

CITY OF SHERWOOD, OREGON

ORDINANCE NO. 779

AN ORDINANCE AUTHORIZING ISSUANCE OF GENERAL OBLIGATION IMPROVEMENT BONDS, A CONSOLIDATED ISSUE, FOR THE ROCK CREEK SEWER LINE LOCAL IMPROVEMENT DISTRICT, MURDOCK ROAD STREET AND SEWER LOCAL IMPROVEMENT DISTRICT, SUNSET BOULEVARD LOCAL IMPROVEMENT DISTRICT, CEDAR CREEK LOCAL IMPROVEMENT DISTRICT, AND HIGHLAND/WILLAMETTE STREETS LOCAL IMPROVEMENT DISTRICT, 1982 IMPROVEMENT SERIES #2; AND DECLARING AN EMERGENCY

WHEREAS, the following local improvement districts have been duly formed and improvement assessments duly made for same, and applications received to pay assessments on the installment basis pursuant to the Bancroft Bonding Act for each district in the amount set forth after the name of each district, as follows:

Rock Creek Water and Sewer Local Improvement District (Sewer Line Improvement)	\$ 508,987.67
Cedar Creek Local Improvement District (Sewer Line Improvement)	\$ 412,562.28
Murdock Road Local Improvement District (Street and Sewer Line Improvement)	\$ 386,676.16
Highland/Willamette Streets Local Improvement District (Street Improvement)	\$ 24,644.32
Sunset Boulevard Local Improvement District (Street Improvement)	<u>\$ 119,958.00</u>
TOTAL	\$ 1,452,828.43

THE CITY OF SHERWOOD DOES ORDAIN AS FOLLOWS:

Section 1. Authorization: The City of Sherwood, Oregon does hereby authorize the issuance and sale of General Obligation Improvement Bonds, 1982 Improvement Series #2, of the City of Sherwood, Oregon, in the amount of One million, four hundred fifty-two thousand, eight hundred twenty-eight & 43/100 Dollars (\$1,452,828.43) to be dated October 1, 1982, to be numbered consecutively from one (1) to two hundred ninety-one (291), to be in denominations of Five Thousand Dollars (\$5,000) each, except Bond No. 1 in the amount of \$ 2,828.43, to bear interest payable semi-annually on April 1 and October 1 in each year, and to mature serially in numerical order on the first day of October in each year as follows:

AMOUNT	YEAR	AMOUNT	YEAR
\$ 87,828.43	10/1/83	\$ 145,000.00	10/1/88
95,000.00	10/1/84	165,000.00	10/1/89
110,000.00	10/1/85	180,000.00	10/1/90
120,000.00	10/1/86	200,000.00	10/1/91
130,000.00	10/1/87	220,000.00	10/1/92
TOTAL		\$1,452,828.43	

with the right reserved to the City, however, at its option, to redeem in regular numerical order at par and with accrued interest on October 1, 1989 and on any interest payment day thereafter, any or all of the bonds of such issue maturing after October 1, 1989.

Section 2. Signatures and Registration: Each of the bonds shall be signed with the facsimile signature of the Mayor in office on the date of execution of such bonds; each of the bonds shall be attested 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 City Recorder of the City of Sherwood, Washington 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 Redemption 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 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 WASHINGTON
CITY OF SHERWOOD
GENERAL OBLIGATION IMPROVEMENT BOND
1982 IMPROVEMENT SERIES #2

City of Sherwood, in the County of Washington, State of Oregon, acknowledges itself indebted and for value received hereby promises to pay to bearer on the ___ day of _____, 19___ the sum of _____ Dollars

with interest thereon from the date hereof at the rate of _____ percent (%) per annum, on the first day of October and the first day of April 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 Sherwood, Oregon.

The bonds of the issue of which this bond forms a part, maturing after October 1, 1989, may be redeemed by the City at par value and accrued interest to the date of redemption on October 1, 1989 and on any interest payment day thereafter, in regular numerical order, upon notice given at least thirty (30) days prior to the redemption date specified therein, by publication thereof in one issue of a newspaper specializing in financial matters published in the City of Portland, Oregon, and two consecutive issues of a newspaper having general circulation within the City of Sherwood, State of Oregon. From the date of redemption designated in any such notices, interest upon the bonds so called for payment shall cease.

This bond is one of a series aggregating One Million, Four Hundred Fifty-Two Thousand Eight Hundred Twenty-Eight & 43/100 Dollars (\$1,452,828.43) 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 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 the statutes; and that the city has provided for the levying annually of a direct ad valorem tax as required upon all 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 Sherwood has caused this bond to be executed with the facsimile signature of 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 1st day of October, 1982.

CITY OF SHERWOOD, OREGON

By: _____
Mayor

ATTEST:

Recorder

FORM OF BOND COUPON

Bond No. _____ Coupon No. _____

On the first day of _____, 19____, City of Sherwood, State of Oregon, upon surrender of this coupon at the office of the City Recorder of the City of Sherwood, 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, 1982 Improvement Series #2, dated October 1, 1982, bearing No. _____.

