

RESOLUTION NO. 208835

September 18, 1973

RESOLUTION OF THE COUNCIL OF THE
CITY OF SAN DIEGO, CALIFORNIA,
REJECTING UNOPENED BIDS FOR THE
PURCHASE OF IMPROVEMENT BONDS AND
DIRECTING THE CITY CLERK TO READVISE
NOTICE INVITING SEALED BIDS FOR THE
PURCHASE OF SAID BONDS.

(Mission Boulevard South Assessment District)

WHEREAS, pursuant to Resolution No. 208685
inviting bids for the purchase of bonds, bids were received
by the Purchasing Agent at the time and place fixed there-
for; and

WHEREAS, the Purchasing Agent has referred the
unopened bids to the Council for its determination because
the lowest bid theretofore received by the Purchasing Agent
for the construction of the improvements designated "Contract
No. 1" was considerably in excess of the engineering estimate
and, it appeared to the Purchasing Agent that change proceed-
ings by the Council to increase the total amount of the
assessment might be required before the project could be
ordered; and

WHEREAS, the Council has adopted Resolution
No. 208834 proposing to make changes by increasing the
total amount of the assessment and providing for a hearing
thereon; and

WHEREAS, the bonds cannot be awarded until after the time of hearing or the proposed changes, the Council deems it advisable to reject and return the unopened bids for the purchase of the bonds and to readvertise for the purchase of the bonds; NOW, THEREFORE,

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

Section 1. All unopened bids for the purchase of the bonds heretofore filed with the Purchasing Agent are hereby rejected and the Purchasing Agent is directed to return the unopened bids to the respective bidders.

Section 2. Sealed bids for the purchase of the bonds and certificates of ownership shall be received at the time and in the manner stated in the following notice. The City Clerk is directed to publish said notice once in THE SAN DIEGO DAILY TRANSCRIPT. Said notice shall be substantially as follows:

FOURTH NOTICE INVITING BIDS
ON 1911 ACT BONDS OF THE CITY
OF SAN DIEGO, CALIFORNIA

(Mission Boulevard South Assessment District)

NOTICE IS HEREBY GIVEN that pursuant to the Municipal Improvement Act of 1913 (commencing with Section 10000, Streets and Highways Code) sealed bids for improvement bonds of The City of San Diego are invited and will be taken as herein provided. THIS FOURTH NOTICE SUPERSEDES EARLIER NOTICES PUBLISHED on August 1, August 30, and August 31, 1973 in THE SAN DIEGO DAILY TRANSCRIPT.

TIME AND PLACE FOR FILING AND OPENING OF BIDS.

Bids must be sealed and filed with the Purchasing Agent at the Purchasing Department, Third Floor, City Operations Building, 1222 First Avenue, San Diego, California 92101, up to, but not later than 11:00 A.M. on October 29, 1973. Bids may be delivered personally or mailed to the Purchasing Agent at the above address. All bids so filed will be immediately opened, examined and declared by the Purchasing Agent in Conference Room 2, Second Floor, said City Operations Building. The Purchasing Agent will thereafter report the results of said bidding to the Council.

BID FORM. Forms of bids for the purchase of the bonds are provided by and may be obtained from the City Clerk. All bids shall be submitted in substantially the same form as that provided by the City Clerk.

THE PROJECT AND ASSESSMENT DISTRICT. The project is located in the Mission Beach area of The City of San Diego and consists of the construction of curbs, gutters, sidewalks, driveway entrances, ornamental street lighting, resurfacing of street center islands, landscaping and tree planting, installation of traffic signals, and the construction of storm drain facilities. Construction of the project will be divided into at least three contracts. It is expected that contracts for various portions of the project will be awarded during 1973, 1974, and 1975 and that the entire project will be completed in 1976.

Said improvements and the district to be assessed to pay the costs and expenses thereof are located entirely within The City of San Diego, all as more particularly described in the Report of the City Engineer on file in the office of the City Clerk.

ESTIMATED ASSESSMENT. The estimated cost of the project as shown on the Supplemental Report of the City Engineer is:

| | |
|---|---------------------|
| Estimated cost of construction (Contracts Nos. 1, 2, and 3), construction contingencies, and maintenance of street trees | <u>\$ 1,888,000</u> |
| Estimated incidental expenses | <u>269,400</u> |
| Estimated bond discount | <u>75,000</u> |
| Total estimated costs and expenses | <u>\$ 2,232,400</u> |
| LESS contribution by The City of San Diego | <u>712,000</u> |
| Remainder of estimated costs and expenses to be assessed upon property within the assessment district. | <u>\$ 1,520,400</u> |

Until the approval of said Report and the confirmation of the diagram and assessment contained therein, the Council of the city has the power and reserves the right to make changes in the proposed assessment district, the improvement, the assessment and diagram and any other act, determination or provision made, or permitted to be made, by the Council under

the Municipal Improvement Act of 1913. Construction bids for the first portion of the project have been received and bond bids will be received prior to confirmation of the diagram and assessment. Changes may be made in the amount of the assessment, as may be required by reason of the best responsible bids made upon such construction and upon the sale of the bonds.

CONSTRUCTION BID OPENING, HEARING ON REPORT,
CONFIRMATION AND RECORDATION OF ASSESSMENT AND AWARD OF
BONDS. Bids for the construction of the first portion of the project to be awarded in 1973 have been received, opened, and are available for inspection at the office of the Purchasing Agent, Second Floor, City Operations Building, 1222 First Avenue, San Diego, California. The hearing on the above-mentioned Report and the proposed assessment contained therein was commenced at the regular meeting of the Council on August 28, 1973, was continued to the regular meeting of September 18, 1973 at 9:30 A.M. and was further continued to October 30, 1973, at 9:30 A.M., at which time the Council will also conduct a hearing on a proposed increase of the amount of the total assessment from \$1,016,000, as originally proposed, to \$1,520,400. Upon the conclusion of the hearings the Council, in its discretion, may abandon the proceedings, make changes therein or may confirm said assessment

as filed with the City Clerk or as modified or corrected by the Council. The award of the bonds, if any, will be made following the conclusion of said hearing and the confirmation of said assessment. The assessment will be recorded not later than the day following its confirmation.

