

RESOLUTION NO. R- 255468 DEC 7 1981

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 IMPROVEMENT BONDS

(Sunset Cliffs Shoreline Stabilization
Assessment District)

WHEREAS, the Council adopted a resolution approving a
Report of the City Engineer under the Municipal Improvement Act
of 1913, and Resolution of Intention No. R- 255465,
and providing for a hearing thereon; and

WHEREAS, it is desirable that, prior to said hearing,
bids be received for the purchase of bonds to be issued to rep-
resent unpaid assessments; NOW, THEREFORE,

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

Section 1. Sealed bids for the purchase of said bonds
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 Daily Transcript. Before publication, the
Clerk shall complete the notice by filling in the correct
information in the blank spaces. Said notice shall be substan-
tially as follows:

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

(Sunset Cliffs Shoreline Stabilization Assessment District)

NOTICE IS HEREBY GIVEN that pursuant to the provisions of 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.

TIME AND PLACE FOR FILING AND OPENING OF BIDS. Bids must be sealed and filed with the Purchasing Department, Fifth Floor, City Operations Building, 1222 First Avenue, San Diego, California 92101, up to, but no later than, 11:00 a.m. on January 28, 1982. Bids may be delivered personally or mailed to the Purchasing Department at the above address. All bids so filed will be immediately opened, examined and declared by the Purchasing Agent or his designated representative in the Conference Room, Fifth 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 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 generally described as follows: work and improvements necessary and proper to preserve and protect public streets, facilities, and lands in and near the upper and lower cliffs of the shoreline between Narragansett and Osprey Streets within public rights of way and public places in the Sunset Cliffs area of the City, and on private property with the owners' consent pursuant to Streets and Highways Code Section 5105(c), consisting, in general, among other things, of rock revetments, reinforced earth walls, landscaping, irrigation systems, backfill, stairways, grouting, splash walls, vehicular and pedestrian access, and elevated sand beaches, and works and appurtenant work in connection therewith; as more fully 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 Manager is:

Estimated construction cost	\$2,606,521.00
Estimated incidental expenses	200,000.00
Estimated bond discount and attorney fees	<u>87,125.00</u>
Total estimated costs and expenses	2,893,646.00
Less City of San Diego contribution	835,269.00
Less State of California contribution	<u>1,100,000.00</u>
Remainder of estimated costs and expenses to be assessed upon property within the assessment district	\$ 958,377.00

Until the confirmation of the diagram and assessment contained in the Report, the Council has the power and reserves the right to make changes in the proposed assessment district, the improvements, 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.

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 bids are scheduled to be opened at 11:00 o'clock a.m. on January 27, 1982, one day before the bond bids are scheduled to be opened. Bond bidders are invited to inquire of the Purchasing Agent after the time and date at which construction bids are to be opened to ascertain the amount of the bid of the apparent successful bidder.

HEARING ON REPORT, CONFIRMATION AND RECORDATION OF ASSESSMENT AND AWARD OF BONDS. The above-mentioned Report and the proposed assessment contained therein has been set for hearing by the Council at 2:00 p.m., on February 23, 1982. Upon the conclusion of the hearing, which may continue from time to time, the Council, in its discretion, may abandon the proceedings, make changes therein, or may confirm the 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, as it may be continued, and the confirmation of the assessment. The assessment will be recorded in the office of the Street Superintendent not later than the day following its confirmation.

DESCRIPTION OF BONDS. The Council has determined that bonds will 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 \$150 or over remaining unpaid for thirty (30) days after the date of recordation of the assessment in the office of the Street Superintendent. The bonds will be dated the thirty-first day after such recordation. The bonds will be serial bonds and will extend over the respective years following the second day of January next succeeding the next September 1st following their date as set forth in column (3) below depending on whether the bond is an amount in column (1) or more but less than the adjacent amount in column (2).

(1)	(2)	(3)
150	1,000	2
1,000	5,000	5
5,000	10,000	8
10,000	20,000	11
20,000	infinite	14

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.

If any installment of the principal of the unpaid assessment or of interest thereon is not paid to the City Treasurer on or before the due date next preceding the date upon which the coupons representing it are payable to the bondholder, then the Treasurer shall, after the close of business on the due date, add to the principal or interest so delinquent a penalty of 2% of the total amount of such delinquency, and at the beginning of the business day on the first day of each succeeding month until such delinquent payment and all penalties thereon are fully paid, he shall add an additional penalty of 2% of the amount of such delinquency. The Treasurer shall collect such penalties with and as a part of the delinquent payment. The Council has elected to have the last sentence of the default clause of the bonds provide that the 2% penalty first imposed shall be retained by the Treasurer as a cost of servicing the delinquency and all subsequent penalties shall be paid to the holder of the bond along with and as a part of such defaulted payment.

It is expected that the bonds will be dated on or about March 26, 1982. The bonds will be payable in annual installments, represented by principal coupons, payable on January 2 of the years as provided in the schedule set forth above. The first interest coupon will represent interest from the date of the bonds to January 2, 1983, 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 30 days from the date of recording the assessment in the office of the Street Superintendent.

INTEREST RATE. The interest rate may not exceed the maximum rate allowed by law at the time of award. (The interest rate must be a multiple of 1/100th of 1%.)

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 of the Municipal Code, the City 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 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. (If the maximum interest rate allowed by law is changed to 12% per annum prior to the date of award, then the City will determine the best bid from the bids based on that maximum interest rate.) 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 \$958,377, (ii) that the individual assessments will be as estimated in the Report of the City Engineer, and (iii) that the bonds will be dated March 26, 1982. 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 of the individual assessments based on the maturity schedule set forth above 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 30 days 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 \$10,000, 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 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 award 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; except that if the successful bidder fails to perform in accordance with the terms of this notice and of his bid, then 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, City Administration Building, 202 "C" 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 bid security accompanying his bid. At the time of delivery the purchaser shall 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 unqualified opinion of Richard A. Burt, attorney of Gray, Cary, Ames & Frye, San Diego, California, approving the validity of the

bonds will be furnished to the successful bidder at or before delivery of the bonds at the expense of the City. The cost of printing the bonds will be borne by the City.

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 December 21, 1981.

APPROVED: John W. Witt,
City Attorney

By:


Deputy

City Clerk

DEC 7 1981

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

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Susan Golding	<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"/>
Ed Struiksma	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dick Murphy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lucy Killea	<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)

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

By Maguel L. Portocarrero, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number 255468 Adopted DEC 7 1981