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ORIGINAL

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 2946

AN ORDINANCE of the City of Bellevue, Washington, relating to contracting indebtedness; providing for the issuance, specifying the maturities, maximum effective interest rate, terms and covenants of \$6,600,000 par value of "General Obligation Public Safety Bonds, 1981," authorized by the qualified voters of the City at a special election held therein pursuant to Ordinance No. 2875; and providing for the sale of such bonds.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The City of Bellevue, Washington (hereinafter called the "City"), shall presently issue and sell the total \$6,600,000 par value of negotiable general obligation bonds authorized by the qualified voters of the City at a special election held on November 4, 1980, pursuant to Ordinance No. 2875 passed and approved September 8, 1980, for the purpose of acquiring fire, police and emergency medical facilities and equipment, which may include but is not limited to acquiring land for and designing, constructing and improving three fire stations, acquiring fire and emergency medical apparatus, acquiring land for and constructing one fire/police training facility and one fire/police communications center and other public safety facilities. Any money remaining from the principal proceeds of such sale, including investment income therefrom after such acquisitions and improvements have been carried out and completed may be retained and used to carry out any similar acquisitions or improvements or for any other lawful City capital purpose deemed appropriate by the City Council, as provided in Ordinance No. 2875. The bonds shall be designated "General Obligation Public Safety Bonds, 1981" (the "Bonds"), of the City; shall be dated April 1, 1981; shall be in the denomination of \$5,000 each; shall be numbered from 1 to 1,320, inclusive; and shall bear interest at the rate or rates specified in the winning bid for the Bonds, but not in excess of an effective rate of 12% per annum, payable on April 1, 1982, and semiannually thereafter on each succeeding October 1 and April 1, as evidenced by coupons to be attached to the Bonds representing interest to maturity. If any Bond is not redeemed when duly presented at its maturity or call date thereof, the City shall be obligated to pay interest at the coupon rate for each such Bond from and after the maturity or call date until such Bond, both principal and interest, shall have been paid in full or until sufficient money for such payment in full is on deposit in the "Interest and Debt Redemption - Special Levy Fund #213" ("Bond Fund #213"), heretofore created, and such Bond

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has been duly called for payment. Both principal of and interest on the Bonds are to be paid in lawful money of the United States of America, which at the time of payment shall be legal tender for the payment of public and private debts, at either fiscal agency of the State of Washington in Seattle, Washington, or New York, New York. The Bonds shall mature serially, annually, in order of their numbers in the following amounts on April 1 of each of the following years (such maturity schedule being computed at an assumed interest rate of 9.25% per annum):

| <u>Bond Numbers<br/>(Inclusive)</u> | <u>Amounts</u> | <u>Maturity<br/>Years</u> |
|-------------------------------------|----------------|---------------------------|
| 1 to 27                             | \$135,000      | 1983                      |
| 28 to 56                            | 145,000        | 1984                      |
| 57 to 88                            | 160,000        | 1985                      |
| 89 to 123                           | 175,000        | 1986                      |
| 124 to 162                          | 195,000        | 1987                      |
| 163 to 204                          | 210,000        | 1988                      |
| 205 to 250                          | 230,000        | 1989                      |
| 251 to 301                          | 255,000        | 1990                      |
| 302 to 357                          | 280,000        | 1991                      |
| 358 to 418                          | 305,000        | 1992                      |
| 419 to 485                          | 335,000        | 1993                      |
| 486 to 559                          | 370,000        | 1994                      |
| 560 to 640                          | 405,000        | 1995                      |
| 641 to 729                          | 445,000        | 1996                      |
| 730 to 826                          | 485,000        | 1997                      |
| 827 to 933                          | 535,000        | 1998                      |
| 934 to 1050                         | 585,000        | 1999                      |
| 1051 to 1179                        | 645,000        | 2000                      |
| 1180 to 1320                        | 705,000        | 2001                      |

The City reserves the right to redeem any or all of the Bonds prior to their stated maturity dates as a whole, or in part in inverse numerical order, on April 1, 1991, or any semiannual interest payment date thereafter at par plus accrued interest to date of redemption.

Notice of such intended redemption shall be published in the official newspaper of the City, or if there is no official newspaper, then in a newspaper of general circulation in the City, at least once not less than 30 nor more than 45 days prior to the call date, and a copy of such notice shall be mailed within the same period to the main office of the principal underwriter or account manager of the successful bidder for the Bonds, or its successor. In addition, such redemption notice shall 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 New York firms shall not be a condition

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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 Bond Fund #213.

The City further reserves the right to purchase any or all of the Bonds in the open market at any time at a price not in excess of par plus accrued interest to date of purchase.

Section 2. The City 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, together with other money legally available and to be used therefor, 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 3. The City hereby covenants that it will make no use of the proceeds of the Bonds or of its other money at any time during the term of the Bonds which will cause the Bonds to be arbitrage bonds within the meaning of Section 103(c) of the United States Internal Revenue Code of 1954, as amended, and applicable regulations promulgated thereunder.

Section 4. The Bonds and coupons shall be printed or lithographed on good bond paper in a form consistent with the provisions of this ordinance. The Bonds shall be signed by the facsimile signature of the Mayor and attested by the manual signature of the City Clerk and a facsimile reproduction of the seal of the City shall be printed thereon, and the coupons shall bear the facsimile signatures of the Mayor and the City Clerk.

