

RESOLUTION NO. 851

CALLING FOR BIDS ON
\$150,000.00 WATER REVENUE BONDS OF 1953

RESOLVED, by the City Council of the City of El Paso De Robles, San Luis Obispo County, California, as follows:

1. Bids shall be called by the City Clerk for the sale of the \$150,000.00 Water Revenue Bonds of 1953 authorized to be issued by Resolution No. 850 entitled "A Resolution Providing for the Issuance of Water Revenue Bonds, Fixing the Form of Bonds and Providing Covenants for their Protection," adopted on June 1, 1953, said bonds to be received by the City Clerk on or before 8 o'clock P. M., of Monday the 26th day of June, 1953, at the regular meeting place of said Council, Council Chambers, City Hall, El Paso de Robles, California, and publicly opened, examined and declared at that time.

2. Notice thereof shall be given by the City Clerk by one publication at least fifteen (15) days before said date, of the official Notice of Sale attached hereto as Exhibit "A", and hereby incorporated herein by reference as if fully set forth herewith at length, in the Paso Robles Press, a newspaper of general circulation printed and published in the City.

* * * *

I hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of El Paso de Robles, California, held on the 1st day of June, 1953, by the following vote:

AYES, and in favor thereof, Councilmen: *Appleton, Ottosen, Smart and Sturgeon.*

NOES, Councilmen: *None*

ABSENT, Councilmen: *Gates*

J. Sturgeon
City Clerk of the City of
El Paso de Robles

APPROVED:

Smart
Mayor

NOTICE OF SALE OF WATER
REVENUE BONDS

CITY OF EL PASO de ROBLES,
STATE OF CALIFORNIA

NOTICE IS HEREBY GIVEN that sealed proposals will be received by the City Council of the City of El Paso de Robles, County of San Luis Obispo, State of California, at the Council Chambers, City Hall, El Paso de Robles, California on

June 26, 1953

at the hour of 8 o'clock P. M. (Pacific Daylight Saving Time) for the purchase of \$150,000 principal amount of water revenue bonds to be issued by said City, which said bonds are more particularly described below:

ISSUE: \$150,000 consisting of 150 bonds of the denomination of \$1,000 each, numbered 1 to 150, inclusive, all dated July 1, 1953.

INTEREST: Maximum six per cent (6%) per annum, payable semi-annually on January 1 and July 1 in each year. Bidders must specify the rate of interest which the bonds hereby offered for sale shall bear. Bidders will be permitted to bid different rates of interest and to split rates irrespective of the maturities of said bonds. The interest rate stated in the bid must be in a multiple of one-quarter of one per cent per annum, payable semi-annually.

MATURITIES: Said bonds mature serially in consecutive numerical order, from lower to higher, in the following amounts on July 1 in each of the following years:

\$5,000 in each 1954 through 1973 and
\$10,000 in each 1974 through 1978.

CALL: All bonds maturing after July 1, 1973, are redeemable on said date or on any succeeding interest payment date at premium of 1/4 of 1% of the principal amount of such bond for each semi-annual period prior to its maturity date.

1.

EXHIBIT "A"

PAYMENT: Both principal and interest are payable in lawful money of the United States, at the office of the Treasurer, in the City of El Paso de Robles, or at the option of the holder at the bank within or without this State designated by the first purchaser of these bonds therefor, which is designated as paying agent.

REGISTRATION: Coupon bonds will be issued by the City. Such bonds are registerable as to principal and interest, or as to principal only.

PURPOSE OF ISSUE: Said bonds are authorized for the purpose of raising money for the acquisition, construction, improving and financing additions, extensions and improvements to the city water system.

SECURITY: Said bonds are revenue bonds payable exclusively from the revenues of the city water system and shall be issued under Resolution No. 850, "A Resolution Providing for the Issuance of Water Revenue Bonds of 1953, Fixing the Form of the Bonds, and Providing Covenants for their Protection," adopted by the City Council of the City of El Paso de Robles on June 1, 1953, pursuant to the Sixth Class City Charter of said city, the general law, and the Sanitation, Sewer and Water Revenue Bond Law of 1941 (Gov. Code, State of California, Secs. 54300-54662).

TAX EXEMPT STATUS: In the event that prior to the delivery of the bonds the income received by private holders from bonds of the same type and character shall be declared to be taxable under any Federal Income Tax Laws, either by the terms of such laws or by ruling of a Federal Income Tax authority or official which is followed by the Bureau of Internal Revenue, or by decision of any Federal Court, the successful bidder may, at his option, prior to the tender of said bonds by the City, be relieved of his obligation under the contract to purchase the bonds and in such case the deposit accompanying his bid will be returned.

VALIDATION: Said bonds will be accompanied by a decision of the Superior Court of the State of California in and for the County of San Luis Obispo determining the validity of said bonds and of the proceedings leading up to their issuance, the authority of the city to expend the proceeds of the bonds for the purposes provided in the call, and of the pledge of the income and revenue of the city water system for their payment.

LEGAL OPINION: The legal opinion of Kirkbride, Wilson, Harzfeld & Wallace, 307 E. Street, San Mateo, California, approving the validity of said bonds will be furnished to the successful bidder without charge.

HIGHEST BID: The bonds will be awarded to the highest and best bidder considering the interest rate or rates specified and the premium offered, if any. The highest bid will be determined by deducting the amount of the premium bid, if any, from the total amount of interest which the City would be required to pay from the date of said bonds to the respective maturity dates at the coupon rate or rates specified in the bid, and the award will be made on the basis of the lowest net interest cost to the city. The lowest net interest cost shall be computed between the dates aforesaid according to standard bond interest tables. The purchaser must pay accrued interest from the date of the bonds to the date of delivery. The cost of printing the bonds will be borne by the City.

RIGHT OF REJECTION: The City reserves the right, in its discretion, to reject any and all bids and to waive any irregularity or informality in any bid.

PROMPT AWARD: The City Council will take action awarding the bonds or rejecting all bids not later than 24 hours after the expiration of the time herein prescribed for the receipt of proposals; provided that the award may be made after the expiration of the specified time if the bidder shall not have given to the City Council notice in writing of the withdrawal of such proposal.

FORM OF BID: All bids must be unconditional, for not less than all of the bonds offered, and for not less than the par value thereof and accrued interest to date of delivery. Such bids must be enclosed in a sealed envelope, addressed to the City Council, City of El Paso de Robles, California, and endorsed "Proposal for City of El Paso de Robles Water Revenue Bonds." No bids will be considered which will require an additional opinion or other validating suit. In addition, bidders are requested to supply an estimate of the total net interest cost to the City on the basis of their respective bids, which shall be considered as information only and not binding on either the bidder or the City.

BID CHECK: With each bid must be submitted a certified check or cashier's check for \$5,000 drawn on a bank or trust company, payable to the order of the Treasurer of the City of El Paso de Robles, to secure the City from any loss resulting from the failure of the bidder to comply with the terms of his bid. Checks of the unsuccessful bidders will be returned by the City by mail upon the award of the bonds. No interest will be paid upon the deposit by any successful bidder.

Further information relative to the financial condition of the City will be furnished to any bidder upon request.

There is no controversy or litigation pending or threatened concerning the validity of the above issue, the corporate existence of the City, or the title of the officers to their respective offices.

Dated: June 1, 1953.

S. S. TUCKER

City Clerk, City of El Paso de Robles