

RESOLUTION NO. 52-85

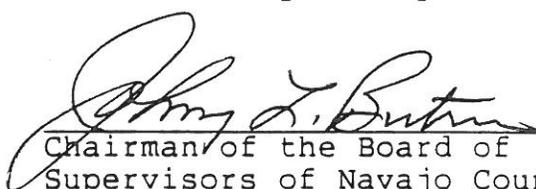
RESOLUTION ORDERING THE SALE OF KAYENTA UNIFIED SCHOOL DISTRICT NO. 27 OF NAVAJO COUNTY, ARIZONA GENERAL OBLIGATION REFUNDING BONDS, SERIES 1985 IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,225,000, FIXING THE DATE AND HOUR OF SALE, DIRECTING THE EXECUTION AND DISTRIBUTION OF A NOTICE INVITING PROPOSALS FOR PURCHASE OF BONDS.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF NAVAJO COUNTY, ARIZONA AS FOLLOWS:

Section 1. That not to exceed \$7,225,000 principal amount of General Obligation Refunding Bonds, Series 1985 of Kayenta Unified School District No. 27 of Navajo County, Arizona (the "District") shall be offered for public sale by the Board of Supervisors of Navajo County, Arizona on the date and at the hour set forth in the Official Notice Inviting Proposals For Purchase Of Bonds (the "Notice") attached hereto.

Section 2. That the Clerk of the Board of Supervisors is hereby authorized and directed to execute the Notice, in substantially the form attached hereto, and, with the advice of the District's Financial Consultant, to cause said Notice, as executed, to be distributed to prospective purchasers of the bonds prior to the date set to receive bids on the bonds.

PASSED AND ADOPTED this 21st day of May, 1985.

  
Chairman of the Board of  
Supervisors of Navajo County,  
Arizona

(SEAL)

ATTEST:

  
Clerk of the Board of Supervisors  
of Navajo County, Arizona

\$7,225,000

KAYENTA UNIFIED SCHOOL DISTRICT NO. 27 OF  
NAVAJO COUNTY, ARIZONA GENERAL OBLIGATION REFUNDING  
BONDS, SERIES 1985

NOTICE INVITING PROPOSALS  
FOR PURCHASE OF BONDS

NOTICE IS HEREBY GIVEN that sealed, unconditional bids will be received by the Board of Supervisors of Navajo County, Arizona (the "Board") at the Office of the Clerk of the Board of Supervisors of Navajo County, Arizona, Governmental Complex, Holbrook, Arizona 86025, on June 4, 1985 until the hour of 11:00 a.m. Mountain Standard Time (*bidder's are put on notice that the State of Arizona does not observe Daylight Savings Time*), for the purchase of general obligation refunding bonds of Kayenta Unified School District No. 27 of Navajo County, Arizona (the "District") in the principal amount of Nine Million Dollars (\$7,225,000), to be designated Kayenta Unified School District No. 27 of Navajo County, Arizona General Obligation Refunding Bonds, Series 1985 (the "Bonds"). Each bid shall specify the interest rate or rates to be borne by the Bonds, but no bid proposing a rate higher than twelve percent (12%) per annum will be considered. See INTEREST RATES herein.

The Bonds will be dated June 1, 1985, and will be issued in fully registered form without coupons, in the denomination of \$5,000 or any integral multiple thereof. Interest on the Bonds shall be payable semiannually on January 1 and July 1 of each year, beginning January 1, 1986. Principal on the Bonds will be payable at the principal corporate trust office of The Valley National Bank of Arizona in Phoenix, Arizona, as Bond Registrar and Paying Agent, when due upon surrender of such Bonds at the principal corporate trust office of the Bond Registrar and Paying Agent. Interest on the Bonds will be payable by check or draft mailed to the registered owners thereof, as shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent, at the address appearing thereon at the close of business on the 15th day of the calendar month next preceding that interest payment date.

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

<u>Year</u>	<u>Principal Amount</u>
1987	\$600,000
1988	885,000
1989	975,000
1990	1,065,000
1991	1,150,000
1992	1,235,000
1993	1,315,000

FORM AND DENOMINATION: The Bonds will be issued in fully registered form without coupons, in the denomination of \$5,000 or any integral multiple thereof. The initial purchaser must accept one fully registered Bond for all amounts in each maturity for which names and addresses of the initial owners of the Bonds were not provided to the Bond Registrar at least seven days prior to the date of closing.

