

ORDINANCE BILL NO. 30

ORDINANCE NO. 1752

AN ORDINANCE AUTHORIZING ISSUANCE OF
GENERAL OBLIGATION IMPROVEMENT BONDS AND
DECLARING AN EMERGENCY

THE CITY OF LEBANON DOES ORDAIN AS FOLLOWS:

Section 1. Authorization. The City of Lebanon, Oregon, does hereby authorize the issuance and sale of General Obligation Improvement Bonds, Series 1979, of the City of Lebanon, Oregon, in the amount of Eight Hundred Thirty-four Thousand Three Hundred Ninety-four Dollars (\$834,394), to be dated September 1, 1979, to be numbered consecutively from (1) to One Hundred Sixty-seven (167) inclusive, to be in denominations of Five Thousand Dollars (\$5,000) each, except bond number one in the amount of Four Thousand Three Hundred Ninety-four Dollars (\$4,394) to bear interest payable semiannually on March 1 and September 1 of each year and to mature serially in numerical order as follows:

<u>AMOUNT</u>	<u>DATE</u>
\$64,394	9/1/80
70,000	9/1/81
80,000	9/1/82
80,000	9/1/83
80,000	9/1/84
80,000	9/1/85
90,000	9/1/86
90,000	9/1/87
100,000	9/1/88
100,000	9/1/89

Section 2. Signatures and Registration. Each of the bonds shall be personally signed with the manual signature of the Mayor in office on the date of execution of such bonds; each of the bonds shall be attested in like manner by the Recorder in office on such date; the coupons appertaining to the bonds shall be executed with the facsimile signatures of such Mayor and Recorder; and each of the bonds shall be registered in the Improvement Bond Register by the auditor or recording officer of the City of Lebanon, Linn County, State of Oregon.

Section 3. Security. The city has assessed the cost of public improvements to benefited properties and all monies collected therefrom shall be placed in The Bancroft Bond Redemp-

tion Fund and applied to the payment of principal and interest on these bonds. The full faith and credit of the city are also pledged to the successive holders of each of the bonds and of the interest coupons appertaining thereto, for the punctual payment of such obligations, when due; and the city shall levy annually, if required, a direct ad valorem tax upon all of the taxable property within the city in sufficient amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes, to pay the bond and bond interest obligations promptly as they respectively mature; and the city covenants with the holders of its bonds, to levy such a tax annually as required during each year that any of the bonds, or of bonds issued to refund them, and bond interest obligations, are outstanding.

Section 4. Form. The bonds and the coupons attached thereto shall be in substantially the following form, the terms of which are hereby adopted:

UNITED STATES OF AMERICA
STATE OF OREGON
COUNTY OF LINN
CITY OF LEBANON
GENERAL OBLIGATION IMPROVEMENT BOND, SERIES 1979

_____ \$ _____
City of Lebanon, in the County of Linn, State of Oregon, acknowledges itself indebted and for value received hereby promises to pay to bearer on the _____ day of _____, 19____, the sum of

_____ THOUSAND DOLLARS

with interest thereon from the date hereof at the rate of _____ percent (____%) per annum, on the first day of _____ and the first day of _____ in each year until maturity, upon surrender of the annexed interest coupons as they severally mature. The principal of and the interest upon this bond are payable in lawful money of the United States of America, at the office of the City Recorder in the City of Lebanon, Oregon.

THIS BOND is one of a series aggregating Eight Hundred Thirty-four Thousand Three Hundred Ninety-four Dollars (\$834,394) par value, issued to provide funds to construct public improvements as authorized by Oregon Revised Statutes 223.205 to 223.295, inclusive, commonly known as The Bancroft Bonding Act and are general obligations of the city.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all conditions, acts, and things required to exist, to happen, and to be performed precedent to and in the issuance of this bond have existed, have happened, and have been performed in due time, form, and manner as required by the constitution and statutes of the State of Oregon; that the issue of which this bond is a part, and all other obligations of the city, are within every debt limitation and other limits prescribed by such constitution and statutes; and that the city has provided for the levying annually of a direct ad valorem tax as required upon all of the property within the city so taxable for its purposes, in sufficient amount to pay the interest on and the principal of the bonds of such issue, as such obligations respectively become due and payable.

