

ORDINANCE NO. 292

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF PROMISSORY NOTES OF THE CITY OF BROOKINGS, OREGON, IN THE AGGREGATE PRINCIPAL SUM OF \$100,000.00 FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR THE COST OF CONSTRUCTION OF A WATER SYSTEM WITHIN AND WITHOUT THE BOUNDARIES OF THE CITY OF BROOKINGS, OREGON, AND AUTHORIZING AND DIRECTING THE CITY RECORDER TO ADVERTISE FOR WRITTEN BIDS ON SAID NOTES, AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Brookings, Oregon having been assured that the Farmers Home Administration has set aside the sum of \$100,000.00 for the purpose of construction of a High Level Water System Improvement Project within and without the boundaries of the City of Brookings; and

WHEREAS, the Farmers Home Administration will, upon receipt of certification of project costs in the construction of this High Level Water System Improvement Project, advance to the City of Brookings, Oregon \$100,000.00 and,

WHEREAS, the amount of the proposed total Promissory Notes to be issued for interim financing will not exceed the \$100,000.00 sum specified by the Farmers Home Administration for this High Level Water System Improvement Project;

THE CITY OF BROOKINGS ORDAINS AS FOLLOWS:

Section 1:

Acting pursuant to the provisions of O.R.S. Chapter 287.522 the City of Brookings shall issue and sell four (4) Promissory Notes in the aggregate principal sum of \$100,000.00 for the purpose of providing interim financing for the costs of construction of the High Level Water System within and without the boundaries of the City of Brookings, Oregon, including the acquisition of such easements and property rights, the costs of

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF PROMISSORY NOTES OF THE CITY OF BROOKINGS, OREGON, IN THE AGGREGATE PRINCIPAL SUM OF \$100,000.00 FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR THE COST OF CONSTRUCTION OF A WATER SYSTEM WITHIN AND WITHOUT THE BOUNDARIES OF THE CITY OF BROOKINGS, OREGON, AND AUTHORIZING AND DIRECTING THE CITY RECORDS TO ADVERTISE FOR WRITING SAID NOTES, AND DEPOSITING AN ENERGY.

WHEREAS, the City Council of the City of Brookings,

Oregon having been assured that the Farmers Home Administration has set aside the sum of \$100,000.00 for the purpose of construction of a High Level Water System Improvement Project within and

without the boundaries of the City of Brookings; and

WHEREAS, the Farmers Home Administration will, upon

receipt of certification of project costs in the construction of this High Level Water System Improvement Project, advance to the

City of Brookings, Oregon \$100,000.00 and,

WHEREAS, the amount of the proposed total Promissory

Notes to be issued for interim financing will not exceed the

\$100,000.00 now specified by the Farmers Home Administration for

this High Level Water System Improvement Project;

THE CITY OF BROOKINGS OPINES AS FOLLOWS:

Section 1:

Adding pursuant to the provisions of O.R.S. Chapter

287.822 the City of Brookings shall issue and sell four (4)

Promissory Notes in the aggregate principal sum of \$100,000.00

for the purpose of providing interim financing for the costs of

construction of the High Level Water System within and without

the boundaries of the City of Brookings, Oregon, including the

acquisition of such easements and property rights, the costs of

construction, engineering expense, legal fees and other related costs.

Said Notes shall be in usual form, shall be negotiable, shall be in the amounts and dated within 30 days of the dates as set forth below and shall bear interest at the rate bid, both to principal and interest payable on or before the due date as follows:

<u>Date of Issue</u>	<u>Amount</u>	<u>Due Date</u>
Feb. 25, 1978	\$25,000	July 1, 1979
Feb. 25, 1978	\$25,000	July 1, 1979
Feb. 25, 1978	\$25,000	July 1, 1979
Feb. 25, 1978	\$25,000	July 1, 1979

City reserves the right to reject any and all Bids for the Notes.

The Farmers Home Administration has agreed to provide to the City of Brookings in the aggregate principal amount of not less than \$100,000.00, the proceeds of which will be used to retire the Notes.

