RESOLUTION NO. 72-80

BLUE RIDGE SEWER IMPROVEMENT DISTRICT
ASSESSMENT AREA 5B1

RESOLUTION ORDERING THE SALE OF BLUE RIDGE SEWER IMPROVEMENT DISTRICT, ASSESMENT AREA 5B1, BONDS OF 1980 IN THE AGGREGATE PRINCIPAL AMOUNT OF $ 425,000.00

WHEREAS, the Blue Ridge Sewer Improvement District (the "District") is a duly organized and existing improvement district under the laws of the State of Arizona established pursuant to order of the Board of Supervisors of Navajo County, Arizona on October 24, 1978;

WHEREAS, the Board of Directors of the District have heretofore adopted a Resolution of Intention to order certain improvements within Assessment Area 5B1, which Resolution of Intention provides, among other things, for the issuance of bonds pursuant to Article 1.1 of Chapter 5 of Title 11 of the Arizona Revised Statutes;

WHEREAS, following the posting and publication of notice of adoption of the Resolution of Intention and publication of the Resolution of Intention, the Board of Directors adopted an order directing that the work be done;

WHEREAS, a diagram of Assessment Area 5B1 and assessment has been recorded, confirmed and a Treasurer's return filed evidencing payment of any assessment;

WHEREAS, the District has not previously issued bonds or other obligations payable from assessments with respect to property within Assessment Area 5B1; and

WHEREAS, the District now desires to proceed to issue and sell $425,000.00 of its bonds to finance the cost of the improvements described in the Resolution of Intention and the order directing that the work be done.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Blue Ridge Sewer Improvement District, Navajo County, Arizona that $425000.00 principal amount of Blue Ridge Sewer Improvement District, Assessment Area 5B1, Bonds of 1980, be sold in accordance with the Notice Inviting Proposals For Purchase of Bonds hereto attached. The

[~~Acting~~] Clerk [~~pro Chairman~~] is directed to execute the Notice and to cause the same to be published [~~number of times of publication~~] in [~~newspaper~~].
one time The White Mountain Independent, Pinetop Lakeside News

Adopted this 22 day of July, 1980.

Norman L. Denby
Chairman

Attest:

Sharon R. Keene
[~~Acting~~] Clerk

NOTICE INVITING PROPOSALS FOR
PURCHASE OF BONDS

NOTICE IS HEREBY GIVEN that sealed proposals will be received by the Board of Supervisors of Navajo County, acting as the Board of Directors of the Blue Ridge Sewer Improvement District, at the office of the Clerk of the Board of Supervisors at Holbrook Arizona _____, to and including the hour of _____ __.M., M.S.T. on _____, 1980, for the purchase of special assessment bonds of Blue Ridge Sewer Improvement District in the principal amount of $ 425,000.00 to be designated Blue Ridge Sewer Improvement District, Assessment Area 5B1, Bonds of 1980 (the "Bonds"). The Bonds are being issued pursuant to Article 1.1, Chapter 5, Title 11, Arizona Revised Statutes, for the purpose of financing the installation of collector sewers, laterals and appurtenant devices within Assessment Area 5B1 of the District.

Each bid submitted must offer to purchase all of the $ 425 000.00 principal amount of Bonds at not less than 95% of par plus accrued interest.

The Bonds are to be dated September 1, 1980, and will be issued in coupon form in the denomination of $5,000 each with no provision for registration. Interest on the bonds will be payable semiannually on January 1 and July 1 of each year beginning January 1, 1982. Principal of and interest on the Bonds will be payable at the office of the Navajo County Treasurer in Holbrook, Arizona.

The Bonds will mature on July 1 in each of the years and in the amounts as follows:

YEAR	PRINCIPAL AMOUNT $	YEAR	PRINCIPAL AMOUNT $
1982	25000.00		
1983	30000.00		
1984	30000.00		
1985	35000.00		
1986	40000.00		
1987	45000.00		
1988	50000.00		
1989	50000.00		
1990	55000.00		
1991	65000.00		

copy given to Cecil Culley 8/12/80 DK

PRIOR REDEMPTION: The Bonds are not subject to redemption prior to maturity except from prepayments of the assessments securing the Bonds.

