

RESOLUTION NO. 204906

FEB 17 1972

RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO, CALIFORNIA, DIRECTING THE CITY
CLERK TO PUBLISH NOTICE INVITING SEALED
PROPOSALS FOR \$4,665,000 "1966 MUNICIPAL
IMPROVEMENT BONDS, SERIES 6" OF SAID CITY.

WHEREAS, an ordinance providing for the issuance of
bonds of The City of San Diego, California, in the amount
of \$4,665,000 to be designated "1966 MUNICIPAL IMPROVEMENT
BONDS, SERIES 6" has been introduced; and

WHEREAS, it is desirable that said Bonds be sold;
NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of
San Diego, as follows:

Section 1. That said Bonds be sold and that sealed
bids or proposals for the purchase of said Bonds be
received up to the time stated in the notice hereinafter
set forth.

Section 2. That the City Clerk be and he is hereby
authorized and directed to publish said notice once, at
least ten days before the date of sale, in THE DAILY
TRANSCRIPT, a newspaper of general circulation published
in said City.

Section 3. That the City's Financial Consultant is
hereby authorized and directed to cause to be furnished
to prospective bidders copies of the notice inviting
proposals and of an official statement relating to the
properties, operations and finances of said City, but

failure in whole or in part to comply with this section shall not in any manner affect the validity of the sale.

Section 4. That the City's Financial Consultant is also hereby directed to cause a suitable advertisement to be published once at least ten days prior to the date of sale in THE BOND BUYER, a financial journal published in New York, New York; but failure to publish said advertisement in THE BOND BUYER or any defect in such publication shall not invalidate or in any manner affect the proceedings for the sale of the Bonds.

Section 5. That said notice shall be substantially as follows:

NOTICE INVITING BIDS ON \$4,665,000 1966
MUNICIPAL IMPROVEMENT BONDS, SERIES 6,
OF THE CITY OF SAN DIEGO, CALIFORNIA.

NOTICE IS HEREBY GIVEN that the Council of The City of San Diego, California, will receive sealed proposals for the purchase of \$4,665,000 par value General Obligation Bonds of the City at the place and up to the time specified below:

TIME: Tuesday, March 28, 1972, at
10:00 o'clock a.m. Pacific
Standard Time.

PLACE: Chambers of the City Council in the
City Administration Building
Community Concourse
San Diego, California

MAILED BIDS: Mailed bids should be addressed to:

The City of San Diego
c/o Mr. Edward Nielsen, City Clerk
City Administration Building
202 C Street
San Diego, California 92101

ISSUE: The \$4,665,000 of Bonds consists of the sixth series of one issue of General Obligation Bonds, the proceeds of which are to be used for various purposes. The proceeds of this Series 6 are to be used as follows:

1. \$4,215,000 for community parks and recreation facilities.

2. \$450,000 for flood control and storm drain projects.

MATURITIES: The Bonds shall be dated as of April 1, 1972, shall be 933 in number, of the denomination of \$5,000 each, shall be numbered from 1 to 933 and shall be payable in consecutive numerical order annually on April 1 of each year from 1974 to 1992 in the amounts for each of the several years as follows:

<u>Maturity Date</u>	<u>Annual Amount</u>	<u>Maturity Date</u>	<u>Annual Amount</u>
1974	\$ 45,000	1984	\$290,000
1975	50,000	1985	305,000
1976	50,000	1986	315,000
1977	100,000	1987	315,000
1978	245,000	1988	315,000
1979	255,000	1989	315,000
1980	270,000	1990	315,000
1981	280,000	1991	315,000
1982	285,000	1992	315,000
1983	285,000		

INTEREST: The Bonds shall bear interest at a rate or rates to be determined upon the sale but not to exceed six percent (6%) per annum payable annually the first year and semiannually thereafter.

PAYMENT: The Bonds are payable in lawful money of the United States of America at the office of the Treasurer of The City of San Diego or, at the option of the holder, at any fiscal agency of the City in the cities of San Diego, Los Angeles, or San Francisco, California, or in the cities of New York, New York, or Chicago, Illinois.

