

RESOLUTION NO. 670

A RESOLUTION approving an official statement; accepting a proposal for the purchase of Local Improvement District No. 13 Bond Anticipation Notes of the City in the principal amount of \$1,300,000; and fixing the interest rate on such notes.

WHEREAS, the City of Lacey, Washington, by Ordinance No. 897 passed November 15, 1990, authorized the sale and issuance of Local Improvement District No. 13 Bond Anticipation Notes of the City in the principal amount of \$1,300,000 (the "Notes") to provide funds to pay part of the costs of improvements specified by Ordinance No. 897; and

WHEREAS, an official statement has been prepared for the public sale of the Notes; and

WHEREAS, in order to carry out the City's anticipated program for financing capital improvements during 1991 and 1992 through tax-exempt borrowing, it is in the best interests of the City to limit such borrowing in each calendar year to \$5,000,000 or less to avoid the financial and administrative cost and burden of complying with the rebate requirements of Section 148 of the Internal Revenue Code of 1986; to achieve such goal it is necessary and desirable to sell and issue the Notes in 1990; and

WHEREAS, the bid of U.S. Bank of Washington, N.A., (the "Bank") was the only bid for the Notes that was timely submitted; and

WHEREAS, although the Note Ordinance and the notice of sale of the Notes provided for the City Council to consider the proposals at a meeting to be held on the same date that the bids were received, the Bank has given the City assurance that its offer would remain open until December 10, 1990; and

WHEREAS, it is in the best interest of the City that the Notes be sold to the Bank on the terms set forth in their proposal; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, as follows:

Section 1. The official statement prepared for the sale of the Notes authorized by Ordinance No. 897 is hereby approved and

the Finance Director of the City is hereby authorized to execute said official statement on behalf of the City.

Section 2. The proposal of U. S. Bank of Washington, N.A. to purchase the Local Improvement District No. 13 of the City as set forth in the proposal attached hereto as Exhibit A is hereby accepted, and the interest rate on the Notes shall be follows:

<u>Maturity Date</u>	<u>Maturity Amount</u>	<u>Interest Rate</u>
December 1, 1993	\$1,300,000	6.40%

ADOPTED by the City Council at a special meeting thereof, duly noticed and called, held on December 10, 1990.

CITY OF LACEY, WASHINGTON

Kay M. Boyd

Mayor

ATTEST:

Charotte M Taylor

City Clerk

FORM APPROVED:

[Signature]

City Attorney

Official Bid Form

CITY OF LACEY, WASHINGTON

\$1,300,000

LOCAL IMPROVEMENT DISTRICT NO. 13 BOND ANTICIPATION NOTES

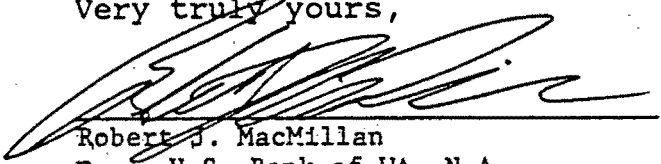
Blaine Martin
Finance Director
City of Lacey
Lacey, Washington

For \$1,300,000 of Local Improvement District No. 13 Bond Anticipation Notes (the "LID No. 13 Notes") of the City of Lacey dated the date of delivery, as described in the official Notice of Note Sale, which is hereby made a part of this bid, and for all of the LID No. 13 Notes, with the interest rates per annum indicated below,

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
\$1,300,000	Dec. 1, 1993	<u>6.40</u> %

we offer to pay the amount of \$ 1,293,500.00,
together with accrued interest, if any, to the date of delivery.

Very truly yours,


Robert J. MacMillan
For: U.S. Bank of WA. N.A.
344-2200

Information Only:

Total Interest Cost
\$ 245,671.11

Less premium
\$ _____

Plus discount
\$ 6,500.00

Net interest cost
\$ 252,171.11

Net interest rate
6.587 %