

CITY OF REDMOND, WASHINGTON

ORDINANCE NO. 611

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 \$300,000.00 par value of "General Obligation Bonds, 1973," authorized by the qualified voters of the City at a special election held on November 7, 1972, in conjunction with the State general election held on the same date, pursuant to Ordinance No. 596 of the City Council passed September 5, 1972; creating a special bond redemption fund; and providing for the sale of such bonds.

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

Section 1. The City of Redmond shall presently issue and sell the total not to exceed \$300,000.00 par value of negotiable general obligation bonds authorized by the qualified voters of the City at a special election held on November 7, 1972, in conjunction with the State general election held on the same date, pursuant to Ordinance No. 596 of the City Council, passed September 5, 1972, for the purpose of providing the funds to pay the City's portion of the cost and expense of constructing and equipping a library on the City Hall Complex site, including the development of such site, in conjunction with the Rural Library District of King County, Washington. The bonds shall be designated "General Obligation Bonds, 1973," shall be dated April 1, 1973, shall be in denominations of \$5,000.00 each, shall be numbered from 1 to 60, inclusive, and shall bear interest at a rate or rates not to exceed an effective rate of 8% per annum, as evidenced by interest coupons to be attached to the bonds representing interest to maturity, with full obligation on the part of the City to pay interest at the bond rate or rates from and after maturity until said 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 Treasurer of the City of Redmond, and the bonds shall be payable serially over a period of from two to fifteen years from the date of issue and mature in order of their numbers as follows:

<u>Bond Numbers (Inclusive)</u>	<u>Amounts</u>	<u>Maturities</u>
1 to 3	\$15,000	April 1, 1975
4 to 6	15,000	April 1, 1976
7 to 9	15,000	April 1, 1977
10 to 12	15,000	April 1, 1978
13 to 16	20,000	April 1, 1979
17 to 20	20,000	April 1, 1980
21 to 24	20,000	April 1, 1981
25 to 28	20,000	April 1, 1982
29 to 33	25,000	April 1, 1983
34 to 38	25,000	April 1, 1984
39 to 43	25,000	April 1, 1985
44 to 48	25,000	April 1, 1986
49 to 54	30,000	April 1, 1987
55 to 60	30,000	April 1, 1988

Section 2. The City of Redmond reserves the right to redeem any or all of the outstanding bonds of this issue at par, plus accrued interest, on any semiannual interest payment date, on or after April 1, 1981, in inverse numerical order, highest numbers first, by publishing notice of such intended redemption 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, and by mailing a copy of such notice within the same period to the principal underwriter who purchases the bonds. In addition, such redemption notice shall also be sent to Moody's Investors Service, Inc., and Standard & Poor's Corporation, at their offices in New York, New York, but the mailing of such notice to such corporations shall not be a condition precedent to the redemption of such bonds. Interest on any bonds so called for redemption shall cease on such call date upon payment of the redemption price into the bond redemption fund for such bonds.

Section 3. 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 the 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 such bonds.

Section 4. The bonds shall be in substantially the following form:

No. _____ \$5,000.00

UNITED STATES OF AMERICA

STATE OF WASHINGTON

CITY OF REDMOND

GENERAL OBLIGATION BOND, 1973

_____ %

KNOW ALL MEN BY THESE PRESENTS: That the City of Redmond, State of Washington, for value received, promises to pay to the 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, until fully paid, payable semiannually on the first days of April and October of each year, with 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 \$300,000.00 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 pursuant to a special election authorizing the same for strictly municipal capital purposes, other than the replacement of equipment, to-wit, for the purpose of providing the funds to pay the City's portion of the cost and expense of constructing and equipping a library on the City Hall Complex site, including the development of such site, in conjunction with the Rural Library District of King County, Washington, all as provided in Ordinance No. 611 of the City Council, passed February 20, 1973, and is issued in full compliance with the ordinances of the City of Redmond and the laws and constitution of the State of Washington.

The City of Redmond reserves the right to redeem any or all of the outstanding bonds of this issue at par, plus accrued interest, on any semiannual interest payment date, on or after April 1, 1981, in inverse numerical order, highest numbers first, by publishing notice of such intended redemption 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, and by mailing a copy of such notice within the same period to [the original purchaser or the account manager of the underwriters who purchase the bonds]. In addition, such redemption notice shall also be sent to Moody's Investors Service, Inc., and Standard & Poor's Corporation, at their offices in New York, New York, but the mailing of such notice to such corporations shall not be a condition precedent to the redemption of such bonds. Interest on any bonds so called for redemption shall cease on such call date upon payment of the redemption price into the bond redemption fund.