In the event of the receipt of prepayments sufficient to call one or more Bonds, such Bonds shall be called for redemption on an interest payment date at a redemption price equal to the par amount thereof, plus a redemption premium equal to five percent of the principal amount thereof, together with interest to the redemption date. Bonds to be redeemed shall be the lowest numbered Bond of the maturity midway to the end of the term of the Bonds. Successive Bonds shall be chosen from the lowest number of each maturity on either side thereof, so that Bonds called for redemption shall be a pro rata part of each maturity after the maturity for which a levy of the special assessment has been posted to the tax rolls of the County.

SECURITY: The Bonds are payable from special assessments levied against all of the real property benefited by the improvements to be financed from the proceeds of the Bonds and lying within Assessment Area 581 of the Blue Ridge Sewer Improvement District. No other sources of moneys, other than capitalized interest, will be available for the payment of the Bonds. The special assessments are due and payable at the same time as County general taxes, are subject to the same collection procedures as general County taxes and are payable in installments which, in the aggregate, will be sufficient in amounts to pay maturing principal and interest on the Bonds.

INTEREST RATES: Bidders are invited to name the rates of interest which the Bonds are to bear. The maximum interest rate per maturity shall not exceed 10% ~~must specify not more than ( ) interest rates, with the spread between the highest and lowest interest rate not to exceed ( ) and no interest rate to exceed ten percent (10%). No supplemental coupons will be allowed.~~ All Bonds maturing on the same date must have interest at the same rate from their date to such maturity.

GOOD FAITH DEPOSIT: All bids must be accompanied by a certified check, drawn on a bank doing business in the State of Arizona, payable to the order of the Navajo County Treasurer in the amount of 8500 dollars ($ 8500). [INSERT 2% of FACE AMOUNT]. No interest will be paid on the check of any bidder. The check of the successful bidder will be applied to the purchase price of the Bonds or retained and forfeited as liquidated damages in the event such bidder does not take up and pay for the Bonds immediately upon their issuance. All checks of the unsuccessful bidders will be returned upon the award of the Bonds to the successful bidder.

RIGHT OF REJECTION: The Board of Directors of the District reserves the right in its discretion to reject any and all bids received and to waive any irregularity or informality in the bids, except that the time for receiving bids shall be of the essence.

AWARD OF BONDS: Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest net interest cost to the District, which will be determined by computing the aggregate amount of interest payable on the Bonds from September 1, 1980 [insert dated date] to their respective maturities. Delivery of the Bonds will be made to the purchaser upon payment in Federal Funds [~~by certified check drawn on a bank doing business on the State of Arizona~~] at Phoenix, Arizona, or at any other place mutually agreeable to the District and the purchaser.

LEGAL OPINION: These Bonds are sold subject to the approval of legality by Messrs. O'Connor, Cavanagh, Anderson, Westover, Killingsworth & Beshears, P.A., Phoenix, Arizona. Said attorneys have been retained by the District as Bond Counsel and in such capacity are to render their opinion and upon legality of the Bonds under Arizona law and on the exemption of the interest income on such Bonds from Federal and State of Arizona income taxes, the delivery of said opinion being a condition precedent to the delivery of the Bonds and the purchase thereof by the successful bidders. Fees of Bond Counsel will be paid from Bond proceeds.

CERTIFICATES AND ADDITIONAL OPINION TO BE DELIVERED: The District will deliver a certificate showing that no litigation is pending affecting the issuance and sale of the Bonds. John D. Gliege, Esq., Scottsdale, Arizona, [Special?] Counsel to the District will deliver an opinion to the purchaser to the effect that, as of the date of delivery of the Bonds, no facts have come to his attention which leads him to believe that the Official Statement of the District relating to the Bonds contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

DELIVERY OF OFFICIAL STATEMENTS: The successful bidder shall be requested to represent to the District and to the Arizona Corporation Commission that a copy of the Official Statement of the District relating to the Bonds will be provided to each investor purchasing any of the

Bonds from such bidder. The District shall provide two (2) copies of the Official Statement without cost to the successful bidder.

ADDITIONAL INFORMATION: Copies of the Notice Inviting Proposals for Purchase of Bonds and of the Official Statement relating to the Bonds will be furnished to any prospective bidder upon request made to Young, Smith & Peacock, Inc., 3443 North Central Avenue, Phoenix, Arizona, Financial Consultants to the District.

Dated: July 22, 1980.

Sharon B. Keene

[~~Acting~~] Clerk [~~Chairman~~], Blue Ridge Sewer Improvement District