

RESOLUTION NO. 688

CITY OF LACEY, WASHINGTON
WATER AND SEWER UTILITY REVENUE BONDS, 1991
\$3,600,000

A RESOLUTION approving an official statement; accepting a proposal for the purchase of water and sewer utility revenue bonds of the City in the principal amount of \$3,600,000; and fixing the interest rates on such bonds.

WHEREAS, the City of Lacey, Washington, by Ordinance No. 922 (the "Bond Ordinance"), passed November 7, 1991, authorized the sale and issuance of water and sewer utility revenue bonds in the principal amount of \$3,600,000 (the "Bonds") to provide funds to pay part of the costs of the improvements specified by the Bond Ordinance; and

WHEREAS, a proposal of Piper, Jaffray & Hopwood, Incorporated, of Seattle, Washington, to purchase the Bonds is the best proposal received, and it is in the best interest of the City that the Bonds be sold to such firm on the terms set forth in their proposal and as provided in the Bond Ordinance and this resolution; NOW, THEREFORE,

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

Section 1. The defined terms used in this resolution have the meanings set forth in the Bond Ordinance.

Section 2. The official statement prepared for the sale of the Bonds authorized by the Bond Ordinance is hereby approved and the Finance Director is hereby authorized to execute said official statement on behalf of the City.

Section 3. The proposal of Piper, Jaffray & Hopwood, Incorporated to purchase the Water and Sewer Utility Revenue Bonds, 1991 of the City as set forth in the proposal attached hereto as Exhibit A is hereby accepted, and the interest rates on said bonds shall be as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>
1992	\$145,000	4.40%
1993	155,000	4.60%
1994	165,000	4.90%
1995	175,000	5.00%
1996	190,000	5.20%
1997	200,000	5.35%
1998	215,000	5.50%
1999	230,000	5.70%
2000	245,000	5.85%
2001	265,000	6.00%
2002	280,000	6.10%
2003	300,000	6.20%
2004	320,000	6.25%
2005	345,000	6.25%
2006	370,000	6.25%

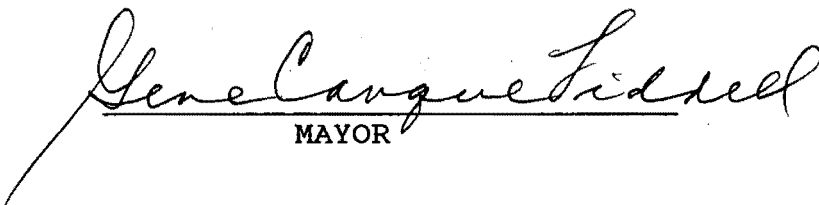
Section 4. Accrued interest on the Bonds shall be deposited in the "1977 City of Lacey Water and Sewer Revenue Bond Fund" and applied to payment of the interest coming due on the Bonds on June 1, 1992.

A portion of the principal proceeds of the Bonds shall be deposited in the 1977 Term Bond sinking fund subaccount in the Reserve Account of the Bond Fund to reimburse, with interest, the amount advanced from such subaccount to pay and redeem the Water and Sewer Revenue Bond Anticipation Notes which were due on June 1, 1991. The balance of the principal proceeds shall be deposited in the Construction Fund and used for paying part of the costs of improvements ordered by the Bond Ordinance, for paying principal and interest on the Water and Sewer Revenue Bond Anticipation Notes

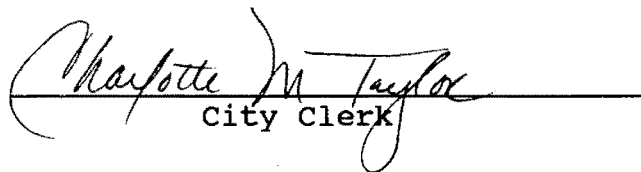
coming due on December 1, 1991, and for paying expenses incidental thereto and to the issuance of the Bonds.

Section 5. This resolution shall become effective only if, and on the date on which, the Bond Ordinance becomes effective.

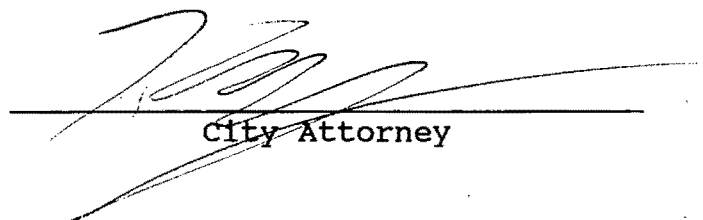
ADOPTED by the City Council at a regular open public meeting on November 7, 1991.


MAYOR

ATTEST:


City Clerk

APPROVED AS TO FORM


City Attorney

OFFICIAL BID FORM

\$3,600,000
 CITY OF LACEY, WASHINGTON
 WATER AND SEWER UTILITY REVENUE BONDS, 1991

November 7, 1991

Blaine Martin
 Finance Director
 City of Lacey
 Lacey, Washington

For \$3,600,000 par value Water and Sewer Utility Revenue Bonds, 1991 (the "1991 Bonds") of the City of Lacey dated November 1, 1991, as described in the official Notice of Bond Sale, which is hereby made a part of this bid, and for all of the 1991 Bonds, with interest rates per annum on the bonds maturing December 1 as indicated below:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
1992	\$145,000	4.40 %	1999	\$230,000	5.70 %
1993	155,000	4.60	2000	245,000	5.85
1994	165,000	4.80	2001	265,000	6
1995	175,000	5	2002	280,000	6.10
1996	190,000	5.20	2003	300,000	6.20
1997	200,000	5.35	2004	320,000	6.25
1998	215,000	5.50	2005	345,000	6.25
			2006	370,000	6.25

we offer to pay the sum of \$ 3,570,124.30, together with accrued interest, if any, to the date of delivery.

The foregoing amounts shall be serial maturities except any amounts specified below to be aggregated into Term Bond maturities, in which case such amounts shall be retired by mandatory redemption.

We hereby specify that the following bonds be aggregated into Term Bonds maturing on December 1 of the following years in the following amounts (leave blank if no Term Bonds are specified):


<u>Years Aggregated</u>	<u>Maturity Year</u>	<u>Amount</u>
— through —	_____	\$ _____
— through —	_____	_____
— through —	_____	_____

In accordance with the terms of the Notice of Bond Sale, there is enclosed herewith a certified or bank cashier's check for \$54,000.00 payable to the order of the Treasurer of the City of Lacey, Washington. The proceeds of said check are to be applied in accordance with the terms of the Notice of Bond Sale if said 1991 Bonds are awarded to us or said check is to be returned to us if the 1991 Bonds are not awarded to us.

Information Only

Total interest cost
 \$ 2,006,177.50
 Less premium, if any,
 \$ _____
 Plus discount, if any,
 \$ 29,875.70
 Net interest cost
 \$ 2,036,053.20
 Net interest rate
6.07414 %

Return of the good faith deposit check in the amount of \$54,000.00 is hereby acknowledged:

Very truly yours,

 For: PIDER JAFFRAY
HOPWOOD
 SEATTLE, WA.