SECURITY: The Bonds are issued pursuant to the Charter of The City of San Diego and pursuant to Article 1, Chapter 4, Division 4, Title 4 (Section 43600 et seq.) of the Government Code of the State of California, sometimes known as the Municipal Bond Act of 1901. For the purpose of paying the principal of and interest on said Bonds, said Act requires that the Council of The City of San Diego shall, at the time of making the general tax levy and annually thereafter until said Bonds are paid or until there is a sum in the treasury of said City set apart for that purpose sufficient to meet all payments of principal and interest on said Bonds as they become due, levy and collect a tax sufficient to pay the interest on said Bonds as it falls due and such part of the principal thereof as will become due before the proceeds of a tax levied at the next

general tax levy will be available. Said tax shall be in addition to all other taxes levied for municipal purposes and shall be levied and collected as other City taxes.

REGISTRATION: The Bonds may be registered either as to principal only or as to both principal and interest; the form of registration of any Bonds so registered may be changed; any Bond so registered may be transferred or any Bond so registered may be discharged from registration, all in the manner and with the effect set forth in the provisions for registration to be printed on the Bonds.

CALL AND REDEMPTION PROVISIONS: The Bonds maturing on or before April 1, 1982, are not subject to call or redemption prior to maturity. The Bonds maturing on or after April 1, 1983, or any of them, may be called prior to maturity and redeemed at the option of the City on April 1, 1982, or on any interest payment date after April 1, 1982, and prior to maturity at a redemption price for each redeemable Bond equal to the principal amount thereof plus a premium equal to one-fourth of one percent of the principal amount thereof for each year or fraction of a year from the redemption date to the maturity date of such Bond, but in no event shall the premium exceed two and one-half percent.

If less than all of the outstanding Bonds subject to call and redemption prior to maturity are called for

redemption at any one time, the Bonds shall be called and redeemed in inverse order of maturity and number.

TERMS OF SALE

Interest Rate: The maximum rate bid may not exceed 6% per annum, payable annually the first year and semi-annually thereafter. Each rate bid must be a multiple of 1/20 of 1%. No Bond shall bear more than one interest rate, and all Bonds of the same maturity shall bear the same rate. Each Bond must bear interest at the rate specified in the bid from its date to its fixed maturity date. 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 rate on any maturity or group of maturities shall not be more than 2% higher than the interest rate on any other maturity or group of maturities. The difference between the lowest and highest annual installment of principal and interest payable in each 12-month period beginning on April 1, 1974, shall not exceed \$233,250 (5% of the total principal amount of the Bonds).

Award: The Bonds shall be sold for cash only. All bids must be for not less than all of the Bonds hereby offered for sale and each bid shall state that the bidder offers par and accrued interest to the date of delivery, the premium, if any, and the interest rate or rates not to exceed those specified herein, at which the bidder

offers to buy said Bonds. Each bidder shall state in his bid the total net interest cost in dollars and the average net interest rate determined thereby, which shall be considered informative only and not a part of the bid.

Highest Bidder: The Bonds will be awarded to the highest responsible bidder or bidders considering the interest rate or rates specified and the premium offered, if any. The highest bid will be determined by deducting the amount of the premium bid (if any) from the total amount of interest which the City would be required to pay from the date of said Bonds to the respective maturity dates thereof at the coupon rate or rates specified in the bid, and the award will be made on the basis of the lowest net interest cost to the City. The purchaser must pay accrued interest from the date of the Bonds to the date of delivery computed on a 360-day year basis. The cost of printing the Bonds will be borne by the City.

Right of Rejection: The City reserves the right, in its discretion, to reject any and all bids and to the extent not prohibited by law to waive any irregularity or informality in any bid.

Prompt Award: The City will take action awarding the Bonds or rejecting all bids not later than twenty-six (26) hours after the time herein prescribed for the receipt of proposals; provided that the award may be made after the expiration of the specified time if the bidder shall not

have given to the Council notice in writing of the withdrawal of such proposal.