Section 2:

The Notes will be sold for not less than their par value to the Bidder offering the lowest effective interest rate to the City. The Bid must contain a statement of the net interest cost. The Notes will be issued pursuant to the applicable provisions of Oregon Revised Statutes Chapter 287.522. Both principal and interest are payable at the Office of the City Recorder, Brookings, Oregon. The Notes will be redeemable at the option of the City at any time prior to maturity and will be delivered to the successful Bidder or his designated agent in Brookings, Oregon as soon after the sale as practicable. The City of Brookings will make the award of the Promissory Notes at 8:00 o'clock P.M., February 14, 1978. The approving legal opinion of (Rankin, McMurry, Osburn, Gallagher and Vavrosky, Attorneys at Law, Portland, Oregon) or

construction, engineering expense, legal fees and other related costs.

Said Notes shall be in annual form, shall be negotiable, shall be in the amount and dated within 30 days of the date as set forth below and shall bear interest at the rate bid, both to principal and interest payable on or before the due date as follows:

<u>Due Date</u>	<u>Amount</u>	<u>Date of Issue</u>
July 1, 1978	\$25,000	Feb. 25, 1978
July 1, 1979	\$25,000	Feb. 25, 1978
July 1, 1979	\$25,000	Feb. 25, 1978
July 1, 1979	\$25,000	Feb. 25, 1978

City reserves the right to reject any and all bids for the Notes. The Farmers Home Administration has agreed to provide to the City of Brookings in the aggregate principal amount of not less than \$100,000.00, the proceeds of which will be used to retire the Notes.

Section 2:

The Notes will be sold for not less than their par value to the Bidder offering the lowest effective interest rate to the City. The Bid must contain a statement of the net interest cost. The Notes will be issued pursuant to the applicable provisions of Oregon Revised Statutes Chapter 287.522. Both principal and interest are payable at the Office of the City Recorder, Brookings, Oregon. The Notes will be redeemable at the option of the City at any time prior to maturity and will be delivered to the successful Bidder or his designated agent in Brookings, Oregon as soon after the sale as practicable. The City of Brookings will make the award of the Promissory Notes at 8:00 o'clock P.M., February 14, 1978. The approving legal opinion of (Rankin, McMurry, Osburn, Gallagher and Vavrosky, Attorneys at Law, Portland, Oregon) or

other approved Bond Counsel, will be supplied the successful bidder, together with the opinion of the said Counsel as to the tax status of the Notes. Both principal and interest shall be payable in the lawful money of the United States of America at the Office of the City Recorder of the City of Brookings, Oregon, and the Notes will be signed by the Mayor and countersigned by the City Recorder, with the corporate seal of the City affixed. The principal and interest of the Notes and the interest thereon shall be payable in full not later than the due date thereof, but only from and at the time of receipt of the funds provided through the Farmers Home Administration to finance such construction. The date of said Notes, hereinabove specified, is the date estimated by the City as the completion of the Project for which the Bonds above mentioned and the said interim financing has been secured.

Section 3:

As provided in Oregon Revised Statutes Chapter 287.522, the City Recorder is hereby authorized and directed to advertise the Promissory Notes for public sale on written bids at a price not less than par value and to bear interest at the interest rate bid, but in no event to bear interest at a net effective rate in excess of that authorized and limited by ORS 288.510, the sale to be held February 14, 1978, at 8:00 o'clock P.M.; and the notice thereof shall specify that the City reserves the right to reject any or all bids for the Notes. A certified or Cashier's Check of or on a Bank doing business in the State of Oregon payable to the order of the City of Brookings in the amount of two percent (2%) of the par value of the Notes offered for sale is to accompany the bid. The City Recorder shall cause the Notice of Sale to be published at least ten (10) days prior to the date of the bid opening, in one issue of the Brookings-Harbor Pilot, a newspaper

of general circulation printed and published within Curry County, Oregon.

