

CERTIFICATE OF RECORD
FAULKNER CO, AR FEE \$35.00

I hereby certify that this instrument was
Filed and Recorded in the Official Records

In Doc Num **L202501845** 5 Pages

RECORDED: 02-11-2025 03:47:09 PM

NANCY EASTHAM

FAULKNER COUNTY CIRCUIT CLERK

BY: SHAWN MIX, D.C.

ORDINANCE

ORDINANCE NO. O-25-01
**AN ORDINANCE AUTHORIZING THE ISSUANCE
AND SALE OF \$6,000,000 OF SUBORDINATE ELECTRIC
REVENUE IMPROVEMENT BONDS, TAX-EXEMPT
SERIES 2025, BY THE CITY OF CONWAY, ARKANSAS;
AUTHORIZING THE EXECUTION AND DELIVERY
OF A TRUST INDENTURE PURSUANT TO WHICH THE SERIES 2025
BONDS WILL BE ISSUED AND SECURED; AUTHORIZING THE
EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT
PROVIDING FOR THE SALE OF THE SERIES 2025 BONDS; AND
PRESCRIBING OTHER MATTERS RELATING THERETO.**

WHEREAS, the City of Conway, Arkansas (the “City”), a city of the first class, presently owns an electric generation and distribution system (the “Electric System”) serving the residents of the City, which Electric System is operated and maintained by Conway Corporation, a nonprofit corporation organized and existing under the laws of the State of Arkansas (the “Corporation”), pursuant to a lease from the City and an exclusive franchise to operate the Electric System granted to the Corporation by the City; and

WHEREAS, the City is authorized and empowered under the provisions of Amendment 65 to the Constitution of the State of Arkansas and Arkansas Code Annotated §§14-164-401 *et seq.* and §§14-203-101 *et seq.* (the “Authorizing Legislation”) to issue and sell its electric revenue bonds for the purpose of financing and refinancing the cost of improvements to the Electric System; and

WHEREAS, pursuant to the provisions of Ordinance No. O-22-20 of the City, adopted and approved on February 28, 2022, the City has previously issued (i) its Electric Revenue Improvement Bonds, Tax-Exempt Series 2022A (the “Series 2022A Bonds”), in the original principal amount of \$24,165,000, for the purpose of financing betterments and improvements with respect to the Electric System, including a new Operations Center campus for the Corporation, including, but not limited to, the design, construction and equipping of an office building, warehouse and vehicle maintenance shop, the renovation of existing building(s), the addition of covered parking for Corporation vehicles and equipment, and associated site work (collectively, the “Operations Center Project”), and (ii) its Electric Revenue Refunding Bonds, Taxable Series 2022B (the “Series 2022B Bonds,” and collectively with the Series 2022A Bonds, the “Series 2022 Bonds”), in the original principal amount of \$13,360,000, for the purpose of refunding certain prior electric revenue indebtedness of the City; and

WHEREAS, in order to secure funds necessary to finance the costs of completing the Operations Center Project, the City has now determined to issue its Electric Revenue Improvement Bonds, Tax-Exempt Series 2025, in the aggregate principal amount of \$6,000,000 (the “Series 2025 Bonds”); and

WHEREAS, the City has determined to issue and secure the Series 2025 Bonds on a junior and subordinate basis to the security for its outstanding Series 2022 Bonds pursuant to a Trust Indenture (the “Trust Indenture”) by and among the City, the Corporation and First Security Bank, as trustee (the “Trustee”), a form of which has been presented to and is before this meeting; and

WHEREAS, the City proposes to enter into a Bond Purchase Agreement (the “Bond Purchase Agreement”) in substantially the form presented to and before this meeting, with First Security Bank, as purchaser (the “Purchaser”), providing for the sale of the Series 2025 Bonds to the Purchaser; and

WHEREAS, an open public hearing on the questions of the issuance of the Series 2025 Bonds and the financing of the completion of the Operations Center Project has been held before the City Council and Mayor of the City on January 14, 2025, following publication of notice of such public hearing in the *Log Cabin Democrat* on January 4, 2025;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Conway, Arkansas that:

Section 1. The City Council hereby finds and declares that the completion of the acquisition, construction, equipping and installation of the Operations Center Project is in the best interests of the City and the customers of the Electric System.

Section 2. Under the authority of the Constitution and laws of the State of Arkansas, including particularly Amendment 65 to the Constitution of Arkansas and the Authorizing Legislation, there is hereby authorized the issuance of bonds of the City to be designated as “Subordinate Electric Revenue Improvement Bonds, Tax-Exempt Series 2025” (the “Series 2025 Bonds”). The Series 2025 Bonds shall be issued in the original aggregate principal amount of Six Million Dollars (\$6,000,000), shall mature on February 15, 2030, and shall bear interest at the rate of 5.38% per annum. Principal of and interest on the Series 2025 Bonds shall be made in substantially equal semiannual payments on each February 15 and August 15, commencing August 15, 2025.

