

CITY OF KIRKLAND, WASHINGTON

ORDINANCE NO. 2111

AN ORDINANCE of the City of Kirkland, Washington, providing for the carrying out of an extensive street overlay program and making improvements to park properties within the City; declaring the estimated cost thereof as near as may be; providing for the issuance and sale of \$300,000.00 par value of "General Obligation Bonds, 1970," of the City to pay the cost thereof; specifying the maturities and fixing the form and maximum effective interest rate of such bonds; establishing a "General Obligation Bond Fund, 1970," and providing for the sale of such bonds.

WHEREAS, the City is in urgent need of carrying out an extensive street overlay program and of making improvements to park properties within the City, and the City does not have available sufficient funds to meet the total estimated cost thereof; and

WHEREAS, the assessed valuation of the taxable property in the City as ascertained by the last preceding assessment for City purposes for the calendar year of 1970 is \$24,939,387.00 and at the time of the passage of this ordinance the existing outstanding general indebtedness consists of (1) \$678,000.00 par value of general obligation bonds, of which \$335,000.00 par value represents general obligation bonds of the former City of Houghton which has been merged into the City of Kirkland, issued within the limit up to 5% of the value of the taxable property within the City permitted pursuant to a vote of the electors within the City for general municipal capital purposes, (2) \$460,000.00 par value of general obligation bonds issued within the additional limit of 5% of the value of the taxable property within the City permitted pursuant to a vote of the electors within the City for utility purposes, and (3) \$248,389.00 unpaid balances on contracts and lease purchase agreements, and the amount of indebtedness for which bonds are hereby authorized to be issued is \$300,000.00; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KIRKLAND, WASHINGTON, DO ORDAIN, as follows:

Section 1. The City of Kirkland, Washington, shall carry out an extensive street overlay program and shall make improvements to park properties within the City.

Section 2. The estimated cost of the foregoing, including the cost of the issuance of general obligation bonds herein authorized, is hereby declared to be, as near as may be, the sum of \$300,000.00. The City shall borrow money on the credit of the City and issue negotiable general obligation bonds evidencing such indebtedness. Such general indebtedness to be incurred shall be within the limit of up to 1-1/2% of the value of the taxable property within the City permitted for general municipal purposes without a vote of the qualified voters therein.

Section 3. The bonds shall be called "General Obligation Bonds, 1970," of the City of Kirkland, Washington, shall be dated August 1, 1970, shall be in denominations of \$5,000.00 each, shall be numbered from 1 to 60, inclusive, and shall bear interest at an effective rate not to exceed 8% per annum, payable semiannually on February 1 and August 1 of each year, as evidenced by coupons attached to the bonds representing interest to maturity with full obligation on the part of the City to pay interest at the bond rate, from and after maturity, until the bonds, both principal and interest, are paid in full. Both principal and interest are to be paid in lawful money of the United States of America at the office of the City Treasurer of Kirkland, Washington. The bonds shall mature serially in order of their numbers on August 1 in the years and amounts as follows:

<u>Bond Numbers</u> <u>Inclusive</u>	<u>Amounts</u>	<u>Maturities</u>
1 to 4	\$20,000	August 1, 1972
5 to 8	20,000	August 1, 1973
9 to 12	20,000	August 1, 1974
13 to 17	25,000	August 1, 1975
18 to 22	25,000	August 1, 1976
23 to 27	25,000	August 1, 1977
28 to 33	30,000	August 1, 1978
34 to 39	30,000	August 1, 1979
40 to 46	35,000	August 1, 1980
47 to 53	35,000	August 1, 1981
54 to 60	35,000	August 1, 1982

Section 4. The bonds shall be issued without the right or option of the City to call the same for redemption prior to their respective maturity dates.

Section 5. The City of Kirkland hereby irrevocably pledges itself to levy taxes annually, within the constitutional and statutory tax limitations provided by law, upon all property in the City subject to taxation in an amount sufficient to pay the principal of and interest on the bonds as the same shall accrue, and the full faith, credit and resources of the City are hereby irrevocably pledged for the payment of the principal of the interest on such bonds.