Section 5. The accrued interest and premium received, if any, upon the sale and delivery of the Bonds shall be paid into Bond Fund #213. There has heretofore been created and established in the office of the City Director of Finance a special fund known and designated as the "80 Public Safety Bond Fund #354," of the City. The principal proceeds received from the sale and delivery of the Bonds shall be paid into the "80 Public Safety Bond Fund #354," and used for the purposes specified in Section 1 of this ordinance and to pay the costs of issuance and sale of the Bonds. Pending the expenditure of such principal proceeds, the City may temporarily invest such proceeds in any legal investment and the investment earnings may be retained in the "80 Public Safety Bond Fund #354," and expended for the purposes of such fund. All taxes collected for and allocated to the payment of the principal of and interest on the Bonds shall hereafter be deposited in Bond Fund #213.

Section 6. The Bonds shall be sold for cash at public sale for not less than par, plus accrued interest.

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The City Clerk is hereby authorized to give notice calling for bids to purchase the Bonds by publishing the same once a week for four consecutive weeks in the official newspaper of the City, or if there is no official newspaper, then in a newspaper of general circulation in the City and a short abbreviated form of such notice shall also be published once in The Seattle Daily Journal of Commerce and Northwest Construction Record of Seattle, Washington, at least ten days prior to the sale date. Such notice shall specify that sealed bids for the purchase of the Bonds shall be received by the City Clerk in her office in the City Hall on March 9, 1981, up to 8:00 p.m., local time, at which time all bids will be publicly opened, considered and acted upon by the City Council at its regular meeting to be held in the City Council Chambers commencing at the same time on that date.

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

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, namely, 12% 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.

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 1/8th or 1/20th 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 of the Bonds 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 2-1/2%.

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.

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The Bonds shall be sold to the bidder making the best bid, subject to the right of the City Council 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. The City further reserves the right to waive any irregularity in any bid or in the bidding process.

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 \$330,000. The deposit shall be either by certified check or cashier's check made payable to the City Treasurer and shall be promptly returned if the bid is not accepted. The City reserves the right to invest the good faith deposit of the purchaser pending the payment for the Bonds. The purchaser shall not be credited for such earnings. If the Bonds are ready for delivery and the successful bidder shall fail or neglect to complete the purchase of the Bonds within forty days following the acceptance of its bids, the amount of its deposit shall be forfeited to the City and in that event the City 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 shall be accepted. The Bonds will be delivered to the successful bidder against payment of the purchase price plus accrued interest to the date of delivery, less the amount of the good faith deposit, at the office of the City Clerk or in Seattle, Washington, New York, New York, Chicago, Illinois, San Francisco, California, or Los Angeles, California, at the City's expense, or at such other place as the City Clerk and the successful bidder may mutually agree upon at the purchaser's expense. Settlement shall be made in federal funds immediately available at the time of delivery of the Bonds. A no-litigation certificate in the usual form will be included in the closing papers.

CUSIP numbers will be printed on the Bonds, if requested in the bid of the successful bidder, but neither failure to print such numbers on any bond nor error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid by the City; but the fee of the Cusip Service Bureau for the assignment of those numbers shall be the responsibility of and shall be paid for by the purchaser.

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

If, prior to the delivery of the Bonds, the interest receivable by the holders thereof shall become taxable, directly or indirectly, by the

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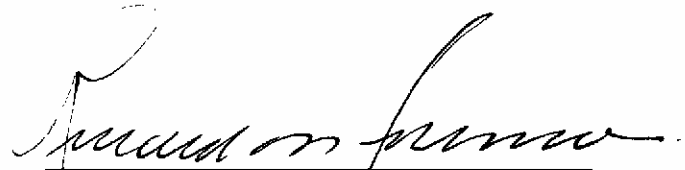
terms of any federal income tax law, the successful bidder may at its option be relieved of its obligation to purchase the Bonds, and in such case the deposit accompanying its bid will be returned, without interest.

The notice of bond sale shall provide that the City will cause the Bonds to be printed or lithographed and signed and will furnish the approving legal opinion of Messrs. Roberts, Shefelman, Lawrence, Gay & Moch, bond counsel of Seattle, Washington, covering the Bonds without cost to the purchaser, the opinion also being printed on each bond. Bond counsel shall not be required to review or express any opinion concerning the completeness or accuracy of any official statement, offering circular or other sales material issued or used in connection with the Bonds, and bond counsel's opinion shall so state. Such notice shall also provide that further information regarding the details of the Bonds may be received upon request made to Foster & Marshall, Inc., 205 Columbia Street, Seattle, Washington, the City's financial consultant.


Section 7. This ordinance shall take effect from and after its passage and five (5) days following its publication as required by law.

PASSED by the City Council this 9 day of February, 1981, and signed in authentication of its passage this 9 day of February, 1981.

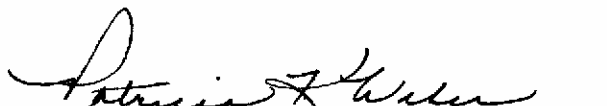
(SEAL)

  
Richard M. Foreman, Mayor

Approved as to form:

  
Richard Gidley, Acting City Attorney

Attest:

  
Patricia K. Weber, City Clerk

Published February 11, 1981