

RESOLUTION NO. 85-07

A RESOLUTION DETERMINING UNPAID ASSESSMENTS
AND PROVIDING FOR THE ISSUANCE OF BONDS
PURSUANT TO THE "IMPROVEMENT BOND ACT OF 1915"

CHURCH AVENUE IMPROVEMENT PROJECT
ASSESSMENT DISTRICT NO. 15

WHEREAS, the City Council of the City of Ridgecrest, California, has heretofore undertaken proceedings pursuant to the "Municipal Improvement Act of 1913", being Division 12 of the Streets and Highways Code of the State of California, and has confirmed assessments upon lands within a special assessment district described in a Resolution of Intention previously adopted for said improvements, said special assessment district known and designated as

CHURCH AVENUE IMPROVEMENT PROJECT
ASSESSMENT DISTRICT NO. 15

(hereinafter referred to as the "Assessment District"); and,

WHEREAS, said proceedings provided for the issuance of bonds pursuant to the "Improvement Bond Act of 1915", being Division 10 of the Streets and Highways Code of the State of California, and it is necessary to establish terms and provisions of such issuance; and,

WHEREAS, notice of the recordation of the assessment and of the time within which assessments may be paid in cash has been duly published and mailed in the manner provided by law, and the time so provided for receiving payment of assessments in cash has expired, and there has been filed a list of all assessments which now remain unpaid; and,

WHEREAS, it is desired, pursuant to Section 8650.1 of the Streets and Highways Code, to establish the denominations of the bonds to represent unpaid assessments on private property and the amount to mature each year which will be other and different than that as provided in Section 8650 of said Code; and,

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. That the above recitals are all true and correct.

Section 2. Unpaid Assessments. That the assessments now remaining unpaid, and the aggregate thereof, are as shown on a list entitled "Paid and Unpaid Assessments", referenced by the name of this Assessment District, a copy of which is on file in the Office of the Treasurer and by reference made a part hereof and attached as "Exhibit A".

Section 3. Parcel Descriptions. That for a particular description of the lots or parcels of land bearing the respective assessment numbers set forth in said Unpaid List and upon which assessments remain unpaid, reference is hereby made to the assessment and to the diagram recorded in the Office of the Superintendent of Streets.

Section 4. Issuance of Bonds. The Unpaid List is in the amount of \$143,081.94, and bonds shall be issued in said amount and upon the security of said unpaid assessments in accordance with the provisions of the "Improvement Bond Act of 1915", and under and pursuant to the provisions of said Resolution of Intention and the proceedings thereunder duly had and taken.

Section 5. Registered Bonds. Said bonds shall be issuable only as fully registered bonds in the denomination of \$5,000, or any integral multiple thereof, except for one bond maturing in the first year of maturity, which shall include the amount by which the total issue exceeds the maximum integral multiple of \$5,000 contained therein.

Section 6. Date of Bonds. All of said bonds shall be dated the 15th day of April, 1985, and interest shall accrue from that date.

Section 7. Maturity. The bonds shall be issued in serial form with annual maturities on July 2nd of every year succeeding the first ten (10) months after their date, until the whole is paid. The amount maturing each year shall be such as to result in approximately equal annual debt service during the term of the issue as reflected by rates not exceeding eleven and one-half percent (11½%) per annum and principal amounts maturing in years of maturity as per follows:

| <u>MATURITY YEAR</u> | <u>PRINCIPAL MATURING JULY 2ND</u> |
|--------------------------|--|
| 1986 | \$ 3,081.94 |
| 1987 | 5,000.00 |
| 1988 | 5,000.00 |
| 1989 | 5,000.00 |
| 1990 | 5,000.00 |
| 1991 | 5,000.00 |
| 1992 | 10,000.00 |
| 1993 | 10,000.00 |
| 1994 | 10,000.00 |
| 1995 | 10,000.00 |
| 1996 | 10,000.00 |
| 1997 | 15,000.00 |
| 1998 | 15,000.00 |
| 1999 | 15,000.00 |
| 2000 | 20,000.00 |

