

ORDINANCE NO. 221

AN ORDINANCE of the City Council of the Town of Gig Harbor, Washington, providing for the issuance and sale of the general obligation bonds of the Town in the principal amount of \$72,000 for the purpose of providing funds to pay the Town's share of the cost of construction of a new fire station for Pierce County Fire Protection District No. 5; providing the date, form, terms and maturities of said bonds; creating a Construction Fund; creating a Bond Redemption Fund; providing for the annual levy and collection of ad valorem taxes to pay the principal of and interest on said bonds; and approving the execution of a contract with said Fire Protection District No. 5.

WHEREAS, it is deemed necessary and advisable that a new fully equipped headquarters fire station be constructed within the Town of Gig Harbor, Washington (hereinafter called the "Town"), as set forth in Ordinance No. 267 of the Town, adopted October 24, 1977; and

WHEREAS, the voters of the Town have heretofore approved, at an election held November 8, 1977, the issuance of the general obligation bonds of the Town in the amount of \$72,000 to pay the Town's share (pursuant to the contract herein authorized) of the costs of construction of said fire station; and

WHEREAS, in order to provide funds for such purposes it is deemed necessary and advisable that the Town now issue and sell its general obligation bonds in the principal amount of \$72,000;

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

Section 1. It is hereby found and declared that the public interest, welfare and benefit require that Pierce County Fire Protection District No. 5 construct one new fully equipped headquarters fire station as set forth in Ordinance No. 267 of the Town, adopted October 24, 1977.

Section 2. For the purpose of providing funds necessary to pay the Town's share of the cost of constructing and equipping said fire station, the Town shall issue and sell its unlimited tax levy general obligation bonds in the principal amount of \$72,000 (hereinafter called the "Bonds").

The Bonds shall be dated April 1, 1978, shall be in the denomination of \$5,000 each, except for Bond Nos. 1 and 2 which shall be in the denomination of \$1,000 each, shall bear interest at such rate or rates as shall be fixed by the Town Council upon the sale thereof, payable December 1, 1978, and semiannually thereafter on the first days of June and December, and shall be numbered and mature on June 1 of each of the following years in the following amounts:

<u>Bond Nos.</u>	<u>Years</u>	<u>Amounts</u>
1	1982	\$ 1,000
2	1983	1,000
3	1984	5,000
4	1985	5,000
5	1986	5,000
6	1987	5,000
7	1988	5,000
8	1989	5,000
9	1990	5,000
10	1991	5,000
11	1992	5,000
12	1993	5,000
13	1994	5,000
14	1995	5,000
15	1996	5,000
16	1997	5,000

(The above schedule has been computed on an assumed interest rate of 5-1/2% per annum.)

Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America at the office of the Town Treasurer in Gig Harbor, Washington, or, at the option of the holder, at either of the fiscal agencies of the State of Washington in the cities of Seattle, Washington and New York, New York.

Section 3. The Town hereby reserves the right to redeem any or all of the Bonds outstanding in whole, or in part in inverse numerical order, on June 1, 1988, or 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 one publication thereof in the official Town newspaper not more than forty nor less than thirty days prior to said redemption date and by mailing a like notice at the same time to the main office of the purchaser or account manager of the purchasers of the Bonds

at their sale by the Town or to the business successor or successors, if any, of said purchaser or account manager at its main office. 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.

In addition to such publication and mailing, the Town Treasurer shall also mail notice of any such intended redemption to Moody's Investors Service, Inc., and Standard & Poor's Corporation, New York, New York, or to their successors, if any. The mailing of such notice shall not, however, be a condition precedent to the call of any Bonds for redemption.

Section 4. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. \_\_\_\_\_

\$5,000

STATE OF WASHINGTON

TOWN OF GIG HARBOR, WASHINGTON

GENERAL OBLIGATION BOND, 1978

The Town of Gig Harbor, Washington, a municipal corporation of the State of Washington (hereinafter called the "Town"), hereby acknowledges itself to owe and for value received promises to pay to bearer on the first day of June, 19\_\_ the principal amount of

FIVE THOUSAND DOLLARS

together with interest thereon at the rate of \_\_% per annum payable on the first day of December, 1978 and semiannually thereafter on the first days of June and December of each year upon presentation and surrender of the attached interest coupons as they severally become due or until such principal sum shall have been paid or duly provided for.

Both principal of and interest on this bond are payable in lawful money of the United States of America at the office of the Treasurer of the Town at his office in Gig Harbor, Washington, or, at the option of the holder at either of the fiscal agencies of the State of Washington in the cities of Seattle, Washington and New York, New York.

The Town has reserved the right to redeem any or all of the bonds of this issue outstanding in whole, or in part in inverse numerical order, on June 1, 1988, or 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 one publication thereof in the official Town newspaper

not more than forty nor less than thirty days prior to said redemption date and by mailing a like notice at the same time to \_\_\_\_\_.

