

CITY OF REDMOND, WASHINGTON

ORDINANCE NO. 419

AN ORDINANCE of the City of Redmond, Washington, providing for the issuance, specifying the maturities and maximum effective interest rate and fixing the form of \$600,000 par value of "General Obligation Bonds, 1967," authorized by the qualified voters of the City at a special election held on November 8, 1966; creating certain special funds; and providing for the public sale of the bonds.

WHEREAS, pursuant to Ordinance No. 408, passed by the City Council and approved by the Mayor of the City of Redmond, Washington, on September 13, 1966, there were submitted to the qualified voters of the City for their ratification or rejection at a special election held in the City of Redmond, as provided by law, on the 8th day of November, 1966, in conjunction with the general state election held on the same date, two propositions providing for the incurring of an indebtedness and issuing and selling general obligation bonds of the City, one in the amount of not to exceed \$175,000 to pay the cost of acquiring sites for and developing new park areas and facilities and improving existing parks and acquiring equipment therefor, and the other being in the amount of not to exceed \$425,000 to pay the cost of acquiring a site for and constructing and equipping a new city hall, both of said bond issues to be payable by annual tax levies to be made without limitation as to rate or amount, to bear interest at a maximum effective rate not to exceed 6% per annum and to mature serially annually in from two to not to exceed twenty years from date of issue; and

WHEREAS, at said special election the number and proportion of the qualified voters of the City required by law to ratify said propositions voted in favor of the ratification of both of such propositions; and

WHEREAS, the City has determined to proceed with the issuance

and sale of such bond issues and it is in the best interest of the City that such bond issues be combined into a single issue of \$600,000 par value of bonds, since the terms and covenants of such single issues of bonds would otherwise be identical, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON,
DO ORDAIN as follows:

Section 1. The City of Redmond, Washington, shall presently issue and sell the total not to exceed \$175,000 par value of general obligation park bonds and the not to exceed \$425,000 par value of general obligation city hall bonds authorized by the qualified voters of the City at a special election held therein on November 8, 1966, in conjunction with the general state election held on the same date, pursuant to Ordinance No. 408. Such bonds shall be combined into a single issue of \$600,000 par value of bonds and shall be designated "General Obligation Bonds, 1967," shall be dated April 1, 1967, shall be in the denomination of \$5,000 each, shall be numbered from 1 to 120, inclusive, and shall bear interest at an effective rate not to exceed 6% per annum, payable semiannually on April 1 and October 1 of each year as evidenced by coupons attached to the bonds representing interest to maturity with full obligation on the part of the City to pay interest at the bond rate, from and after maturity, until the bonds, both principal and interest, are paid in full. Both principal and interest are to be paid in lawful money of the United States of America at the office of the City Treasurer of the City of Redmond, Washington, and the bonds shall mature serially in order of their numbers as follows:

<u>Bond Numbers</u> <u>(Inclusive)</u>	<u>Amounts</u>	<u>Maturities</u>
1 to 4	\$20,000	April 1, 1969
5 to 9	25,000	April 1, 1970
10 to 14	25,000	April 1, 1971
15 to 19	25,000	April 1, 1972
20 to 24	25,000	April 1, 1973
25 to 29	25,000	April 1, 1974
30 to 34	25,000	April 1, 1975
35 to 40	30,000	April 1, 1976
41 to 46	30,000	April 1, 1977
47 to 52	30,000	April 1, 1978

53 to 58	30,000	April 1, 1979
59 to 65	35,000	April 1, 1980
66 to 72	35,000	April 1, 1981
73 to 79	35,000	April 1, 1982
80 to 86	35,000	April 1, 1983
87 to 94	40,000	April 1, 1984
95 to 102	40,000	April 1, 1985
103 to 111	45,000	April 1, 1986
112 to 120	45,000	April 1, 1987

Section 2. The City of Redmond hereby irrevocably pledges itself to levy taxes annually without limitation as to rate or amount on all property in the City subject to taxation in an amount sufficient to pay the principal of and interest on said issue of bonds as the same shall become due, and the full faith, credit and resources of the City are hereby irrevocably pledged for the payment of the principal of and interest on the bonds.

Section 3. The City reserves the right to redeem the bonds as a whole, or in part in inverse numerical order, on April 1, 1980, or on any semiannual interest payment date thereafter, at par plus accrued interest to date of redemption.

Any call for the redemption of such bonds shall be made by publishing notice thereof in the official newspaper of the City at least once not less than thirty nor more than forty-five days prior to the call date. Notice of such intended redemption shall also be mailed to the successful bidder at its principal place of business not more than forty-five nor less than thirty days prior to the call date. In addition such redemption notice shall be sent to Moody's Investor Service, Inc., and Standard & Poor's Corporation, at their offices in New York, New York. Interest on any bonds so called for redemption shall cease on dates fixed for such redemption.

