

Original

ORDINANCE NO. 166

AN ORDINANCE of the Town of Gig Harbor, Washington, creating a Sewer Construction Fund, authorizing the issuance of interest-bearing warrants drawn on such Construction Fund to pay part of the cost of constructing a sanitary sewerage system, providing for the funding or redemption of any interest-bearing warrants so issued and authorizing acceptance of the offer of McLean & Company, Inc., to purchase such warrants.

WHEREAS, by Ordinance No. 147 of the Town of Gig Harbor, Washington, passed and approved April 10, 1972, a plan for the acquisition, construction and installation of a sanitary sewerage system for the town was adopted, including as a part of such plan the issuance of general obligation bonds in the principal amount of not to exceed \$400,000, and the issuance of sewer revenue bonds in the principal amount of not to exceed \$1,300,000, to pay part of the cost of carrying out such plan; and

WHEREAS, at a special election held within the town on May 23, 1972, the voters of the town duly ratified such plan and the issuance of such bonds; and

WHEREAS, by Ordinance No. 158, passed and approved November 13, 1972, the town created Utility Local Improvement District No. 1 and ordered the construction and installation of the improvements therein described to carry out part of the plan for a sanitary sewerage system for the town; and

WHEREAS, it is deemed necessary and advisable that a Construction Fund be created and that the town be authorized to issue and sell its interest-bearing warrants drawn on the Construction Fund in order to pay costs necessarily incurred in the development of the sewerage system prior to the issuance of bonds, said warrants to be redeemed from the proceeds of sale of the sewer revenue bonds and/or general obligation bonds of the town heretofore authorized; and

WHEREAS, the town has received a proposal from McLean & Company, Inc., to purchase interest-bearing registered warrants of the town drawn upon the Construction Fund and issued to pay the aforesaid costs, and it is deemed to be in the best interests of the town that said proposal be accepted;

NOW, THEREFORE, BE IT ORDAINED by the Council of the Town of Gig Harbor, Washington, as follows:

Section 1. There be and is hereby created a special fund of the town to be known as the "Gig Harbor Sewer Construction Fund" (hereinafter called the "Construction Fund"), which Fund is to be drawn upon for the sole purpose of paying the cost of acquisition, construction and installation of the sanitary sewerage system for the town as authorized by Ordinance No. 147, together with all costs incidental thereto and to the issuance of bonds authorized therefor. The Construction Fund may also be drawn upon for the purpose of paying the principal of and interest on any interest-bearing warrants which the town may issue against such Fund.

The proceeds of sale of the sewer revenue bonds and general obligation bonds authorized by Ordinance No. 147 and hereafter issued (except for accrued interest thereon), the anticipated State of Washington and United States Government grants, and any and all other moneys which the town may receive for the payment of the aforesaid costs, including the proceeds of sale of interest-bearing warrants drawn upon the Construction Fund shall be paid into such Fund.

Any moneys remaining in such Construction Fund after payment of all of the above costs shall be transferred to such bond redemption fund as shall hereafter be created by the town.

for the purpose of paying and securing the payment of the sewer revenue bonds authorized by Ordinance No. 147.

Section 2. For the purpose of providing part of the moneys required to pay the town's share of the costs of acquisition, construction and installation of said sanitary sewerage system as hereinbefore authorized, the town may issue interest-bearing registered warrants drawn on the Construction Fund.

Such interest-bearing warrants shall be dated as of the date of their issuance, shall be in such denomination or denominations as determined by this Council, shall be numbered from 1 up consecutively, shall bear interest at a rate of $6\frac{1}{2}\%$ per annum from date of issue to date of redemption, shall be payable both principal and interest in lawful money of the United States of America at the office of the Town Treasurer in Gig Harbor, Washington, shall be redeemable in order of their number at any time when there is sufficient money in the Construction Fund to pay any or all of the same according to their terms and shall be an obligation only of the Construction Fund. Such warrants shall be sold at par and accrued interest, if any, from date thereof to date of purchase and shall be signed on behalf of the town by its Mayor and Treasurer, who is also the ex officio Town Clerk.

The town hereby reserves the right to redeem any such warrants outstanding in whole, or in part in numerical order, on any date, at par plus accrued interest to date of redemption. Notice of such intended redemption shall be given by telephone or registered mail to the owners and holders of any such warrants at least two days prior to such date of redemption. Interest on any warrant or warrants so called for redemption shall cease on such redemption date unless such warrant or warrants are not redeemed upon presentation made pursuant to such call.

The proceeds from the sale of such registered interest-bearing Construction Fund warrants shall be deposited in the Construction Fund and cash warrants shall be drawn against such Fund to creditors performing work or furnishing services and supplies for the aforesaid purposes.

Section 3. Until such registered interest-bearing warrants shall have been redeemed, the town shall deposit into the Construction Fund the proceeds from the sale of any of the sewer revenue bonds or general obligation bonds authorized by Ordinance No. 147 and hereafter issued by the town, together with any and all grants received for the aforesaid purposes from the State of Washington or the United States of America, or from any other source. Said moneys shall be first used to redeem in order of their number the outstanding interest-bearing warrants of the town herein authorized to be drawn upon the Construction Fund.

Section 4. The proposal of McLean & Company, Inc., attached hereto as Exhibit "A" and incorporated by reference herein, to purchase such Construction Fund warrants is hereby accepted and confirmed, and the town covenants to issue such amount of its authorized sewer revenue bonds and general obligation bonds as may be required to redeem such warrants within the times provided in such proposal. The Town Treasurer is authorized and directed to take such action as may be necessary to give effect to this ordinance.