PUBLIC PROPERTY AND CERTIFICATES AGAINST PUBLIC PROPERTY. The assessment district contains certain public property owned by The City of San Diego and by the San Diego Unified School District. The resolution of intention omits from assessment all city-owned property which is in use in the performance of a public function but does not omit any other public property. Assessments will be levied on all public property not omitted from assessment and, if such assessments are not paid within 30 days after the date of recording the assessment, certificates of ownership representing assessments against public property will be issued pursuant to Sections 6467 to 6467.3, inclusive, Streets and Highways Code. All bids submitted must be for the purchase both of the bonds and of all such certificates. Except where the context clearly indicates otherwise, the words "bond" or "bonds", as used herein, shall include "certificate" or "certificates" of ownership representing assessments against public property.

DESCRIPTION OF BONDS. Pursuant to the Municipal Improvement Act of 1913, the Council has determined that bonds are to be issued under the Improvement Act of 1911 (commencing with Section 5000, Streets and Highways Code). The bonds are to be issued to represent each assessment of \$50 or over remaining unpaid for 30 days after the date of recordation of the assessment. The bonds will be dated the thirty-first day after such recordation. The bonds will be serial bonds and will extend over a period ending nine years from the second day of January next succeeding the next September 1st following their date. Pursuant to Section 6464, Streets and Highways Code, the Council has elected to have the redemption provisions of the bonds provide for payment to the bondholder of a premium of 5% of the unmatured principal of any bond paid prior to its maturity date.

It is expected that the bonds will be dated on or about November 30, 1973. The bonds will be payable in ten annual installments represented by principal coupons payable on January 2 of the years 1975 to 1984, inclusive. The first interest coupon will represent interest from the

date of the bonds to July 2, 1974 and thereafter interest coupons will represent semiannual interest on the unpaid balance.

PRINCIPAL AMOUNT OF BONDS. The principal sums of the individual bonds will vary in amounts. The aggregate principal amount of bonds to be issued cannot, and will not, be determined until after the expiration of the 30-day cash payment period during which property owners may pay their assessments in full or in part.

INTEREST RATE. The interest rate bid may not exceed 7%, payable semiannually. The interest rate must be a multiple of 1/100th of 1%. Only a single interest rate shall be bid for all of the bonds to be issued.

AWARD. The bonds will be sold for cash only. All bids must be for not less than all of the bonds to be issued, and any bid for less than all of the bonds or for varying rates of interest will be rejected. The bonds will be awarded to the highest responsible bidder, considering the interest rate specified and the premium or discount, if any, designated by the bidder. For the purpose only of comparing bids it will be assumed (i) that

bonds will be issued in a principal amount equal to the total estimated amount to be assessed upon property within the assessment district, namely, the sum of \$1,520,400 and (ii) that the bonds will be dated November 30, 1973. The highest bid will be determined by deducting the premium from, or adding the discount to, the total amount of interest which would be required to be paid from the date of the bonds on the decreasing balances thereof to January 2, 1984 at the coupon rate specified in the bid. The award will be made on the basis of the lowest net interest cost. If there are tie bids, the highest bid will be determined by lot.

TIME OF AWARD. The city will take action awarding the bonds or rejecting the bids not later than 72 hours after the time above specified for the filing of bids; provided, that the award may be made after the expiration of such time if the successful bidder shall not have given the Council notice in writing of the withdrawal of his bid.

GOOD FAITH CHECK. A certified or cashier's check on a responsible bank or trust company in the amount of \$45,000 payable to the order of the city must accompany

each proposal as a guarantee that the bidder, if successful, will accept and pay for the bonds in accordance with the terms of his bid. The proceeds of the check accompanying any accepted proposal will be applied on the purchase price; provided, that if the successful bidder fails to perform in accordance with the terms of this notice and of his bid said proceeds will then be retained by the city. The check accompanying each unaccepted proposal will be returned promptly.

DELIVERY. Delivery of said bonds will be made to the successful bidder at the office of the Treasurer, Third Floor, City Operations Building, 1222 First Avenue, San Diego, California. It is expected that the bonds will be delivered within 75 days from the date of sale thereof. The successful bidder shall have the right, at his option, to cancel the contract of purchase if the Treasurer shall fail to execute the bonds and tender them for delivery within said 75-day period, in which event the successful bidder shall be entitled to the return of the good faith check accompanying his bid. At the time of delivery the purchaser must pay accrued interest from the date of the bonds to the date of delivery, computed on a 360-day year basis.

LEGAL OPINION; COST OF PRINTING BONDS. The un-qualified opinion of Franklin T. Hamilton, Attorney, Los Angeles, California, approving the validity of said 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. The cost of printing bonds will be borne by the city and will not be payable by the successful bidder.

RIGHT OF REJECTION. The Council reserves the right in its discretion to reject any and all bids and, to the extent authorized by law, to waive any irregularity or informality in any bid.

GIVEN BY ORDER of the Council of The City of San Diego, California, on September 18, 1973.

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

APPROVED: JOHN W. WITT, City Attorney

by


John W. Wood, Deputy

Passed and adopted by the Council of The City of San Diego on SEP 18 1973,
 by the following vote:

| 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 type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allen Hitch | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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 Ed. Hering, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number 208835 Adopted SEP 18 1973