Section 4. The bonds herein authorized to be issued shall be in substantially the following form:

No. _____ \$5,000

UNITED STATES OF AMERICA

STATE OF WASHINGTON

CITY OF REDMOND

GENERAL OBLIGATION BOND, 1967

_____ %

KNOW ALL MEN BY THESE PRESENTS: That the City of Redmond, Washington, is justly indebted to and for value received promises to pay to bearer on the FIRST DAY OF APRIL, 19____, the principal sum of

FIVE THOUSAND DOLLARS

together with interest thereon at the rate of _____ PERCENT (_____) (%) per annum, payable semi-annually on April 1 and October 1 of each year, the interest to maturity being evidenced by and payable upon the presentation and surrender of the attached interest coupons as they severally become due, with full obligation on the part of the City to pay interest at the same rate from and after the maturity date, in the absence of coupons, until this bond with interest is paid in full. This bond is payable, both principal and interest, in lawful money of the United States of America at the office of the Treasurer of the City of Redmond, Washington.

This bond is one of an issue of \$600,000 of bonds of like date, tenor and effect, except as to maturities (and interest rates if more than one interest rate is bid), and is issued by the City of Redmond for strictly municipal capital purposes, to-wit: for the purpose of acquiring sites for and developing new park areas and facilities and improving existing parks and acquiring equipment therefor, and acquiring a site for and constructing and equipping a new city hall and paying the cost of the issuance of the bonds, all as provided in Ordinance No. _____.

The City has reserved the right to redeem the bonds as a whole, or in part in inverse numerical order, on April 1, 1980, or on any semiannual interest payment date thereafter, at par plus accrued interest to date of redemption.

Any call for the redemption of such bonds shall be made by publishing notice thereof in the official newspaper of the City at least once not less than thirty nor more than forty-five days prior to the call date. Notice of such intended redemption shall also be mailed to _____ not more than forty-five nor less than thirty days prior to the call date. In addition such redemption notice shall be sent to Moody's Investor Service, Inc., and Standard & Poor's Corporation, at their offices in New York, New York. Interest on any bonds so called for redemption shall cease on dates fixed for such redemption.

The City of Redmond hereby irrevocably pledges itself to levy taxes annually without limitation as to rate or amount on all property in the City subject to taxation in an amount sufficient to pay the principal of and interest on said issue of bonds as the same shall become due, and the full faith,

credit and resources of the City are hereby irrevocably pledged for the payment of the principal of and interest on the bonds.

It is hereby certified that all acts, conditions and things required to be done precedent to and in the issuance of this bond have been done, have happened and have been performed as required by law, and that the total indebtedness of the City, including this bond issue, does not exceed any constitutional or statutory limitations.

IN WITNESS WHEREOF the City of Redmond, Washington, has caused this bond to be signed by the facsimile signature of its Mayor and attested by the manual signature of its City Clerk and its corporate seal to be hereto affixed and the interest coupons attached to be signed with the facsimile signatures of those officials this first day of April, 1967.

CITY OF REDMOND, WASHINGTON

By (facsimile signature)
Mayor

ATTEST:

City Clerk

The form of the interest coupons shall be substantially as follows:

Coupon No. _____

\$ _____

On the FIRST DAY OF (APRIL)(OCTOBER), 19__, the CITY OF REDMOND, WASHINGTON, upon presentation and surrender of this coupon, will pay to the bearer at the office of the City Treasurer the sum shown hereon, in lawful money of the United States of America, said sum being the semiannual interest due that date upon its "General Obligation Bond, 1967," dated April 1, 1967, and numbered _____.

CITY OF REDMOND, WASHINGTON

By (facsimile signature)
Mayor

ATTEST:

(facsimile signature)
City Clerk

Section 5. The bonds shall be printed or lithographed on good bond paper and shall be signed by the facsimile signature of the Mayor and

attested by the manual signature of the City Clerk of the City of Redmond, Washington, under the seal of the City and the coupons shall bear the facsimile signatures of the Mayor and the City Clerk.

Section 6. There are hereby created and established in the office of the City Treasurer three special funds to be known and designated as the "General Obligation Bond Fund, 1967," the "Park Acquisition and Improvement Fund" and the "City Hall Construction Fund." The accrued interest, if any, received upon the sale of the bonds shall be paid into the "General Obligation Bond Fund, 1967," and \$175,000 of the principal proceeds received from the sale of the bonds shall be paid into the "Park Acquisition and Improvement Fund" and the remaining \$425,000 of principal proceeds received from the sale of the bonds, together with any premium paid by the purchasers, shall be paid into the "City Hall Construction Fund." All taxes hereafter levied and collected without limitation as to rate or amount shall be deposited in the "General Obligation Bond Fund, 1967," and the principal of and interest on such bonds as the same shall become due shall hereafter be paid out of such fund.