Section 5. This ordinance shall become effective five days from and after its passage, approval and publication.

Introduced and first read by the Council of the Town of Gig Harbor, Washington, at its regular meeting on the 29th day of May, 1973.



Investment Bankers

770 Commerce Street
Tacoma, Washington 98402
Phone 206/383-1403

May 29, 1973

Honorable Mayor and Town Council
Town of Gig Harbor
P.O. Box 145
Gig Harbor, Washington 98335

Gentlemen:

It is our understanding that the Town of Gig Harbor has incurred engineering expenses with regard to your planned sewer project. We believe that it would be in your best interest to pay these expenses by issuing interest bearing warrants.

McLean & Company, Inc. will purchase these warrants at an interest rate of 6 1/4% per annum, and said warrants shall be paid as to both principal and interest from the proceeds of a sewer revenue bond issue not later than January 1, 1974. In the event that the warrants are not redeemed from the proceeds of the sewer revenue bond issue, or any other source by January 1, 1974, then the Town agrees to redeem the aforesaid warrants from the proceeds of the General Obligation Bonds approved on May 25, 1972 by the voters for sewer purposes, not later than March 1, 1974.

It is agreed that the Revenue Bond issue shall be a first lien against the sewer revenues after normal maintenance and operation expenses and that each warrant shall be accompanied by the unqualified approving legal opinion of Preston, Thorgrierson, Ellis, Johnson and Fletcher.

Respectfully submitted,

MCLEAN & COMPANY, INC.

Arthur M. McLean III
Arthur M. McLean III

ACCEPTED BY AND FOR
the Town of Gig Harbor,
Washington, this 20th day
of May, 1973.

Joseph D. Brydick
Mayor
Dorothy J. Henry
Clerk

Affidavit of Publication

STATE OF WASHINGTON, }
COUNTY OF PIERCE. } S.S.

Robert H. Platt, Jr. being first duly sworn,

on oath deposes and says that he is the Co-Publisher of THE PENINSULA GATEWAY, a weekly newspaper. That said newspaper is a legal newspaper and it is now and has been for more than six months prior to the date of the publication hereinafter referred to, published in the English language continually as a weekly newspaper in Gig Harbor, Pierce County, Washington, and it is now and during all of said time was printed in an office maintained at the aforementioned place of publication of said newspaper.

That the annexed is a true copy of a Ordinance

No. 166

as it was published in regular issues (and not in supplement form)

of said newspaper once each week for a period of One (1)

consecutive weeks, commencing on the 14th day of June

1973, and ending on the 14th day of June, 1973,

both dates inclusive, and that such newspaper was regularly distributed to its subscribers during all of said period.

That the full amount of the fee charged for the foregoing publi-

cation in the sum of \$40.64 which amount has been paid in full, at the rate of \$3.20 a hundred words for the first insertion and \$2.40 a hundred words for each subsequent insertion.

Robert H. Platt, Jr.

Subscribed to and sworn before me this 23rd day of

June, 1973.

E. J. McLean

Notary Public in and for the State of Washington.

Residing at Gig Harbor

On June 30, the teens of Akebay Church will be having a car wash at the church. All donations will go

Fox Island Church to Hear Guest Speaker

The second in a series of Christian Men's breakfasts will be held at seven o'clock, Saturday morning, June 16, at the United Church of Christ, Fox Island.

The speaker will be Major Jon Thornquist of Fort Lewis. He was an army pilot and Unit Commander in Saigon. His topic will be "The Christian's Follow-up." All men of the island and adjacent areas are invited. There will be a freewill offering to help cover expenses. Reservations can be made with Robert Watling or Mike Snowden of Fox Island.

TM Lecture at United Methodist

Glen Fredrickson will give a lecture on Transcendental Meditation at 7:30 p.m. on Tuesday, June 12, in the board room of the United Methodist Church, Gig Harbor. TM is a natural, simple mental technique practiced twice a day for 20 minutes. It is not a religion and not a philosophy. Research at Harvard Medical School indicates that TM produces a deep state of restful alertness which rejuvenates and normalizes the mind. TM should hereafter be created by the town for the purpose of paying and securing the payment of the sewer revenue bonds authorized by Ordinance No. 147.

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never attached at all before. All visitors and campers are welcome at Sunday school and church.

St. John's Episcopal

West of Highway 16
Take Rosedale Exit

Sunday Services
7:30 a.m. and 11:00 a.m.

858-3777 265-2160

GLENWOOD CHURCH OF CHRIST

Creek View Drive off
Minterbrook Road

Sunday Services

10:30 a.m. and 6:00 p.m.

For Information Call:

TR 6-4395 or 596-2783

Call made pursuant to such

call. The proceeds from the sale of such registered interest-bearing Construction Fund Warrants shall be deposited in the Construction Fund and cash warrants shall be drawn against such Fund to creditors performing work or furnishing services and supplies for the aforesaid purposes.

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Section 5. This ordinance shall become effective five days from and after its passage, approval and publication.

Introduced and first read by the Council of the Town of Gig Harbor, Washington, at its regular meeting on the 29th day of May, 1973.

Finally passed by said Council at its regular meeting on the 11th day of June, 1973, and approved by its Mayor on the 11th day of June, 1973.

Town of Gig Harbor, Wash.

Finally passed by said Council at its regular meeting on the 11th day of June, 1973, and approved by its Mayor on the 11th day of June 1973.

TOWN OF GIG HARBOR, WASHINGTON

BY Jack D. Bryant
Mayor

ATTEST:

Donald J. Muegg
Town Clerk

APPROVED AS TO FORM:

Donald Johnson
Town Attorney