

ORDINANCE NO. 8

AN ORDINANCE authorizing and directing the Chairman of the Board of Trustees for and on behalf of the District and in the name of the District to borrow as required a sum not to exceed \$100,000 from the First National Bank in St. Louis, with an emergency clause.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT:

Section One. That the District borrow from the First National Bank in St. Louis a sum not to exceed \$100,000, and that George C. Willson, as Chairman of the Board of Trustees, is authorized and directed to execute for and on behalf of the District and in the name of the District a promissory note in the sum of \$50,000, payable to the order of the First National Bank in St. Louis, said note to be dated July 12, 1954 and to mature January 12, 1955, on a discount basis at the rate of two percent per annum, said discount for the whole period amounting to \$500.00. The said Chairman of the Board is further authorized and empowered to execute a Letter-Agreement to the First National Bank by the terms of which said District shall agree that it will not, so long as said loan is unpaid, borrow any other money or issue any tax anticipation warrants without the written consent of the First National Bank in St. Louis, and that it will use the first proceeds of the collection of taxes to apply on said indebtedness when, as and if said proceeds are received by the District, said

Letter-Agreement to be in substantially the following form:

"In consideration of the establishment of credit and the agreement by the First National Bank in St. Louis to extend credit to The Metropolitan St. Louis Sewer District in the aggregate sum not to exceed \$100,000, \$50,000 of which is to be immediately credited to the District and evidenced by a promissory note executed by said District to the First National Bank in St. Louis, due January 12, 1955, said District hereby agrees that so long as said loan and any additional loans under this Agreement remain unpaid, it will not borrow any other money nor will it issue any tax anticipation warrants without the written consent of the First National Bank in St. Louis. Said District further agrees that it will pay all notes made under this Agreement out of the proceeds of the first taxes collected for its account, when, as and if such proceeds are received by the District. It is the District's understanding that it shall have the right to prepay this note and any other notes which may be negotiated under this Agreement at any time and that First National Bank in St. Louis will refund to it any unearned discount. If this is agreeable to First National Bank in St. Louis, will you so indicate by signing and returning a copy of this letter.

"Yours very truly,

"THE METROPOLITAN ST. LOUIS SEWER DISTRICT

By \_\_\_\_\_  
Chairman of the Board of Trustees"

Section Two. In the event the District desires to borrow additional sums under the Letter-Agreement set forth in Section One hereof, it shall, by resolution, in form acceptable to the First National Bank in St. Louis, authorize its then Chairman, for and on behalf of the District, and in the name of the District, to execute a promissory note or notes in such form as may be required, not exceeding the total sum of the credit granted

by said Bank.

Section Three. The inability of the District to function without funds with which to finance its operation and the necessity for securing funds with which to conduct its operations creates an emergency within the meaning of the Plan of the District, and this ordinance shall take effect immediately upon its enactment.

The above Ordinance was adopted on July 9, 1954.