

R. 78-1885

April 17, 1978

RESOLUTION NO. 220655

RESOLUTION OF THE COUNCIL OF THE CITY
OF SAN DIEGO, CALIFORNIA, DIRECTING
THE CITY CLERK TO GIVE NOTICE INVITING
SEALED BIDS FOR THE PURCHASE OF IMPROVE-
MENT BONDS

(Tia Juana River Flood Improvement District)

WHEREAS, the Council adopted a resolution approving
a Report of the City Engineer under the San Diego Improve-
ment District Procedural Ordinance and Resolution of
Intention No. 220653, and provided for a hearing
thereon; and

WHEREAS, it is desirable that bids be invited for
the purchase of bonds; NOW, THEREFORE,

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

Section 1. Sealed bids for the purchase of the
above bonds shall be received at the time and in the manner
stated in the following notice. The City Clerk is directed
to publish the notice once in THE SAN DIEGO DAILY TRANSCRIPT.
Before publication, the City Clerk shall complete the
notice by filling in the correct data in the various blank
spaces. The notice shall be substantially as follows:

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

(Tia Juana River Flood Improvement District)

NOTICE IS HEREBY GIVEN that pursuant to San Diego Improvement District Procedural Ordinance and the Municipal Improvement Act of 1913, sealed bids for improvement bonds of The City of San Diego to be issued under the Improvement Act of 1911 are invited and will be taken as herein provided.

TIME AND PLACE FOR FILING AND OPENING OF BIDS. Bids must be sealed, received, and on file with the Purchasing Agent at the Purchasing Department, Third Floor, City Operations Building, 1222 1st Avenue, San Diego, California 92101, up to, but not later than, 11:00 A.M. on _____, 1978. Bids may be delivered personally or mailed to the Purchasing Agent at his office 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, 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 Superintendent of

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Streets. All bids shall be submitted in substantially the same form as that provided by the Superintendent of Streets.

THE PROJECT AND ASSESSMENT DISTRICT. The project is for the acquisition and construction of flood control facilities in the Tia Juana River Valley. The project is to be constructed by the U. S. Corps of Engineers and the costs and expenses are to be shared by the city, state, and federal governments. The assessment represents a portion of the costs and expenses to be assessed against benefited lands within the assessment district.

The acquisitions and 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 Report of the City Engineer is:

Construction cost, Corps of Engineers	\$ 6,666,666
Engineering and contingencies, Corps of Engineers	1,850,000
Land acquisition costs	2,796,263
Incidental expenses and bond discount, City of San Diego	<u>72,500</u>
Total costs and expenses	\$11,385,429

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Total costs and expenses	\$11,385,429
LESS participation by:	
City of San Diego	- 404,600
State of California	- 1,139,609
United States of America	- <u>9,140,280</u>
Remainder of costs and expenses to be assessed against benefited lands within the assessment district	\$ 700,940

Until the approval of the 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 San Diego Improvement District Procedural Ordinance and the Municipal Improvement Act of 1913. Changes may be made in the amount of the assessment, as may be required by reason of the best responsible bid made 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 project have heretofore been received and opened by the U. S. Corps of Engineers. The above-mentioned Report and the proposed assessment contained therein has been set for hearing by the Council at 8:30 A.M., on _____, 1978. Upon the conclusion of the

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hearing, 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.

PUBLIC PROPERTY. The resolution of intention omits only the public property of the United States of America.

DESCRIPTION OF BONDS. Pursuant to the San Diego Improvement District Procedural Ordinance and 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 thirty (30) days after the date of recordation of the assessment. 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 a premium of 5% of the unmatured principal of any bond paid prior to its maturity date.

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The bonds will be dated _____, 1978. The principal of the bonds will be payable in 10 annual installments, represented by principal coupons payable on January 2 of the years 1979 to 1988, inclusive. The first interest coupon will represent interest from the date of the bonds to January 2, 1979 and thereafter the 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 may not exceed eight percent (8%) 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.

CITY PURCHASE OF BONDS ON PROPERTY OF LOW-INCOME OWNERS.
Division 19 (commencing with Section 61.1900) of Article 1, Chapter VI of the San Diego Municipal Code authorizes the City Manager, on behalf of the city, to purchase bonds to be issued upon the real property of "low-income owners," as that term is defined therein. Pursuant to Section 61.1911

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of the Municipal Code, the city hereby reserves and has the right to purchase any such bonds from the person or persons to whom the bonds are awarded. At any time prior to delivery of the bonds by the city, the City Manager, in his discretion, may purchase any or all such bonds at a purchase price equal to the principal amount of the bonds plus accrued interest from the date of the bonds to the date of bond delivery.

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 amount to be assessed upon property within the assessment district, namely, the sum of \$ _____ and (ii) that the bonds will be dated _____, 1978. 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, 1988 at the coupon rate specified in

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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.

BID SECURITY. A certified or cashier's check on a responsible bank or trust company in the amount of \$21,000 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 the accepted bid 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.

The successful bidder, at his option, may substitute U. S. Treasury instruments for his good faith check and thereupon obtain the return of his check. The U. S. Treasury

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instruments shall consist of bills, notes, certificates, or bonds issued by the United States of America, may be either interest or non-interest bearing instruments, shall have a maturity date of 75 or more days after the date of sale of the bonds to the successful bidder and, on the day of substitution, shall have a market value not less than the amount of the good faith check. No credit will be applied against the purchase price of the bonds by reason of the deposited U. S. Treasury instruments but, upon delivery of the bonds and payment by the purchaser of the full purchase price thereof, all deposited U. S. Treasury instruments, together with all interest coupons, if any, attached thereto at the time of deposit, shall be returned to the purchaser; all interest earned on the instruments during the period of deposit shall belong to the purchaser. If the successful bidder fails to perform in accordance with the terms of this notice and of his bid, the deposited U. S. Treasury instruments and any interest coupons attached thereto shall be retained by the city.

DELIVERY. Delivery of said bonds will be made to the successful bidder at the office of the Treasurer, Third Floor, City Operations Building, 1222 1st Avenue, San Diego, California. In the absence of the filing of litigation against the city, or any of its officers, contesting the validity of the proceedings, the assessment, or the bonds,

it is expected that the bonds will be delivered within 75 days from the date of sale thereof. 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. 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. If any such litigation is filed prior to the delivery of the bonds, either the Council or the successful bidder shall have the right, at their respective options, to cancel the contract of purchase. In the event of cancellation, either by the Council or by the successful bidder, the successful bidder shall be entitled to the return of the good faith check accompanying his bid or any U. S. Treasury instruments substituted therefor.

LEGAL OPINION; COST OF PRINTING BONDS. The unqualified 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 the 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 _____, 1978.

Charles D. Abdelnour
City Clerk, The City of
San Diego, California

YVARNAD ETC... (mirrored text)

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APPROVED: JOHN W. WITT, City Attorney

By: Paul E. Robinson
Paul E. Robinson, Deputy

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Passed and adopted by the Council of The City of San Diego on _____
by the following vote:

Councilmen	Yeas	Nays	Excused	Absent
Bill Mitchell	<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"/>
Bill Lowery	<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"/>
Fred Schnaubelt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Gade	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Larry Stirling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jess D. Haro	<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.

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

(Seal)

By Betty Goehring Deputy.

Office of the City Clerk, San Diego, California

Resolution Number 220655 Adopted APR 17 1978