Place of Delivery: Delivery of said Bonds will be made to the successful bidder at the office of the City Treasurer of The City of San Diego, City Administration Building, Community Concourse, San Diego, California, or at the main office of the Bank of America National Trust and Savings Association, 650 South Spring Street, Los Angeles, California, or at such other place as may be agreeable to both the successful bidder and the City Treasurer. Payment for said Bonds shall be made in Federal Reserve Bank Funds. If the purchaser so requests within seven days from the date of sale and deposits with the City enough money to cover all the expenses thereof, delivery of the Bonds will be made at the office of the fiscal agency for the City in the City of New York, New York, or such other place in the City of New York, New York, as the Treasurer may select, against payment therefor in Federal Reserve Bank Funds in Los Angeles, California. Any expense in making Federal Reserve Bank Funds available in Los Angeles, California, whether by transferring Federal Funds or otherwise, shall be borne by the purchasers.

Prompt Delivery: The City intends that the Bonds will be delivered to the successful bidder by April 19, 1972. The successful bidder shall have the right at his option to cancel the purchase if the City fails to cause the Bonds

to be executed and tendered for delivery by May 17, 1972; in such event the successful bidder shall be entitled to the return of the deposit accompanying the bid.

Form of Bid: Each bid, together with the bid check, must be in a sealed envelope, addressed to the City with the envelope and bid clearly marked "Proposal for City of San Diego 1966 Municipal Improvement Bonds, Series 6."

Bid Check: A certified or cashier's check drawn on a responsible bank or trust company in the amount of \$50,000 payable to the order of the Treasurer of The City of San Diego must accompany each proposal submitted as a guaranty that the bidder, if successful, will accept and pay for the Bonds in accordance with the terms of his bid. The check accompanying any accepted proposal shall be cashed and the proceeds shall be applied to the purchase price. If a proposal is accepted but not performed, unless such failure of performance shall be caused by any act or omission of the City, the proceeds of the check accompanying such accepted proposal shall be retained by the City. Any check accompanying an unaccepted proposal will be returned promptly.

Change in Tax Exempt Status: At any time before the Bonds are tendered for delivery, the successful bidder may disaffirm and withdraw the proposal if the interest received by private holders from bonds of the same type and character shall be declared to be taxable income under

present federal income tax laws, either by a ruling of the Internal Revenue Service or by a final decision of any federal court or shall be declared taxable by the terms of any federal income tax legislation enacted subsequent to the date of this notice.

Legal Opinions: The unqualified opinion of the City Attorney of The City of San Diego and O'Melveny & Myers, bond counsel for the City, approving the validity of the Bonds, will be furnished to the successful bidder at or prior to the date of delivery of the Bonds at the expense of the City. A copy of said legal opinion of O'Melveny & Myers, certified by an officer of the City by his facsimile signature, will be printed on the back of each Bond at the expense of the City.

No Litigation Certificate: At the time of payment for and delivery of this series of Bonds, the City Attorney will furnish the successful bidder a certificate that there is no litigation pending affecting the validity of the Bonds.

Information Available: For further information concerning the terms and conditions of the Bonds, prospective purchasers are referred to Ordinance No. 10786 (New Series) of The City of San Diego. Concerning the City and other factors pertinent to the issuance of the Bonds, prospective bidders are hereby referred to the Official

Statement of The City of San Diego. Copies of the ordinance and the Official Statement, and any other information requested, may be obtained from:

Stone & Youngberg
Municipal Financing Consultants, Inc.
One California Street
San Francisco, California
94111

GIVEN by order of the Council of The City of San Diego, California.

Dated: February 17, 1972

EDWARD NIELSEN,

~~Edward Nielsen~~, City Clerk
of The City of San Diego,
California

(SEAL)

APPROVED: JOHN W. WITT, City Attorney

By Peter D. Bulens
Peter D. Bulens, Deputy

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Passed and adopted by the Council of The City of San Diego on FEB 17 1972,
by the following vote:

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SAN DIEGO, CALIF.

Councilmen	Yeas	Nays	Excused	Absent
Gil Johnson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maureen F. O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Landt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floyd L. Morrow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Martinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Allen Hitch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Bates	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

PETE WILSON

Mayor of The City of San Diego, California.

(Seal)

EDWARD NIELSEN

City Clerk of The City of San Diego, California.

By Judith A. Miller, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number 204906 Adopted FEB 17 1972

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