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 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 said officials this first day of April, 1973.

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 amount shown hereon in lawful money of the United States of America, said sum being the semiannual interest due that date on its "General Obligation Bond, 1973," dated April 1, 1973, 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 under the seal of the City, and the coupons shall bear the facsimile signatures of the Mayor and the City Clerk.

Section 6. There is hereby created and established in the office of the City Treasurer a special fund to be known and designated as the "General Obligation Bond Fund, 1973," for the payment of the principal and interest on the bonds. The accrued interest received from the sale of the bonds shall be paid into said bond redemption fund, and the principal proceeds received shall be paid into the "Library Construction Fund" of the City and expended to pay the City's portion of the cost and expense of constructing and equipping a library on the City Hall Complex site, including the development of such site, in conjunction with the Rural Library District of King County, Washington, as provided by Ordinance No. 596, passed by the City Council and approved by the Mayor on September 5, 1972, and the costs of the issuance and sale of the bonds. All taxes collected for the payment of the principal of and interest on the bonds shall be deposited in the "General Obligation Bond Fund, 1973."

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 the purchase of the bonds shall be received by the City Clerk of the City of Redmond in the Council Chambers of the City Hall on March 20, 1973, up to 7:30 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 hereof.

The notice shall specify the maximum effective rate of interest the bonds shall bear, to-wit, 8% 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.

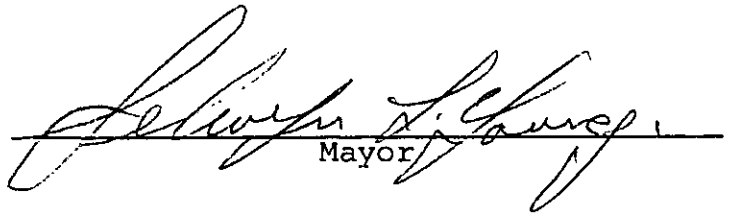
The bonds shall be sold to the bidder making the best bid, subject to the right of the City Council of the City of Redmond to reject any and all bids and to readvertise the bonds for sale in the manner provided by law, and no bid for less than all of the bonds shall be considered.

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 \$15,000.00. 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 its bid, the amount of its 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.

Any bid presented after the hour specified for the receipt of bids will not be received and any bid not accompanied by the required bid deposit at the time of opening such bid will not be read or considered.

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, covering the bonds without cost to the purchaser, said opinion also being printed on each bond. Such notice shall also provide that further information regarding the details of such bonds may be received upon request made to the City Clerk or to Seattle-Northwest Securities Corporation, the City's financial consultant, at 1000 Logan Building, 500 Union Street, Seattle, Washington.

PASSED by the City Council of the City of Redmond, Washington, at a regular open public meeting thereof, and APPROVED by the Mayor this 20th day of February, 1973.


Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

Published: in the Sammamish Valley News on February 21, 1973.

NOTICE OF BOND SALE

CITY OF REDMOND, WASHINGTON
GENERAL OBLIGATION BONDS, 1973
\$300,000.00

SEALED PROPOSALS will be received at the office of the City Clerk at the City Hall, Redmond, Washington, until 7:30 o'clock p.m. (PST) on

MARCH 20, 1973

at which time the bids will be publicly opened and considered by the City Council at a meeting to be held at such time in the Council Chambers in the City Hall for the purchase of \$300,000.00 par value of "General Obligation Bonds, 1973," of the City of Redmond, Washington, authorized to be issued pursuant to a special election and Ordinances Nos. 596 and 611, for strictly municipal capital purposes, other than the replacement of equipment, to-wit, for the purpose of providing the funds to pay the City's portion of the cost and expense of constructing and equipping a library on the City Hall Complex site, including the development of such site, in conjunction with the Rural Library District of King County, Washington. The bonds will be dated April 1, 1973, will be in denominations of \$5,000.00 each, will be numbered from 1 to 60, inclusive, will bear interest at an effective rate not exceeding 8% per annum, payable semiannually on April 1 and October 1 of each year, interest to maturity to be evidenced by coupons to be attached to the bonds, will be payable, both principal and interest, at the office of the City Treasurer of the City of Redmond, Washington, and will mature serially as follows:

