside as a special fund for that purpose and indentified as the "Waterworks Bond and Interest Redemption Fund of Russell Springs, Kentucky," and this bond does not constitute an indebtedness of the Town of Russell Springs within the meaning of any Constitutional pro-

visions or limitations. Said Town covenants and agrees that it will continuously operate said waterworks system, and that it will fix and maintain such rates for water and water service and collect and account for income and revenues from such waterworks system sufficient to create and maintain said Sinking Fund Account so as to promptly pay the principal and interest of this bond and the issue of which it forms a part as the same will become due.

A statutory mortgage lien, which is hereby recognized as valid and binding on said waterworks system, is created and granted to and in favor of the holder or holders of this bond and the issue of which it forms a part, and in favor of the holder or holders of the coupons attached to said bonds, and said waterworks system shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this bond and the issue of which it forms a part.

This bond may be registered as to principal only in the name of the holder on the books of said Town in the office of its Town Treasurer, such registration being noted hereon by the Town Treasurer, after which no transfer shall be valid unless made on said books and similarly noted on the bond, but it may be discharged from such registration by being transferred to bearer, after which it shall be transferable by delivery, but it may again be registered as before. The registration of this bond as to principal shall not restrain the negotiability of the coupons by delivery merely.

This bond is exempt from taxation in the Commonwealth of Kentucky.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond, have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this bond, together with all other obliga-

tions of said Town, does not exceed any limits prescribed by the Constitution or Statutes of the Commonwealth of Kentucky, and that a sufficient portion of the gross income and revenues of said waterworks system has been pledged to and will be set aside into the said hereinbefore mentioned special fund by said Town for the prompt payment of the principal of and interest on this bond and the issue of which it forms a part.

IN WITNESS WHEREOF, the Town of Russell Springs, in the Commonwealth of Kentucky, has caused this bond to be signed by the Chairman of its Board of Trustees, and its corporate seal to be hereunto affixed, attested by the Town Clerk, and the coupons hereto attached to be executed with fac-simile signatures of said Chairman and said Town Clerk, which officials by the execution of this bond do adopt as and for their own proper signatures their respective fac-simile signatures appearing on said coupons, and this bond to be dated as of the First day of January, 1937.

Chairman Board of Trustees.

ATTEST:

Town Clerk.

(FORM OF COUPON)

NO. \_\_\_\_\_ (\$2.50) (\$12.50)

On the first day of \_\_\_\_\_, 19\_\_\_\_, the Town of Russell Springs, Kentucky, will pay to bearer (Two and 50/100 Dollars (\$2.50) ) ( Twelve and 50/100 Dollars (\$12.50) ) in such funds as are then legal tender for the payment of debts due to the United States of America, out of the "Waterworks Bond and Interest Redemption Fund of Russell Springs, Kentucky, " at the office of the Treasurer of the

Town of Russell Springs, Kentucky, this being six months interest then due on its Waterworks Revenue Bond dated January 1, 1937.

\_\_\_\_\_  
Chairman Board of Trustees,  
\_\_\_\_\_  
Town Clerk.

(PROVISIONS FOR REGISTRATION TO BE  
ENDORSED ON THE BACK OF EACH BOND)

At the request of the holder, the within bond is hereby converted into a registered bond, and the principal thereof shall be payable only to the registered holder or to his legal representative until it has been discharged from such registration by being transferred to bearer, after which it shall be payable to bearer and transferrable by deliver.

DATE OF REGISTRATION	IN WHOSE NAME REGISTERED	TOWN TREASURER
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. That SECTION SIX of said ordinance shall be and is hereby amended and re-enacted by striking out the figures appearing after the words "For the year ending December 31, " and inserting the figures hereafter appearing, so that said paragraph as amended and re-enacted shall appear in words and figures as follows:

"There shall be and there is hereby created an account to be known as the "Waterworks Bond and Interest Redemption Fund of Russell Springs, Kentucky, " into which there shall be set aside from the gross income and revenues of said waterworks system for each fiscal year, for the purpose of paying the interest and principal of the bonds herein



authorized to be issued, the following amounts in the following years, which are fixed and determined as follows: For the year ending December 31,

<u>Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
1937	\$1,000.00		\$1,000.00
1938	1,000.00	\$200.00	1,200.00
1939	990.00	200.00	1,190.00
1940	980.00	300.00	1,280.00
1941	965.00	300.00	1,265.00
1942	950.00	500.00	1,450.00
1943	925.00	500.00	1,425.00
1944	900.00	500.00	1,400.00
1945	875.00	500.00	1,375.00
1946	850.00	500.00	1,350.00
1947	825.00	1,000.00	1,825.00
1948	775.00	1,000.00	1,775.00
1949	725.00	1,000.00	1,725.00
1950	675.00	1,000.00	1,675.00
1951	625.00	1,000.00	1,625.00
1952	575.00	1,000.00	1,575.00
1953	525.00	1,000.00	1,525.00
1954	475.00	1,000.00	1,475.00
1955	425.00	1,500.00	1,925.00
1956	350.00	1,500.00	1,850.00
1957	275.00	1,500.00	1,775.00
1958	200.00	2,000.00	2,200.00
1959	100.00	2,000.00	2,100.00

4. That SECTION THIRTEEN of said ordinance be and the same is hereby repealed in its entirety, and same is hereby re-enacted so

that said Section Thirteen shall read in words and figures as follows:

"SECTION THIRTEEN. The said bonds bearing numbers one (1) to fifty-two (52) in the aggregate principal amount of Twenty Thousand (\$20,000.00) Dollars hereby authorized shall be executed as hereinbefore provided as soon after the adoption of this ordinance as may be deemed advisable by the Chairman of and Board of Trustees of Russell Springs, Kentucky, and be thereupon deposited with the Town Treasurer.

The said bonds may be issued and sold in such amounts and in such manner and upon such terms as the said Chairman of and Board of Trustees shall deem for the best interests of the Town of Russell Springs, and the proceeds thereof shall be used only to defray the cost of the establishing, constructing, erecting and installing the waterworks system, except that provisions shall be made for the payment of the interest accruing upon said bonds prior to the completion of the construction of said waterworks system, as hereinbefore provided for, and except that, if any part of the money received from the sale of said bonds remains unexpended after the completion of the construction of the said waterworks system, the said part so remaining unexpended shall be paid into said Bond and Interest Redemption Account hereinbefore created and provided for, to be used as hereinbefore provided. "

SECTION TWO. All ordinances, resolutions, orders, or parts of same, in conflict herewith are to the extent of such conflict hereby repealed

SECTION THREE. This ordinance shall be and become in full force and effect immediately upon its adoption, approval and publication as required by law.

Introduced the \_\_\_\_\_ day of March, 1937.

Adopted and approved the \_\_\_\_\_ day of \_\_\_\_\_, 1937.

Published the 7 day of April, 1937.

J. W. Kimball  
Chairman Board of Trustees.

ATTEST:

Seth White  
Town Clerk.