

ORDINANCE NO. 414

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS OF THE CITY OF STAYTON, OREGON IN THE PRINCIPAL SUM OF \$370,000 FOR THE PURPOSE OF EXPANDING THE MUNICIPAL SANITARY SEWER SYSTEM: PROVIDING FOR THE PAYMENT OF SAID BONDS; PRESCRIBING THE FORM OF SAID BONDS; AND DECLARING AN EMERGENCY.

The City of Stayton do ordain as follows:

Section I. Pursuant to Chapter XIII, Section 2, of the Charter of the City of Stayton, legally adopted by the voters of said City at a special election held on the 27th day of August, 1971, said City shall issue and sell its general obligation sanitary sewer system bonds in the principal sum of not over \$370,000 for the purposes specified in said Charter chapter and section.

Section II. Said sanitary sewer system bonds shall be in coupon form, shall be dated April 1, 1972, shall be in denominations of \$5,000 each, shall bear interest at the rate or rates designated in the accepted bid for the bonds, but not exceeding a net effective rate of eight percent (8%) per annum, with interest payable semi-annually on October 1 and April 1 of each year during the life of the bonds; shall be numbered consecutively from 1 to 74, inclusive, and shall mature in regular numerical order as follows:

BOND NOS. INCLUSIVE	MATURITY DATES	AMOUNT
1 - 2	April 1, 1973	\$10,000.00
3 - 4	April 1, 1974	10,000.00
5 - 6	April 1, 1975	10,000.00
7 - 9	April 1, 1976	15,000.00
10 - 12	April 1, 1977	15,000.00
13 - 15	April 1, 1978	15,000.00
16 - 18	April 1, 1979	15,000.00
19 - 21	April 1, 1980	15,000.00
22 - 24	April 1, 1981	15,000.00
25 - 27	April 1, 1982	15,000.00
28 - 31	April 1, 1983	20,000.00
32 - 35	April 1, 1984	20,000.00
36 - 39	April 1, 1985	20,000.00
40 - 43	April 1, 1986	20,000.00
44 - 47	April 1, 1987	20,000.00

48 - 52	April 1, 1988	25,000.00
53 - 57	April 1, 1989	25,000.00
58 - 62	April 1, 1990	25,000.00
63 - 68	April 1, 1991	30,000.00
69 - 74	April 1, 1992	30,000.00

with the right reserved to the City of Stayton, however, at its option, to redeem in inverse numerical order at par and accrued interest on April 1, 1982, and on any interest day thereafter, any or all of the bonds of said issue maturing after April 1, 1982.

Section III. In accordance with Section 4 of said Charter provision, such portion of the sanitary sewer system user charges as collected within and without the city remaining after deducting the expenses of maintenance and operation of such sanitary sewer system facilities and extensions and betterments thereto, to the extent as may be necessary for the annual payments for the retirement of the bonded indebtedness, hereby is pledged to the payment of the principal of, and the interest on, the said bonds, subject to the prior pledge of such sanitary sewer system revenue on the \$690,000 sewage system bonds of the City of Stayton, Oregon, dated September 1, 1962. The Council of said city shall, each year, include in the general tax levy of the city a special levy sufficient with such sanitary sewer system funds and other monies available therefor, to pay promptly when due, principal and interest upon said bonds. The bonds shall contain a covenant that the city shall maintain a minimum monthly sewer user charge of not less than \$3.75 per month per user, and that it will pledge its unobligated net sewer system revenues and levy ad valorem taxes to pay the principal of, and interest upon the sewer system bonds as herein provided. The funds derived from said net sewer system revenues and the required ad valorem taxes shall be carried by the Recorder of the city in the separate account now known as "Sewer Bond Fund," and shall be expended only for the payment of the principal and interest on the said sewer system bonds and the prior issue, until the same have been fully paid and redeemed or until due provision for the payment for the

redemption thereof has been made.

Section IV. Said bonds shall be the general obligation of the City of Stayton and both the principal and interest upon such bonds shall be paid at the office of the treasurer of said city. Said bonds shall be signed by the Mayor and be countersigned by the Recorder of said city, and the interest coupons attached to said bonds shall bear the facsimile signatures of the said Mayor and Recorder. A copy of the approving legal opinion, certified as such under the facsimile signature of the Recorder, shall be printed on the reverse side of each bond.