CITY OF SHERWOOD, OREGON

By: _____
Mayor

ATTEST:

Recorder

FOR COUPONS MATURING AFTER CALL DATE ADD:

, unless sooner redeemed as therein provided

Section 5. Sale: The Recorder shall cause to be published in the "Tigard Times", a newspaper of general circulation in the City of Sherwood, County of Washington, 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 in behalf of the city and council by the law firm of Ragen, Roberts, O'Scannlain, Robertson and Neill, 1600 Orbanco Building, 1001 S.W. Fifth Avenue, Portland, Oregon 97204, until the hour of 4:00 o'clock p.m. Pacific Daylight Time on the 4th day of October, 1982. Immediately thereafter bids will be publicly opened and announced. The bids will be considered and acted upon by the City Council at its meeting to be held within four hours thereafter. The bids shall be for the purchase of the bonds at not less than the par value thereof and the accrued interest thereon, at the 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 13% per annum, payable semi-annually on October 1 and April 1. 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 \$ 29,056.57 (not less than 2% of the par value of the bonds) 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 no callable bonds of the issue are redeemed prior to the maturity dates thereof; 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 city 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 Sherwood, 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 majority vote of the Council after being read three times by caption, this 22 day of September, 1982.

Polly Blankenbaker
City Recorder, Polly Blankenbaker

APPROVED:

By the Mayor this ___ day of September, 1982.

Clyde List
Mayor, Clide List

OFFICIAL NOTICE OF BOND SALE

\$ 1,452,828.43

GENERAL OBLIGATION IMPROVEMENT BONDS
1982 IMPROVEMENT SERIES #2

NOTICE IS HEREBY GIVEN that sealed bids will be received on behalf of the City of Sherwood, Washington County, Oregon, until 4:00 o'clock p.m. (Pacific Daylight Time) on October 14, 1982 at the offices of Ragen, Roberts, O'Scannlain, Robertson and Neill, Attorneys at Law, 1600 Orbanco Building, 1001 S.W. 4th Avenue, Portland, Oregon 97204, 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 Thursday October 14, 1982, commencing at 7:30 o'clock p.m. Pacific Daylight Time.

ISSUE: One Million, Four Hundred Fifty-Two Thousand, Eight Hundred Twenty-Eight & 43/100 Dollars (\$ 1,452,828.43), consisting of 291 coupon bonds in denominations of Five Thousand Dollars (\$5,000), except Bond No. 1 in the amount of \$ 2,828.43, all dated October 1, 1982.

INTEREST RATE: Maximum not to exceed a net effective rate of thirteen percent (13%) per annum, the first interest payment due on April 1, 1983 and semi-annually thereafter on October 1 and April 1 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 1/8 or 1/20 of one percent 1%; (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; (5) the difference between the highest and lowest rates bid shall not exceed two percent (2%).

MATURITIES: The bonds shall mature serially in numerical order on the first day of November in each of the years as follows:

AMOUNT	YEAR	AMOUNT	YEAR
\$ 87,828.43	10/1/83	\$ 145,000.00	10/1/88
95,000.00	10/1/84	165,000.00	10/1/89
110,000.00	10/1/85	180,000.00	10/1/90
120,000.00	10/1/86	200,000.00	10/1/91
130,000.00	10/1/87	220,000.00	10/1/92
	TOTAL	\$1,452,828.43	

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

REDEMPTION: The City reserves the right to redeem any or all of the bonds then outstanding in regular numerical order on October 1, 1989 and on any interest payment date thereafter at par plus accrued interest to the date of redemption.

Notice of any such intended redemption shall be given by publication of such notice at least once, not less than thirty (30) days prior to said redemption date, in a newspaper specializing in financial matters published in the City of Portland, Oregon, and in two consecutive issues of a newspaper of general circulation in the City of Sherwood, Oregon. Interest on any bond or bonds so called for redemption shall cease on such redemption date unless the same are not redeemed upon presentation made pursuant to such call.

PAYMENT: Principal and interest are payable either at maturity or upon earlier redemption in lawful money of the United States at the office of the City Recorder, City of Sherwood, Sherwood, Oregon 97140.

PURPOSE: The bonds are issued to provide funds for payment of cost of public improvements completed in the Local Improvement Districts listed in the recital clauses of Ordinance No. 779.

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 become due.

LEGAL OPINION: The approving opinion of Ragen, Roberts, O'Scannlain, Robertson and Neill, Attorneys at Law, of 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 its present 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 assuming no bonds are called prior to maturity, less premium offered, if any. Bidders are requested to supply the total interest costs and net effective interest rate, based upon the aggregate interest cost, 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 funds immediately available to the City. Delivery will be made on or before November 1, 1982. Delivery may be made with a temporary bond which shall be exchangeable for definitive coupon bonds on or before November 15, 1982.

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 a bidder's check as herein specified, must be enclosed in a sealed envelope addressed to the City of Sherwood, designated "Proposal for Bonds", c/o Ragen, Roberts, O'Scannlain, Robertson & Neill, Attorneys at Law, at the address shown above.

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, in the amount of Twenty Nine Thousand, Fifty-Six and 67/100 Dollars (\$29,056.67), payable to the order of the City of Sherwood, to secure the City from any loss resulting from 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.

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

CUSIP: CUSIP numbers will be imprinted upon all bonds of this issue at the purchaser's request and expense. An improperly printed 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 certification that there is no litigation pending affecting the validity of the bonds.

ADDITIONAL INFORMATION: Additional information regarding the City and this sale may be obtained from Polly Blankenbaker, City Recorder, City Hall, Sherwood, Oregon, telephone number 625-5522.

Recorder, City of Sherwood

PUBLICATION INSTRUCTIONS:

Publish in Tigard Times at least twice: 1st time not more than 25 calendar days preceding the date of bond sale or less than 15 days preceding the date of bond sale. 2nd time not more than 14 calendar days nor less than eight calendar days preceding the date of bond sale.

Date of First Publication: September 28, 1982

Date of Second Publication: October 5, 1982

ALSO publish at least once in the Daily Journal of Commerce, Portland, Oregon not more than 25 calendar days nor less than 15 calendar days prior to the date of bond sale.

Suggested date: September 28, 1982