

RESOLUTION NO. 211654

R-75-673

SEP 26 1974

RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SAN DIEGO, CALIFORNIA, DIRECTING THE
CITY CLERK TO GIVE NOTICES INVITING SEALED
BIDS FOR THE PURCHASE OF BONDS

(Park District No. 12F - TECOLOTE CANYON)

WHEREAS, on June 6, 1974, the Council adopted
Resolution of Intention No. 210795, and adopted Resolution
No. 210796 approving a Report of the City Manager under
Division 8 of the San Diego Park District Procedural Ordinance
of 1969, and provided for a hearing thereon; and

WHEREAS, on July 18, 1974, the Council, after public
hearing, adopted Resolution No. 211118 confirming the assessment;
and

WHEREAS, it is desirable that bids be received for the
purchase of bonds to be issued to represent 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. Said notice shall
be substantially as follows:

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

(Park District No. 12F - TECOLOTE CANYON)

NOTICE IS HEREBY GIVEN that pursuant to the provisions of Division 8 of the San Diego Park District Procedural Ordinance of 1969, as amended, which incorporates by reference the provisions of the 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 Agent in his office in the City Operations Building, 1222 First Avenue, San Diego, California, up to, but not later than 11:00 A.M. on October 29, 1974. 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 the Conference Room No. 2 on the second floor of said City Operations Building. The Purchasing Agent will thereafter report on 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 Purchasing Agent.

All bids shall be submitted in substantially the same form as that provided by the Purchasing Agent.

THE PROJECT AND ASSESSMENT DISTRICT. The project generally consists of the acquisition of certain open space lands in the City commonly known as "Tecolote Canyon" and its tributaries for park and recreation purposes. The acquisition and the district to be assessed to pay the costs and expenses thereof are located in the Clairemont-Mesa area of The City of San Diego, all as more particularly described in the Report of the City Manager on file in the office of the City Clerk.

ASSESSMENT. The total amount of the assessment, as confirmed by Resolution No. 211118, is \$1,359,753.00. The estimated cost of the entire project as shown in the Report of the City Manager is:

Value of City-owned lands	\$1,743,000
Estimated cost of acquisition of other lands, including closing costs	3,398,514
Estimated incidental expenses	232,500
Estimated bond discount	<u>65,000</u>
Total estimated costs and expenses of park and recreation lands	\$5,439,014
LESS: Value of City-owned lands to be contributed	1,743,000
City cash contribution	2,336,261
Total estimated costs and expenses to be assessed upon	

property within assessment
district \$1,359,753

The assessment was recorded in the office of the Street Superintendent on July 23. Cash in the aggregate amount of \$190,186.50 was paid on the assessment.

The amounts of four assessments were found to have been in error; it is anticipated they will be adjusted by Council action so that the assessment will be reduced by \$1,860.96 (and the City's cash contribution increased accordingly). Thus the total amount estimated to go to bond is as follows:

Assessment per Report	\$1,359,753.00
Less adjustments to be made	<u>1,860.96</u>
	\$1,357,892.04
Less payments	<u>190,186.50</u>
Total estimated amount to bond	\$1,167,705.54

DESCRIPTION OF BONDS. 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 (9) 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 percent of the unmatured principal of the bonds.

It is expected that the bonds will be dated on or about November 1, 1974 (but may be dated later). The bonds will be payable in ten (10) annual installments represented by principal coupons payable on January 2 of the years 1976 to 1985, inclusive. The first interest coupon shall be for interest from the date of the bonds and shall be payable to the holder on July 2, 1975, 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 actually to be issued may vary slightly from the amount referred to above.

INTEREST RATE. The interest rate may not exceed 7 percent, payable semiannually. The interest rate must be a multiple of 1/100th of 1 percent. 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 proposed 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

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bidder. For the purpose only of comparing bids it will be assumed (i) that bonds will be issued in a principal amount of \$1,167,705.54; and (ii) that the bonds will be dated November 1, 1974. 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, 1985, at the coupon rate specified in the bid. The award will be made on the basis of the lowest net interest cost. If there shall be 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 \$50,000.00 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, City Administration Building, 202 "C" Street, 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 unqualified opinion of Richard A. Burt, attorney, of the firm of Gray, Cary, Ames & Frye, San Diego, approving the validity of said bonds will be furnished to the successful bidder upon the 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.

PENDING LEGAL ACTION. A lawsuit entitled Wesley Bliler et al. vs. City of San Diego et al., No. 357078, in the Superior Court of California, County of San Diego, was filed on August 15, 1974, relating to these proceedings. In the opinion of counsel for the City the action is without merit. You are advised, however, that a final decision in the action may affect the validity of one or more of the bonds to be issued, and, accordingly, the City reserves the right to cancel the contract of purchase, without any liability on its part, depending on the status or final outcome thereof.

GIVEN BY ORDER of the Council of The City of San Diego, California, on SEP 26 1974.

EDWARD NIELSEN

City Clerk, The City of San Diego, California

APPROVED: JOHN W. WITT
City Attorney

By H. Valderhans
Deputy

RB:HOV
9-19-74

Passed and adopted by the Council of The City of San Diego on SEP 26 1974,
 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"/>
Lee Hubbard	<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"/>
Jim Ellis	<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.

EDWARD NIELSEN
 City Clerk of The City of San Diego, California.

By Patricia Polen, Deputy.

(Seal)

RECEIVED
 CITY CLERK'S OFFICE
 1974 SEP 20 PM 2:01
 SAN DIEGO, CALIF.

Office of the City Clerk, San Diego, California

Resolution Number **211654** Adopted **SEP 26 1974**