Section 8. Interest. Each bond shall be of a single maturity and shall bear interest at the rate specified in Section 7 hereof from the interest payment date next preceding the date on which it is authenticated and registered, unless said bond is authenticated and registered as of an interest payment date, in which case it shall bear interest from said interest payment date, or unless this bond is authenticated and registered prior to the first interest payment date, in which case it shall bear interest from its date, until payment of its principal sum has been discharged. Interest payments shall commence on January 2, 1986 and be paid semi-annually thereafter on July 2nd and January 2nd of each year.

Section 9. Place of Payment. The principal and interest on the bond shall be payable in lawful money of the United States of America at the office of the Paying Agent.

Principal and interest on said bonds shall be paid by check or draft to the registered owner thereof at his address as it appears on the books of registration, or at such address as may have been filed with the Paying Agent for that purpose, as of the 15th day immediately preceding said interest payment date.

Section 10. Redemption. At the option of the City, this bond, or a portion thereof if issued in a denomination greater than \$5,000, shall be subject to redemption and payment in advance of maturity in increments of \$5,000 as provided in Section 8768 of the Streets and Highways Code, on the 2nd day of January or July in any year, by giving the notice provided in said law to the registered owner thereof at his address as it appears on the books of registration and by paying principal of and accrued interest on such redeemed amount, together with a premium equal to five percent (5%) of the redeemed principal amount. If less than the entire bond is redeemed, the unredeemed portion shall be reissued to the registered owner thereof.

Section 11. Transfer of Registered Bonds. Any fully registered bond may, in accordance with its terms, be transferred upon the books of registration required to be kept pursuant to the provisions of Section 13 by the owner in whose name it is registered, or by his duly authorized attorney or legal representative, upon surrender of such fully registered bond for registration of such transfer, accompanied by delivery of a written instrument or transfer in a form approved by the Treasurer and by the owner of said bonds, duly executed.

The Treasurer shall require the payment by the bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such other transfer and such changes as provided for in the system of registration for registered debt obligations.

No transfer of fully registered bonds shall be required to be made during the fifteen (15) days next preceding each interest payment date.

Section 12. Exchange of Registered Bonds. Fully registered bonds may be exchanged at the office of the Treasurer, or designated transfer agent/registrar, for a like aggregate principal amount of bonds of the same series, interest rate and maturity, subject to the terms and conditions provided in the system of registration for registered debt obligations, including the payment of certain charges, if any, upon surrender and cancellation of this bond. Upon such transfer and exchange, a new registered bond or bonds of any authorized denomination or denominations of the same maturity for the same aggregate principal amount will be issued to the transferee in exchange therefor.

Section 13. Books of Registration. There shall be kept by the Treasurer or designated Registrar and Transfer Agent sufficient books for the registration and transfer of the bonds and, upon presentation for such purpose, the Treasurer shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said register, bonds as hereinbefore provided.

Section 14. Execution of Bonds. The bonds shall be executed in facsimile by the Treasurer and by the City Clerk, and the corporate seal shall be imprinted in facsimile on the bonds. The bonds shall then be delivered to

the transfer agent and registrar, for authentication and registration. In case an officer who shall have signed or attested to any of the bonds by facsimile or otherwise shall cease to be such officer before the authentication, delivery and issuance of the bonds, such bonds nevertheless may be authenticated, delivered and issued, and upon such authentication, delivery and issue, shall be binding as though those who signed and attested the same had remained in office.

Section 15. Authentication. Only such of the bonds as shall bear thereon a certificate of authentication substantially in the form below, manually executed by the transfer agent and registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the transfer agent and registrar shall be conclusive evidence that the bonds so authenticated have been duly executed, authenticated and delivered hereunder, and are entitled to the benefits of this Resolution.