IN WITNESS WHEREOF, the City of Lebanon has caused this bond to be signed by its mayor and attested by its Recorder, the annexed interest coupons to be executed with the facsimile signatures of such officers, and the seal of the city to be affixed hereto this first day of September, 1979.

ATTEST:

Recorder

FORM OF BOND COUPON

No. _____

On the first day of _____, 19____, City of Lebanon, State of Oregon, upon surrender of this coupon at the office of the City Recorder of the City of Lebanon, Oregon, will pay to bearer the sum of _____ Dollars (\$_____), in lawful money of the United States of America, for interest then due on its General Obligation Improvement Bond, Series 1979, dated September 1, 1979, and bearing No. _____.

Mayor

ATTEST:

Recorder

Section 5. Sale. The Recorder shall cause to be published in the Albany Democrat Herald, a newspaper of general circulation printed and published in the City of Albany, County of Linn, State of Oregon, and in The Daily Journal of Commerce, Portland, Oregon, notices of proposed sale of the bonds, as provided by law, in the form substantially as shown on Exhibit A attached hereto and by this reference incorporated herein, specifying that sealed bids will be received by the city up to and including the hour of 11:30 o'clock a.m. on the 12th day of September, 1979, and that immediately thereafter bids received will be publicly opened by the council for the sale of the bonds, at not less than the par value thereof and the accrued interest thereon, at an interest rate or rates in multiples of one-eighth of one percent or one-twentieth of one percent, not exceeding a net effective rate of seven percent per annum, payable semi-annually on March 1 and September 1; that the bids shall be accompanied by a cashier's check or certified check, of or upon a bank doing business in the State of Oregon, in the sum of \$16,687.88 to be forfeited to the city in case the bidder fails to complete his purchase in accordance with the terms of his bid; that bids must be unconditional except as to qualification of approval of validity of the bond issue by bond attorneys; that bids must show the total cost of the bond issue to the city, including interest, less premium offered, if any, provided the bid be accepted, and that the bonds will be sold to the bidder whose bid will result in the lowest net interest cost to the city; and that the board reserves the right to reject any or all bids.

Section 6. Emergency. This ordinance being necessary for the immediate preservation of the public peace, health and safety of the City of Lebanon, in order to obtain sufficient funds to pay for public improvements, an emergency is hereby declared to exist and this ordinance shall be in full force and effect immediately upon its passage by the council and approval by the Mayor.

Passed by the unanimous vote of the council with a quorum in attendance, this 22nd day of August, 1979.

Approved by the Mayor this 28th day of August, 1979.

ATTEST:

Edward R. Jue
Recorder

APPROVED:

1 Daniel A. Clark
Mayor

OFFICIAL NOTICE OF BOND SALE

\$834,394
CITY OF LEBANON
LINN COUNTY
STATE OF OREGON
GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 1979

Notice is hereby given that sealed bids will be received on behalf of the City of Lebanon, Linn County, Oregon, until 11:30 o'clock a.m. (Prevailing Pacific Time) on September 12, 1979, at the offices of Ragen, Roberts, O'Scannlain, Robertson & Neill, 3317 First National Bank Tower, Portland, Oregon 97201, at which time they will be publicly opened and announced.

The bids shall be considered and acted upon by the City Council at its meeting to be held on September 12, 1979, commencing at 12:30 o'clock p.m. (Prevailing Pacific Time).

ISSUE: Eight Hundred Thirty-four Thousand Three Hundred Ninety-four Dollars (\$834,394) consisting of 167 coupon bonds in denominations of FIVE THOUSAND DOLLARS (\$5,000) each, except bond number 1 in the amount of Four Thousand Three Hundred Ninety-four Dollars (\$4,394), all dated September 1, 1979.

INTEREST RATE: Maximum not to exceed a net effective rate of seven percent (7%) per annum, the first interest payment due on March 1, 1980, and semiannually thereafter on September 1 and March 1 of each year. Bidders must specify the interest rate or rates which the bonds hereby offered for sale shall bear. The bids shall comply with the following conditions: (1) Each interest rate specified in any bid must be in multiples of 1/8th or 1/20th of one percent (1%) per annum; (2) No bond shall bear more than one rate of interest, no interest payment shall be evidenced by more than one coupon, and supplemental coupons will not be permitted; (3) Each bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bids; (4) All bonds maturing at any one time shall bear the same rate of interest; and (5) The difference between the highest and lowest rates bid shall not exceed one and one-half percent (1 1/2%).