REGISTRATION AND TRANSFER: The Bonds will be transferable only upon the bond register maintained by the Bond Registrar upon surrender of the Bonds to the Bond Registrar with an appropriate instrument of transfer.

PRIOR REDEMPTION: Bonds of this series are non-callable.

AUTHORITY AND PURPOSE: The Bonds will be issued pursuant to the Constitution and laws of the State of Arizona, including particularly Title 35, Chapter 3, Article 4, Arizona Revised Statutes, as amended, and a Resolution to be adopted by the Board on June 4, 1985. The Bonds are being issued to advance refund all of the District's School Improvement Bonds, Project of 1980, presently outstanding in the aggregate principal amount of \$7,750,000.

SECURITY AND SOURCES OF PAYMENT: The principal of and interest on the Bonds are payable from an ad valorem tax levied against all of the taxable property of the District without limitation as to rate, but limited to a total amount not greater than the total amount of principal and interest to be paid on the bonds being refunded and subject to the rights vested in the holders of the bonds being refunded to the payment of the bonds being refunded from the same tax source in the event of a deficiency in the United States Treasury obligations which will be purchased with the proceeds from the sale of the Bonds and placed in trust with an Escrow Trustee for the purpose of paying the principal of, premium, if any, and interest on the bonds being refunded, pursuant to an Escrow Trust

Agreement. The holders of the Bonds must rely on the sufficiency of the United States Treasury obligations so purchased.

The Board is obligated to levy annually an ad valorem tax for payment of the principal of and interest on the Bonds upon all the taxable property within the District without limitation as to rate, but limited to a total amount not greater than the total amount of principal and interest to be paid on the bonds being refunded, and subject to the rights vested in the holders of the bonds being refunded, to payment from the same tax levy if the obligations issued or guaranteed by the United States of America, which will be purchased with the net proceeds of the Bonds, are insufficient to pay the principal of and interest on the bonds being refunded.

INTEREST RATES: Bidders are to name the rate or rates of interest per annum which the Bonds are to bear, not to exceed twelve percent (12%) per annum, to be expressed in multiples of one-eighth ( $1/8$ ) or one-twentieth ( $1/20$ ) of one percent (1%); however, no fractional cents will be paid (or accumulated for payment) on any Bond, and interest rates bid which indicate payment of fractional cents will be deemed to be a waiver of the right to payment of such fractional cents. Interest will be calculated on the basis of 360 days per year or 12 30-day months. The highest rate of interest received shall not exceed the lowest rate of interest by more than one percent (1%) per annum. Any number of interest rates may be named, but the rate of interest on the Bonds of each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. Any bid which specifies a split interest rate or the payment of any premium offered in anything other than federal funds will not be considered.

FORM OF BID: No proposal offering to purchase less than all of the Bonds at the par value of all of the Bonds and accrued interest for all of the Bonds will be considered. Each bid shall be enclosed in a sealed envelope marked "Proposal for Purchase of Kayenta Unified School District No. 27 of Navajo County, Arizona General Obligation Refunding Bonds, Series 1985" and shall be addressed to Clerk, Board of Supervisors of Navajo County, Arizona, Governmental Complex, Holbrook, Arizona 86025. All bids must be unconditional, and bidders must use the bid form prepared by the District. Young, Smith & Peacock, Inc., Financial Consultant to the District, has reserved the right to bid on the Bonds.

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

AWARD OF BONDS: Unless all proposals are rejected, the Board, at the regularly scheduled meeting of the Board of Supervisors of Navajo County, Arizona to be held on June 4, 1985, will award the Bonds not later than 5:00 p.m., Mountain Standard Time, on June 4, 1985, to the responsible bidder offering to purchase all of the Bonds at the lowest net interest cost to the District, which shall be determined by computing the aggregate amount of interest payable on the Bonds from June 1, 1985 to their respective maturities and by deducting therefrom any premium.

GOOD FAITH CHECKS: Each proposal must be accompanied by a certified check, drawn on a bank doing business in the State of Arizona, payable to the order of the County Treasurer of Navajo County, Arizona, for not less than One Hundred Forty-Four Thousand Five Hundred Dollars (\$144,500) to guarantee performance of such proposal. No interest will be allowed on the good faith deposits, and the checks of the unsuccessful bidders will be returned to the bidders' representatives promptly. The good faith check of the successful bidder will be retained by the County Treasurer of Navajo County, Arizona uncashed until the delivery of the Bonds, at which time said check will be cashed and applied toward the purchase of the Bonds, or said check will be cashed and the proceeds thereof forfeited to the District as and for stipulated and liquidated damages if the successful bidder fails or neglects to take up and pay for the Bonds in accordance with its proposal.