Section 6. The bonds shall be substantially in the following form:

No. _____ \$5,000.00

UNITED STATES OF AMERICA
STATE OF WASHINGTON
CITY OF KIRKLAND
GENERAL OBLIGATION BOND, 1970

_____ &

KNOW ALL MEN BY THESE PRESENTS: That the City of Kirkland, Washington, is justly indebted to and for value received hereby promises to pay to bearer on the FIRST DAY OF AUGUST, 19___, the sum of

FIVE THOUSAND DOLLARS

together with interest thereon at the rate of _____ PERCENT
(_____ %) per annum, payable semiannually on February 1 and August 1 of each year, interest to maturity being evidenced by and payable upon the presentation and surrender of the attached interest coupons as they severally become due, with full obligation on the part of the City to pay interest at the same rate from and after the maturity date, in the absence of coupons, until this bond with interest is paid in full. The bond is payable, both principal and interest, in lawful money of the United States of America at the office of the City Treasurer of the City of Kirkland, Washington.

This bond is one of a total issues of \$300,000.00 par value of bonds, all of like date, tenor and effect, except as to maturities (and interest rates if more than one interest rate is bid), issued by the City of Kirkland for general municipal purposes, to-wit, for the purpose of providing the funds to carry out an extensive street overlay program and to make improvements to park properties within the City, and issued in full compliance with the ordinances of the City of Kirkland and the laws and constitution of the State of Washington.

This bond is issued without the right or opinion of the City to call the same for redemption prior to its stated maturity date.

The City of Kirkland hereby irrevocably pledges itself to levy taxes annually, within the constitutional and statutory tax limitations provided by law, upon all property in the City subject to taxation in an amount sufficient to pay the principal of and interest on the bonds of this issue as the same shall accrue, and the full faith, credit and resources of the City are hereby irrevocably pledged for the payment of the principal of the interest on said bonds.

It is hereby certified that all acts, conditions and things required to be done precedent to and in the issuance of this bond have been done, have happened and have been performed as required by law, and that the total indebtedness of the City, including this bond issue, does not exceed any constitutional or statutory limitations.

IN WITNESS WHEREOF, the City of Kirkland, Washington, has caused this bond to be signed by the facsimile signature of its Mayor and attested by the manual signature of its Director of Administration

and Finance, ex officio City Clerk, and its corporate seal to be hereto affixed and the interest coupons attached to be signed with the facsimile signatures of those officials this first day of August, 1970.

CITY OF KIRKLAND, WASHINGTON

By (facsimile signature)
Mayor

ATTEST:

Director of Administration and
Finance, ex officio City Clerk

The form of the interest coupons shall be substantially as follows:

Coupon No. ____
\$ _____

On the FIRST DAY OF (FEBRUARY) (AUGUST), 19__, the CITY OF KIRKLAND, WASHINGTON, upon presentation and surrender of this coupon, will pay to the bearer at the office of the City Treasurer the sum shown hereon in lawful money of the United States of America, said sum being the semiannual interest due that date upon its "General Obligation Bond, 1970," dated August 1, 1970, and numbered _____.

CITY OF KIRKLAND, WASHINGTON

By (facsimile signature)
Mayor

ATTEST:

(facsimile signature)
Director of Administration and
Finance, ex officio City Clerk

Section 7. The bonds shall be printed or lithographed on good bond paper and shall be signed by the facsimile signature of the Mayor and attested by the manual signature of the Director of Administration and Finance, ex officio City Clerk, of the City of Kirkland, Washington, under the seal of the City and the coupons shall bear the facsimile signatures of the Mayor and the Director of Administration and Finance, ex officio City Clerk.

Section 8. There is hereby created and established in the office of the City Treasurer a special fund to be known and designated as the "General Obligation Bond Fund, 1970," of the City. The accrued interest received, if any, shall be paid into the "General Obligation Bond Fund, 1970," and the principal proceeds received from the sale of the bonds shall be paid into the Street and Park Bond Construction Fund of the City of Kirkland,

All taxes collected for and allocated to the payment of the principal of and interest on the bonds shall hereafter be deposited in the "General Obligation Bond Fund, 1970."

Section 9. The bonds shall be sold for cash at public sale for not less than par, plus accrued interest, upon sealed bids to be received at the office of the Director of Administration and Finance, ex officio City Clerk, up to the day and hour stated in the Notice of Bond Sale hereinafter directed to be given.