<u>Bond Numbers (Inclusive)</u>	<u>Amounts</u>	<u>Maturities</u>
1 to 3	\$15,000	April 1, 1975
4 to 6	15,000	April 1, 1976
7 to 9	15,000	April 1, 1977

<u>Bond Numbers (Inclusive)</u>	<u>Amounts</u>	<u>Maturities</u>
10 to 12	\$15,000	April 1, 1978
13 to 16	20,000	April 1, 1979
17 to 20	20,000	April 1, 1980
21 to 24	20,000	April 1, 1981
25 to 28	20,000	April 1, 1982
29 to 33	25,000	April 1, 1983
34 to 38	25,000	April 1, 1984
39 to 43	25,000	April 1, 1985
44 to 48	25,000	April 1, 1986
49 to 54	30,000	April 1, 1987
55 to 60	30,000	April 1, 1988

The City has reserved the right to redeem any or all of the outstanding bonds of this issue at par, plus accrued interest, on any semiannual interest payment date, on or after April 1, 1981, in inverse numerical order, highest numbers first, by publishing notice of such intended redemption 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, and by mailing a copy of such notice within the same period to the original purchaser or the account manager of the underwriters who purchase the bonds. In addition, such redemption notice shall also be sent to Moody's Investors Service, Inc., and Standard & Poor's Corporation, at their offices in New York, New York, but the mailing of such notice to such corporations shall not be a condition precedent to the redemption of such bonds. Interest on any bonds so called for redemption shall cease on such call date upon payment of the redemption price into the bond redemption fund for such bonds.

The interest rate or rates for the bonds shall be fixed by the City Council after the bonds have been sold.

The City of Redmond, by Ordinance No. 611, has irrevocably pledged itself to levy taxes annually, without limitation as to rate or amount, upon all property in the City subject to taxation in an amount sufficient to pay the principal of and interest on the bonds as the same shall accrue, and the full faith, credit and resources of the City have been irrevocably pledged for the payment of the principal of and interest on said bonds.

Bidders are invited to name the rate or rates of interest which the bonds are to bear, not exceeding an effective rate of 8% per annum. Bidders shall 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.

No bid will be considered for the bonds for less than par and accrued interest. The purchaser must pay accrued interest to date of delivery of the bonds.

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 will 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 \$15,000.00. The deposit shall be either cash or by certified or cashier's check made payable to the City Treasurer of the City of Redmond, which 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 its bid, the amount of its 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 the bonds for not less than par plus accrued interest and such bids are the best bids received, the City Council will determine by lot which bid will be accepted. The bonds will be delivered to the successful bidder at the office of the City Treasurer of the City of Redmond or in the City of Seattle at the expense of the City, or at such other place as the City Treasurer and the successful bidder may mutually agree upon at the purchaser's expense.

Any bid presented after the hour specified for the receipt of bids will not be received and any bid not accompanied by the required bid deposit at the time of opening such bid will not be read or considered.

It is understood that if, prior to the delivery of the bonds, the income receivable by the holders thereof shall become taxable, directly or indirectly, by the terms of any federal income tax law, the successful bidder may at its option be relieved of its obligation to purchase the bonds, and in such case the deposit accompanying its bid will be returned, without interest.

The City of Redmond will cause the bonds to be printed or lithographed and signed without expense to the successful bidder.

The approving legal opinion of Messrs. Roberts, Shefelman, Lawrence, Gay & Moch, attorneys, Seattle, Washington, will be furnished to the purchaser of the bonds without cost to the purchaser, which legal opinion will be printed on each bond, and a no-litigation certificate will be included in the closing papers.

Information concerning the bonds may be received upon request made to the undersigned, or to Seattle-Northwest Securities Corporation, the City's financial consultant, at 1000 Logan Building, 500 Union Street, Seattle, Washington.

DATED at Redmond, Washington, this 21st day of February, 1973.


ELEANOR J. HAYDEN, City Clerk

Publication Dates:

February 21, 1973
February 28, 1973
March 7, 1973
March 14, 1973