DELIVERY: The executed and authenticated Bonds will be delivered to the purchaser in Phoenix, Arizona, at the expense of the District, at the law offices of O'Connor, Cavanagh, Anderson, Westover, Killingsworth & Beshears, P.A., One East Camelback Road, Phoenix, Arizona, Bond Counsel, or at the request and expense of the purchaser, at any other place mutually agreeable to the Board, the District and to the purchaser. It is expected that delivery will be made on or about June 26, 1985. Payment of the entire purchase price must be made in federal funds.

COST OF BOND FORMS: The District will bear the cost of the Bond forms and the printing thereof and will furnish fully executed and authenticated Bonds, registered in the name of the purchaser, to the purchaser upon payment therefor. All costs and expenses of initial registration and payment of the Bonds will be borne by the District. The expenses (and transfer taxes, if applicable) pertaining to subsequent registrations of the Bonds shall be paid by the transferor.

LEGAL OPINION: Bonds are sold with the understanding that the District will furnish the purchaser with the unqual-

ified approving opinion of O'Connor, Cavanagh, Anderson, Westover, Killingsworth & Beshears, P.A., of Phoenix, Arizona, Bond Counsel. Said attorneys have been retained by the District as Bond Counsel and, in such capacity, are to render their opinion only upon the 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 bidder. The fees of Bond Counsel will be paid from Bond proceeds.

CERTIFICATES TO BE DELIVERED: The Board and the District will deliver a certificate showing that no litigation is pending affecting the issuance and sale of the Bonds. The District also will deliver an arbitrage certificate covering its expectations concerning the use of proceeds from the sale of the Bonds and related matters.

CUSIP IDENTIFICATION NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and to pay for the Bonds in accordance with the terms of its proposal. No CUSIP identification number shall be deemed to be a part of any Bond or a part of the contract evidenced thereby, and no liability shall hereafter attach to the Board, the District or to any of their officers or agents because of or on account of such numbers or any use made thereof. All expenses in relation to the printing of CUSIP identification numbers on the Bonds and the CUSIP Service Bureau charge for the assignment of said numbers shall be paid for by the District.

FURTHER INFORMATION: Further information, including copies of the Notice Inviting Proposals for Purchase of Bonds, copies of the official bid form, copies of the Resolution pursuant to which the Bonds will be issued, and copies of the Official Statement containing information relating to the issuance, sale and security for the Bonds, may be obtained from the undersigned at the Governmental Complex, Holbrook, Arizona 86025, or from Young, Smith & Peacock, Inc., 3443 North Central Avenue, Phoenix, Arizona 85012 (Telephone Number (602) 264-9241), Financial Consultant to the District.

The District will furnish the successful bidder, without cost, up to 50 copies of the Official Statement relating to the Bonds.

DATED: May 21, 1985.

  
Clerk, Board of Supervisors  
of Navajo County, Arizona

(SEAL)

10340MGE



RECEIVED  
 YOUNG, SMITH & PEACOCK, INC.

MEMBER NEW YORK STOCK EXCHANGE AND OTHER PRINCIPAL EXCHANGES

(602) 264-9241 • FINANCIAL CENTER • 3443 NORTH CENTRAL AVENUE • PHOENIX, ARIZONA 85012

May 14, 1985

Ms. Sharon Keene, Clerk  
 Board of Supervisors  
 Navajo County Governmental Complex  
 Holbrook, Arizona 86025

Re: Kayenta Unified School District No. 27  
 Sale of Refunding Bonds

Dear Sharon:

Per our telephone conversation on Tuesday, we would like the following agenda items to appear for two meetings of the Board of Supervisors.

<u>Date of Meeting</u>	<u>Time</u>	<u>Agenda Item</u>
May 21, 1985	10:00	Call for the sale of refunding bonds for Kayenta Unified School District No. 27 of Navajo County, Arizona.
June 4, 1985	11:00	Receive bids for the sale of refunding bonds for Kayenta Unified School District No. 27 of Navajo County, Arizona.

Thank you for your assistance in this matter.

Very truly yours,

YOUNG, SMITH & PEACOCK, INC.

*Larry S. Given*  
 Larry S. Given  
 First Vice President  
 Municipal Finance

LSG/to

5-21  
 Place in  
 June 4<sup>th</sup>  
 Agenda folder