Notice calling for bids to purchase such bonds shall be published once a week for four consecutive weeks in the official newspaper of the City of Kirkland and such notice shall also be published once in the Daily Journal of Commerce of Seattle, Washington, at least ten days before the bid opening date. Such notice shall specify that bids for purchase of the bonds shall be received by the Director of Administration and Finance, ex officio City Clerk, of the City of Kirkland at the Council Chambers of the City Hall of the City on July 20, 1970, up to 8:00 o'clock, p.m. (PDST), at which time all bids will be publicly opened for the purchase of the bonds.

A copy of the Notice shall, at least three weeks prior to the date fixed for the sale, be mailed to the State Finance Committee, Olympia, Washington.

Bids shall be invited for the purchase of the bonds with fixed maturities in accordance with the schedule specified in Section 3 of this ordinance.

The Notice shall specify the maximum effective rate of interest the bonds shall bear, to-wit, 8% per annum, and shall require bidders to submit a bid specifying:

- (a) The lowest rate or rates of interest and premium, if any, above par at which the bidder will purchase the bonds; or
- (b) The lowest rate or rates of interest at which the bidder will purchase the bonds at par.

For the purpose of evaluating bids only, the coupon rates bid being controlling, each bid shall state the total interest cost over the life of the bonds and the net effective interest rate of such bid.

Coupon rates shall be in multiples of 1/8 or 1/10 of 1% or both. No more than one rate of interest may be fixed for any one maturity. 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 maximum differential between the lowest and highest coupon rates named in any bid shall not exceed 2%.


The bonds shall be sold to the bidder making the best bid, subject to the right of the City Council of the City of Kirkland to reject any and all bids and to readvertise the bonds for sale in the manner provided by law, and no bid for less than all of the bonds shall be considered.

All bids shall be sealed and, except the bid of the State of Washington, if one is received, shall be accompanied by a deposit of \$15,000.00. The deposit shall be either cash or by certified or cashier's check made payable to the City Treasurer of the City of Kirkland, and shall be promptly returned if the bid is not accepted. If the bonds are ready for delivery and the successful bidder shall fail and neglect to complete the purchase of the bonds within forty days following the acceptance of his bid, the amount of his deposit shall be forfeited to the City of Kirkland and in that event the City Council may accept the bid of the one making the next best bid. If there be two or more equal bids for the bonds for not less than par plus accrued interest and such bids are the best bids received, the City Council shall determine by lot which bid will be accepted. The bonds will be delivered to the successful bidder at the office of the City Treasurer of the City of Kirkland or in the City of Seattle at the City's expense, or at such other place as the City Treasurer and the successful bidder may mutually agree upon the purchaser's expense. A no-litigation certificate in the usual form will be included in the closing papers.

Any bid presented after the hour specified for the receipt of bids will not be received and any bid not accompanied by the required bid deposit at the time of opening such bid will not be read or considered.

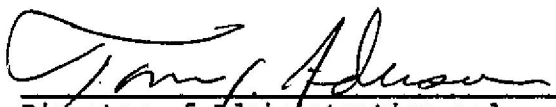
The Director of Administration and Finance, ex officio City Clerk, of the City of Kirkland shall be and is hereby authorized and directed to publish Notice for the purchase of the bonds in the manner required by law in accordance with the provisions of this section. Such Notice shall provide that the City of Kirkland, will cause the bonds to be printed and lithographed and signed and will furnish the approving legal opinion of Messrs. Roberts, Shefelman, Lawrence, Gay & Moch, municipal bond counsel of Seattle, Washington, covering the bonds without cost to the purchaser, said opinion also being printed on each bond.

PASSED by the City Council of the City of Kirkland, Washington, at a regular meeting thereof, and APPROVED by the Mayor this 15th day of June, 1970.



Mayor

ATTEST:

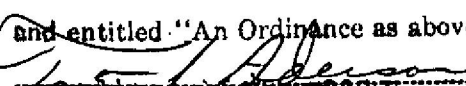


Director of Administration and Finance, ex officio City Clerk

FORM APPROVED:



City Attorney

I hereby certify that the foregoing is a true and correct copy of an Ordinance of the City of Kirkland and that the same was published or posted according to law, said Ordinance being No. 2111 and entitled "An Ordinance as above."


City Clerk
Ordinance No. 2111