The bonds hereby authorized and the coupons attached thereto shall be substantially in the following form:

No. \$5,000.00

United States of America

State of Oregon

County of Marion

City of Stayton, Oregon, Sewer System Bonds

The City of Stayton, Oregon, for value received, hereby acknowledges itself indebted and promises to pay to the bearer the sum of

FIVE THOUSAND DOLLARS

on the 1st day of _____, 19____, with interest thereon at the rate of _____ percent per annum, payable on the 1st days of October and April of each year, to the bearer of the respective coupons therefor hereto attached, upon presentation and surrender thereof as they severally and respectively mature. Both the principal hereof and the interest hereon are payable in lawful money of the United States of America at the office of the Treasurer of the City of Stayton, Oregon.

The bonds of the issue of which this bond forms a part maturing after April 1, 1982, may be redeemed by the City of Stayton, at par value and accrued interest on April 1, 1982, and on any interest day thereafter, in inverse numerical order or in the entire amount of the issue outstanding, pursuant to notice of intention to exercise said option, specifying the numbers of the bonds called for payment and the call date thereof, published at least thirty days prior to the redemption date specified in said notice in one issue of a newspaper printed and published in Marion County, Oregon. From the date of redemption designated in any such notice interest on the bonds called for redemption shall cease.

This bond is one of a like date and tenor except as to maturity, and is issued as part of a total issue of \$370,000 to provide funds to construct, install and improve the sanitary sewer system and appurtenances thereof within and without the City of Stayton by the purchase, construction, and installation of such sewerage treatment equipment and transmission facilities and such other structures or facilities as shall, in the judgment of the Council, be deemed expedient, convenient or necessary and to secure by purchase, condemnation or otherwise, within and without said city all real estate, rights of way, easements or licenses, and to purchase, construct, or otherwise secure and maintain such machinery, supplies, equipment, structures, or appliances as are reasonable or necessary therefor.

This bond is a general obligation of the City of Stayton, Oregon, payable both as to principal and interest from the unobligated net revenues of the sanitary sewer system, from unlimited ad valorem taxes upon all of the property within the city so taxable for its purposes, and from any other funds available for such payments.

It is hereby certified that the City of Stayton is a municipal corporation duly organized, existing and operating as a city under and by the virtue of the Constitution and laws of the State of Oregon;

that all conditions, acts and things required to exist and to be performed prior to and in the issuance of this bond have existed, happened and been performed in due time, form and manner as required by the Constitution and statutes of the State of Oregon and by the Charter and ordinances of the City of Stayton; and that the issue of which this bond is a part and all of the obligations of the city are within every debt limitation and other limits prescribed by said Constitution, statutes, Charter and ordinances.

For the punctual payment of the principal of this bond and the interest thereon as aforesaid, the full faith and credit of the City of Stayton, Oregon, are hereby irrevocably pledged.

IN WITNESS WHEREOF, the City of Stayton, Oregon, has caused this bond to be signed by its Mayor and countersigned by its Recorder under its corporate seal, and has caused the annexed interest coupons to be executed with the facsimile signatures of its said officers all as of the first day of _____, 1972.

M A Y O R

COUNTERSIGNED:

Recorder of the City of Stayton, Oregon

BOND COUPON

No. _____

On the 1st day of April, 19____, the City of Stayton, in Marion County, Oregon, will pay to the bearer

in lawful money of the United States of America, at the office of the Treasurer of said city, for six months interest then due on its Sewer System bond dated _____, 19____, bearing No. _____.

M A Y O R

COUNTERSIGNED:

Recorder of the City of Stayton, Oregon

Section V. As provided in ORS 287.002, the Recorder is hereby authorized and directed to advertise the said sewer system bonds for public sale upon written bid at a price not less than 98% of par value and the full amount of accrued interest on said bonds, and at a net effective interest rate of not more than eight percent (8%) per annum, the said sale to be held on such date as the Common Council shall so direct, and the notice thereof shall specify that the city reserves the right to reject any and all bids for the bonds. Should the bids received for the bonds not be acceptable to the Council, the Council may re-advertise the bonds for sale at such price and at such effective interest rate as the Council shall deem advisable.

Section VI. Whereas it is deemed necessary for the immediate preservation of the peace, health and safety of the citizens of the City of Stayton that this ordinance become effective at the earliest possible date, an emergency is hereby declared to exist and this ordinance shall be in full force and effect from and after its passage and approval by the Mayor.

PASSED AND UNANIMOUSLY ADOPTED by the Council this 7th day of February, 1972.

APPROVED by the Mayor this 7th day of February, 1972.

W. Waldrissle

M A Y O R

ATTEST:

John J. Schroeder

CITY RECORDER