The proceeds of the Series 2025 Bonds will be utilized to pay the costs of completing the Operations Center Project. The payment of the principal of and interest on the Series 2025 Bonds will be secured by a pledge of the revenues of the Electric System as provided in a Trust Indenture to be dated as of the date of delivery of the Series 2025 Bonds (the “Trust Indenture”), by and among the City, the Corporation and the Trustee. Such security shall be granted on a junior and subordinate basis to the security for the Series 2022 Bonds and any additional bonds hereafter issued on a parity basis with the Series 2022 Bonds. The Series 2025 Bonds shall be issued as a single typewritten bond in the form, shall be dated, shall be numbered, shall be subject to redemption prior to maturity and may contain such other terms, covenants and conditions, all as set forth in the Trust Indenture.

The Mayor is hereby authorized and directed to execute and deliver the Series 2025 Bonds in substantially the form thereof contained in the Trust Indenture submitted to this meeting, and the City Clerk is hereby authorized and directed to execute and deliver the Series 2025 Bonds and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Series 2025 Bonds to be accepted and authenticated by the Trustee. The Mayor is hereby authorized to confer with the Trustee, the Corporation and Kutak Rock LLP, Little Rock, Arkansas (“Bond Counsel”), in order to complete the Series 2025 Bonds in substantially the form contained in the Trust Indenture submitted to this meeting, with such

changes as shall be approved by such persons executing the Series 2025 Bonds, their execution to constitute conclusive evidence of such approval.

Section 3. To prescribe the terms and conditions upon which the Series 2025 Bonds are to be executed, authenticated, issued, accepted, held and secured, the Mayor is hereby authorized and directed to execute and acknowledge the Trust Indenture, by and among the City, the Corporation and the Trustee, and the City Clerk is hereby authorized and directed to execute and acknowledge the Trust Indenture and to affix the seal of the City thereto, and the Mayor and the City Clerk are hereby authorized and directed to cause the Trust Indenture to be accepted, executed and acknowledged by the Corporation and the Trustee. The Trust Indenture is hereby approved in substantially the form submitted to this meeting, including, without limitation, the provisions therein pertaining to the pledge of Electric System revenues to the Series 2025 Bonds and the terms of the Series 2025 Bonds. The Mayor is hereby authorized to confer with the Corporation, the Trustee and Bond Counsel in order to complete the Trust Indenture in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the Trust Indenture, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Trust Indenture in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 4. In order to prescribe the terms and conditions upon which the Series 2025 Bonds are to be sold to the Purchaser, the Mayor is hereby authorized and directed to execute, at the request of the Corporation, a Bond Purchase Agreement on behalf of the City, to be dated as of the date of its execution (the "Bond Purchase Agreement"), by and between the City and the Purchaser, and approved by the Corporation, and the Bond Purchase Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the Corporation, the Purchaser and Bond Counsel in order to complete the Bond Purchase Agreement in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the Bond Purchase Agreement, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Bond Purchase Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 5. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to effect the issuance, sale, execution and delivery of the Series 2025 Bonds and to effect the execution and delivery of the Trust Indenture, the Bond Purchase Agreement and a Tax Compliance Agreement relating to the tax exemption of interest on the Series 2025 Bonds, and to perform all of the obligations of the City under and pursuant thereto. The Mayor and the City Clerk are further authorized and directed, for and on behalf of the City, 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 6. Kutak Rock LLP, Little Rock, Arkansas, is hereby appointed to act as Bond Counsel on behalf of the City in connection with the issuance and sale of the Series 2025 Bonds.

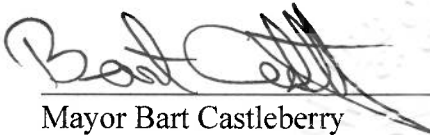
Section 7. The rates for services of the Electric System previously enacted pursuant to Ordinance No. O-23-45 and Ordinance No. O-19-66 are hereby ratified and confirmed.

Section 8. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared to be illegal or invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Ordinance.

Section 9. All ordinances, resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.


ADOPTED AND APPROVED THIS 14th DAY OF JANUARY, 2025.

Approved:



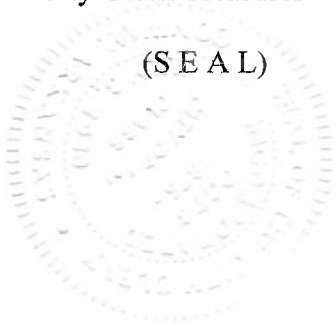
Mayor Bart Castleberry

Attest:



Denise Hurd
City Clerk/Treasurer

(S E A L)



CERTIFICATE

**STATE OF ARKANSAS
COUNTY OF FAULKNER
CITY OF CONWAY**

I, Denise Hurd, the duly elected, qualified, and acting: Clerk-Treasurer of the City of Conway, Arkansas, do hereby certify that the attached and foregoing is a true and correct copy of an ordinance presented to the City Council of the City of Conway, Arkansas, at a meeting of that body held on the 14th day of January, 2025 same is duly recorded in the minutes of meeting of said Council.

Witness, my hand, and seal of the City of Conway, Arkansas this 27th day of January 2025.


CITY CLERK-TREASURER