Section 4:

Protection and Disposition of Funds. The City Recorder shall be the custodian of the proceeds of all Notes sold hereunder and such proceeds shall be deposited in a bank which is a member of the Federal Deposit Insurance Corporation; provided, that if any or all of the Promissory Notes is purchased by any Bank in the State of Oregon, the City Recorder may cause the funds to be deposited in said Bank to the extent that it is insured by the Federal Deposit Insurance Corporation. The City Recorder is directed to establish the following account into which the Note proceeds and the revenues from the Water System shall be deposited for so long as the said Notes remain outstanding and unpaid, which account shall be continued and maintained for said purpose, except as otherwise herein provided, for so long as the said Notes remain unpaid;

Construction Account: The proceeds of the Notes hereby authorized shall be deposited in the Construction Account. The amounts in the Construction Account exceeding the insurance available from the Federal Deposit Insurance Corporation shall be secured by the depository bank in accordance with State and Federal Law. Withdrawals from the Construction Account shall be made only on checks signed by the City Recorder of the City as authorized by the City Council from time to time, countersigned by the Mayor or other authorized City Official, and only for the purposes for which the note was issued as specified in the estimate of costs. The City's share of any liquidated damages and other monies paid by defaulting contractors or their sureties shall be deposited in the Construction Account to assure completion of the Project. When the construction of the project has been completed, or all construction costs have been paid in full, any balance remaining in the construction account shall be used immediately to pay or apply on the payment of any such notes as may thereafter fall due.

of general circulation printed and published within Curry County,  
Oregon.

Section 4:

Protection and Disposition of Funds. The City Recorder

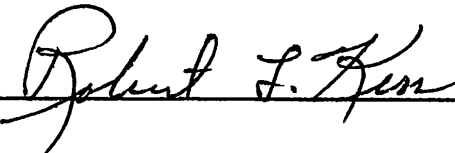
shall be the custodian of the proceeds of all notes sold hereunder  
and such proceeds shall be deposited in a bank which is a member of  
the Federal Deposit Insurance Corporation; provided, that if any or  
all of the Promissory Notes is purchased by any bank in the State  
of Oregon, the City Recorder may cause the funds to be deposited  
in said bank to the extent that it is insured by the Federal Deposit  
Insurance Corporation. The City Recorder is directed to establish  
the following account into which the Note proceeds and the revenues  
from the Water System shall be deposited for so long as the said  
Notes remain outstanding and unpaid, which account shall be continued  
and maintained for said purpose, except as otherwise herein provided,  
for so long as the said Notes remain unpaid;

Construction Account: The proceeds of the  
Notes hereby authorized shall be deposited  
in the Construction Account. The amounts  
in the Construction Account exceeding the  
insurance available from the Federal Deposit  
Insurance Corporation shall be secured by  
the depository bank in accordance with State  
and Federal law. Withdrawals from the  
Construction Account shall be made only on  
checks signed by the City Recorder or the  
City as authorized by the City Council  
from time to time, countersigned by the  
Mayor or other authorized City Official,  
and only for the purposes for which the  
note was issued as specified in the esti-  
mate of costs. The City's share of any  
liquidated damages and other monies paid  
by defaulting contractors or their sureties  
shall be deposited in the Construction  
Account to assure completion of the project.  
When the construction of the project has  
been completed, or all construction costs  
have been paid in full, any balance remain-  
ing in the construction account shall be  
used immediately to pay or apply on the  
payment of any such notes as may thereafter  
fall due.

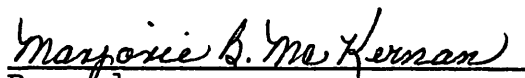
Section 5:

Emergency. WHEREAS, conditions in the City of Brookings relating to the condition of its public Water System and the public need now and in the future, as well as the prospect for proposed financing resources, are such that an early commencement of the project and the financing thereof, is essential to the public health, peace, safety and welfare, an emergency is hereby declared to exist and this Ordinance shall take effect and shall be in full force and effect after its adoption by the Council and approval by the Mayor.

The foregoin Ordinance was duly passed by the Council and signed by the Mayor this 18th day of January, 1978.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
Recorder