The expenses of acquiring sites for and developing new park areas and facilities and improving existing parks and acquiring equipment therefor, as authorized by Ordinance No. 408, shall be paid out of the "Park Acquisition and Improvement Fund" and the expenses of acquiring a site for and constructing and equipping a new city hall, as authorized by Ordinance No. 408, together with the costs of the issuance and sale of the bonds, shall be paid out of the "City Hall Construction Fund."

Section 7. The bonds shall be sold for cash at public sale for not less than par, plus accrued interest, upon sealed bids to be received at the office of the City Clerk up to the day and hour stated in the Notice of Bond Sale hereinafter directed to be given.

Notice calling for bids to purchase the bonds shall be published once a week for four consecutive weeks in the official newspaper of the City of Redmond and such notice shall also be published once in the Daily Journal

of Commerce of Seattle, Washington, at least ten days before the bid opening date. Such notice shall specify that bids for purchase of the bonds shall be received by the City Clerk of the City of Redmond at the Council Chambers of the City Hall of the City on February 28, 1967, up to 8 o'clock p.m. (PST), at which time all bids will be publicly opened for the purchase of the bonds and considered by the City Council at a meeting thereof then to be held.

A copy of the Notice shall, at least three weeks prior to the date fixed for the sale, be mailed to the State Finance Committee, Olympia, Washington.

Bids shall be invited for the purchase of the bonds with fixed maturities in accordance with the schedule specified in Section 1 of this ordinance.

The Notice shall specify the maximum effective rate of interest the bonds shall bear, to-wit, 6% per annum, and shall require bidders to submit a bid specifying:

(a) The lowest rate or rates of interest and premium, if any, above par at which the bidder will purchase the bonds; or

(b) The lowest rate or rates of interest at which the bidder will purchase the bonds at par.

Coupon rates shall be in multiples of 1/8 or 1/10 of 1%, or both. No more than one rate of interest may be fixed for any one maturity. Only one coupon will be attached to each bond for each installment of interest thereon, and bids providing for additional or supplemental coupons will be rejected. The maximum differential between the lowest and highest coupon rates named in any bid shall not exceed 2%.

For the purpose of comparing the bids only, the coupon rates bid being controlling, each bid shall state the total interest cost over the life of the bonds and the net effective interest rate of the bid.

The bonds shall be sold to the bidder making the best bid, subject to the right of the City Council of the City of Redmond to reject any and all bids and to readvertise the bonds for sale in the manner provided by law, and no bid for less than all of the bonds shall be considered.

All bids shall be sealed and, except the bid of the State of Washington, if one is received, shall be accompanied by a deposit of 5% of the principal par value of the bonds. The deposit shall be either cash or by certified or cashier's check made payable to the City Treasurer of the City of Redmond, and shall be promptly returned if the bid is not accepted. If the bonds are ready for delivery and the successful bidder shall fail and neglect to complete the purchase of the bonds within forty days following the acceptance of his bid, the amount of his deposit shall be forfeited to the City of Redmond and in that event the City Council may accept the bid of the one making the next best bid. If there be two or more equal bids for not less than par plus accrued interest and such bids are the best bids received, the City Council shall determine by lot which bid will be accepted. The bonds will be delivered to the successful bidder at the office of the Treasurer of the City of Redmond, or in the City of Seattle, at the City's expense, or at such other place as the Treasurer and the successful bidder may mutually agree upon at the purchaser's expense. A no-litigation certificate in the usual form will be included in the closing papers.

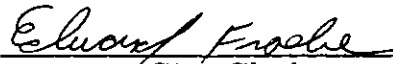
The City Clerk of the City of Redmond shall be and is hereby authorized and directed to publish Notice for the purchase of the bonds in the manner required by law in accordance with the provisions of this section. Such Notice shall provide that the City of Redmond will cause the bonds to be printed and lithographed and signed and will furnish the approving legal opinion of Messrs. Roberts, Shefelman, Lawrence, Gay & Moch, municipal bond counsel of Seattle, Washington, without cost to the purchasers, said opinion also being printed on each bond. Such Notice shall further provide that information concerning the bonds may be received upon request made to the City Clerk, or Foster & Marshall Inc., the City's financial consultant, at 400 Norton Building, Seattle, Washington.

PASSED by the City Council of the City of Redmond,
Washington, at a regular meeting thereof, and APPROVED by the Mayor
this 24th day of January, 1967.



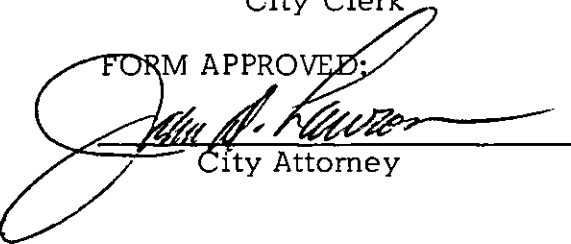
Mayor

ATTEST:



City Clerk

FORM APPROVED:



City Attorney

Date of Publication: FEB 1 1967