This bond is one of an issue of bonds of like date and tenor except as to amount, number, rate of interest and date of maturity in the aggregate principal amount of \$72,000 and is issued pursuant to Ordinance No. \_\_\_\_\_ of the Town for the purpose of providing funds necessary to pay the Town's share of the costs of constructing a new headquarters fire station for Pierce County Fire Protection District No. 5, under and in strict compliance with the provisions of the Constitution of the State of Washington, and duly adopted ordinances of the Town.

The Town hereby irrevocably covenants that it will levy taxes annually without limitation as to rate or amount upon all of the taxable property within the Town, in amounts sufficient, with other monies of the Town legally available and specifically set aside for such purpose, to pay the principal of and interest on the bonds of this issue as the same shall become due.

The full faith, credit and resources of the Town are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest.

It is hereby certified and declared that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed and that the total indebtedness of the Town, including this bond and the bonds of this issue, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Town of Gig Harbor, Washington, has caused this bond to be signed on behalf of the Town with the facsimile signature of its Mayor, to be attested by the manual signature of its Clerk, the official seal of the Town to be impressed hereon and the interest coupons attached hereto to be signed with the facsimile signatures of said officials this first day of April, 1978.

TOWN OF GIG HARBOR, WASHINGTON

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk

The interest coupons attached to the Bonds shall be in substantially the following form:

NO. \_\_\_\_

\$ \_\_\_\_\_

On the first day of \_\_\_\_\_, 19\_\_\_\_, the Town of Gig Harbor, Washington, will pay to bearer at the office of the Treasurer of the Town at his office in Gig Harbor, Washington, or, at the option of the holder at either of the fiscal agencies of the State of Washington in the cities of Seattle, Washington and New York, New York, the amount shown hereon in lawful money of the United States of America, said amount being the semiannual interest due that date on its General Obligation Bond, 1978, dated April 1, 1978 and numbered \_\_\_\_\_.

TOWN OF GIG HARBOR, WASHINGTON

By \_\_\_\_\_

Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk

Section 5. The Bonds shall be signed on behalf of the Town by the facsimile signature of its Mayor, shall be attested by the manual signature of the Town Clerk and shall have the official seal of the Town impressed thereon. Each of the interest coupons attached thereto shall be signed with the facsimile signatures of said officials.

Section 6. There is hereby created a special account of the Town to be known as the "1978 Fire Station Fund." All monies received from the sale of the Bonds (except for accrued interest, if any, which shall be paid into the Bond Redemption Fund hereinafter created) shall be paid into such Fund.

The monies in such Fund, including earnings derived from the investment thereof, shall be used for the purposes provided in this ordinance.

Section 7. There is hereby created a special fund of the Town to be known as the "1978 General Obligation Bond Redemption Fund," which Fund shall be drawn upon for the sole purpose of paying the principal of and interest on the Bonds.

The Town covenants and agrees for as long as any of the Bonds are outstanding and unpaid that each year it will levy taxes annually without limitation as to rate or amount upon all the property within the Town subject to taxation, in amounts which, with other monies of the Town which may be legally used and which the Town may specifically set aside for such purposes, will be sufficient to pay the principal of and interest on the Bonds as the same shall become due. All of such taxes so collected and any of such other monies shall be paid into the Bond Redemption Fund, and none of the monies therein shall be used for any other purpose than the payment of the principal of and interest on the Bonds.

The full faith, credit and resources of the Town are hereby pledged for the annual levy and collection of such taxes and to the prompt payment of the principal of and interest on the Bonds as the same shall become due.

Section 8. The Town covenants and agrees with the holders of the Bonds that no part of the proceeds of the Bonds or any other funds of the Town shall at any time be used directly or indirectly to acquire securities or obligations, the acquisition of which would cause any Bond to become an "arbitrage bond" as defined in Section 103(c) of the Internal Revenue Code of 1954, as amended, and the applicable regulations promulgated thereunder.

Section 9. The Town Clerk is hereby authorized and directed to advertise the Bonds for sale in the manner required by law. Sealed bids for the purchase of said Bonds will be received by the Town Treasurer in the Town Hall in Gig Harbor, Washington, until 3:00 o'clock p.m. Pacific Standard Time on March 13, 1978, at which time said bids will be publicly opened, read and evaluated. Said bids will be considered and acted upon by the Town Council at a regular meeting thereof to be held in the Council Chambers

in the City Hall at 8:00 o'clock p.m. Pacific Standard Time on the same date.

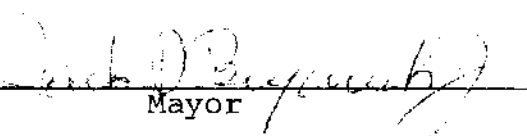
Upon the sale of the Bonds the proper Town officials are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery thereof and for the proper application and use of the proceeds of such sale.

Section 10. The Mayor and Clerk of the Town are hereby authorized and directed to execute, on behalf of the Town, a contract with Pierce County Fire Protection District No. 5, Pierce County, Washington, in substantially the form attached hereto as Exhibit A.

PASSED BY THE COUNCIL OF THE TOWN OF GIG HARBOR, WASHINGTON, at a regular meeting thereof and approved by the Mayor this 14th day of February, 1978.

TOWN OF GIG HARBOR, WASHINGTON

By

  
Mayor

ATTEST:

  
Town Clerk