

Valid and remain in force until repealed, etc.

now in force and not in conflict with the provisions of this Act, shall be valid and remain in force until the same are repealed, amended or modified by the Mayor and City Council; and all contracts entered into for the benefit of said city are hereby ratified and confirmed, and declared to be binding upon said city.

Borrow a sum of money.

SEC. 17. *And be it enacted*, That for the purpose of providing a water supply for the protection of Ocean City against fire, and for the use of the residents of said city, and for the further purpose of providing a sewerage system for said city, and for other purposes, the Mayor and City Council of Ocean City are hereby authorized, in their discretion, to borrow upon the credit of the city of Ocean City an amount not exceeding the sum of thirty thousand dollars, and to issue coupon bonds therefor in sums not less than one hundred dollars and not more than one thousand dollars each, to be signed by the Mayor of said city, and to be countersigned by the treasurer of said corporation, with the seal of said city attached; said bonds shall bear interest at the rate of six per centum per annum, payable semi-annually on the first days of January and July in each and every year, until the said bonds are paid; said bonds shall be forever exempt from all taxation whatsoever, and shall have printed on them a distinct reference to the Act directing their issue.

Issued in series.

SEC. 18. *And be it enacted*, That said bonds shall be issued in series from one to thirty, inclusive, according to the aggregate amount issued; each series consisting of one thousand dollars of the said amount; and shall be redeemable as follows: One thousand dollars thereof in ten years from the date of their issue, and thereafter annually, one thousand dollars in each and every year until the whole amount so issued shall have been paid, and said bonds shall be sold at public or private sale, in the discretion of said Mayor and City Council; provided, that none of said bonds shall be sold at less than par.

Net income to be applied.

SEC. 19. *And be it enacted*, That for the purpose of redeeming said bonds at their maturity and for securing the prompt payment of the interest thereon, the said Mayor and City Council are hereby empowered and directed to apply all net income arising from water rents and the use of the sewerage system, after paying all necessary expenses for maintaining the sewerage system, and a proper and sufficient supply of water, and for betterments and repairs, first to the payment of the interest on said bonds, and secondly as to the remainder, if