MATURITIES: The bonds shall mature serially in numerical order as follows:

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
\$64,394	9/1/80	\$ 80,000	9/1/85
70,000	9/1/81	90,000	9/1/86
80,000	9/1/82	90,000	9/1/87
80,000	9/1/83	100,000	9/1/88
80,000	9/1/84	100,000	9/1/89

REGISTRATION: The bonds will be issued in bearer form with no option for registration.

PAYMENT: Principal and interest are payable in lawful money of the United States at the office of the City Recorder, Lebanon, Oregon.

PURPOSE: The bonds are issued to provide funds for improving streets.

SECURITY: The City has assessed the cost of public improvements to benefited properties and all monies collected therefrom shall be placed in The Bancroft Bond Redemption Fund and applied to the payment of principal and interest on these bonds. The bonds are also general obligations of the City. The City has covenanted to levy an ad valorem tax annually as required to pay bond principal and interest as they respectively come due.

LEGAL OPINION: The approving opinion of Ragen, Roberts, O'Scannlain, Robertson & Neill, Attorneys at Law, Portland, Oregon, will be provided at no cost to the purchaser, and will be printed on the bonds at the expense of the City.

TAX EXEMPT STATUS: Interest on the bonds, in the opinion of bond counsel, is exempt from taxation by the United States under present federal income tax laws and from personal income taxation by the State of Oregon under present state law.

BEST BID: The bonds will be awarded to the responsible bidder whose proposal will result in the lowest net cost to the City. The successful bid will be determined by computing the total amount of interest which the City would be required to pay from the date of each bond to its respective maturity date at the coupon rate or rates specified in the bid, less premium offered. Bidders are requested to supply the total interest costs and net effective interest rate, based upon the aggregate interest costs, if its bid be accepted, that the City will pay upon the issue if the bid is accepted. Such information shall be considered as informative only. The purchaser must pay accrued interest, computed on a 360-day basis, from the date of the bonds to the date of delivery. The cost of printing the bonds will be borne by the City.

DELIVERY: Delivery of the bonds will be made without cost to the successful bidder at such bank in the City of Portland, Oregon, as the successful bidder shall name. Payment for the bonds must be made in federal funds. Delivery will be made within thirty days.

FORM OF BID: All bids must be for not less than all the bonds hereby offered for sale, and for not less than one hundred percent (100%) of the par value thereof and accrued interest to the date of delivery. Each bid together with bidder's check as herein specified must be enclosed in a sealed envelope addressed to the District and designated "Proposal for Bonds". Bids must be received by 11:30 a.m. (Prevailing Pacific Time), September 12, 1979.

BID CHECK: All bids must be unconditional and accompanied by a certified or cashier's check on a bank doing business in the State of Oregon for Sixteen Thousand Six Hundred Eighty Seven and 88/100 Dollars (\$16,687.88) payable to the order of the City to secure the City from any loss resulting from the failure of the bidder to comply with the terms of its bid. Checks will be forfeited to the City as liquidated damages in case the bidder to whom the bonds are awarded shall withdraw its bid or fail to complete its purchase in accordance with the terms thereof. No interest shall be allowed on the deposit but the check of the successful bidder will be retained as part payment of the bonds or for liquidated damages as described above. Checks of the unsuccessful bidders will be returned by the City promptly after award of bid.

RIGHT OF REJECTION: The City reserves the right to reject any or all bids and to waive any irregularity.

CUSIP: CUSIP numbers will be imprinted upon all bonds of this issue at the purchaser's request and expense. An improperly imprinted number will not constitute basis for the purchaser to refuse to accept delivery.

NO LITIGATION: At the time of payment for the delivery of said bonds, the City will furnish the successful bidder a certificate that there is no litigation pending affecting the validity of the bonds.

OFFICIAL STATEMENT: The City has prepared an official statement relating to the bonds, a copy of which will be furnished upon request.

Edwin R. Ivey

City Recorder
City of Lebanon