FORM OF CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This bond has been authenticated and registered on

BANK OF AMERICA NT & SA
As Transfer Agent, Registrar
and Paying Agent

By: _____
Authorized Officer

Section 16. Negotiability, Registration and Transfer of Bonds. The transfer of any bond may be registered only upon such books of registration upon surrender thereof to the transfer agent and registrar, together with an assignment duly executed by the owner or his attorney or legal representative, in satisfactory form. Upon an such registration of transfer, a new bond or bonds shall be authenticated and delivered in exchange for such bond, in the name of the transferee, of any denomination or denominations authorized by this Resolution, and in an aggregate principal amount equal to the principal amount of such bond or principal amount of such bond or bonds so surrendered. In all cases in which bonds shall be exchanged or transferred, the transfer agent and registrar shall authenticate at the earliest practical time, bonds in accordance with the provisions of this Resolution. All bonds surrendered in such exchange or registration transfer shall forthwith be cancelled. The legislative body may make a charge for every such exchange or registration of transfer of bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer. The transfer agent and registrar shall not be required to make such exchange or registration of transfer of bonds during the fifteen (15) days immediately preceding any January 2nd or July 2nd.

Section 17. Ownership of Bonds. The person in whose name any bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal and redemption premium, if any, of any such bond, and the interest on any such bond, shall be made only to or upon the order of the registered owner thereof or his legal

representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

Section 18. Mutilated, Destroyed, Stolen or Lost Bonds. In case any bond secured hereby shall become mutilated or be destroyed, stolen or lost, the legislative body shall cause to be executed and authenticated a new bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated bond or in lieu of and in substitution for such bond destroyed, stolen or lost, upon the owner's paying the reasonable expenses and charges in connection therewith, and, in the case of a bond destroyed, stolen or lost, his filing with the legislative body of evidence satisfactory to it and to the Treasurer thereof that such bond was destroyed, stolen or lost, and of his ownership thereof, and furnishing the legislative body with indemnity satisfactory to it.

Section 19. Cancellation of Bonds. All bonds paid or redeemed, either at or before maturity, shall be cancelled upon the payment or redemption of such bonds, and shall be delivered to the transfer agent and registrar when such payment or redemption is made. All bonds cancelled under any of the provisions of this Resolution shall be destroyed by the transfer agent and registrar, which shall execute a certificate in duplicate describing the bonds so destroyed, and shall retain said executed certificate in its permanent files for the issue.

Section 20. Reserve Fund. Pursuant to Part 16 of Division 10 of the California Streets and Highways Code, as amended, there shall be created a special reserve fund for the bonds to be designated by the name of the Assessment District and specified as the special "Reserve Fund". The Reserve Fund shall be funded as follows: The initial designated amount shall be deposited in the Reserve Fund out of the General Fund.

Monies in the Reserve Fund shall be applied as follows:

- A. Amounts in said Reserve Fund shall be transferred to the Redemption Fund for the bonds if, as a result of delinquencies in the payment of assessments, there are insufficient monies in said Redemption Fund to pay principal of and interest on the bonds. Amounts so transferred shall be repaid to the Reserve Fund from proceeds from the redemption or foreclosure of property with respect to which an assessment is unpaid and from payments of the delinquent assessments;
- B. Whenever monies in the Reserve Fund exceed the amount to retire all of the bonds outstanding, plus accrued interest thereon, such excess money shall be transferred to the General Fund.

Section 21. Improvement Fund. The proceeds from the sale of the bonds, after deposit of required amounts in the Reserve Fund and Redemption Fund, shall be placed in the fund hereby created, pursuant to Sections 10602 and 10424 of the California Streets and Highways code, as amended, which shall be called "Improvement Fund, Church Avenue Improvement Project, Assessment District No. 15" (the "Improvement Fund"), and the monies in said Fund shall be used only for the purposes authorized in said assessment proceedings. Any surplus in the Improvement Fund after completion of the improvements shall

remain in the Improvement Fund for a period not less than two (2) years from the receipt of bond proceeds as provided in Section 10427.1 of the California Streets and Highways Code, and thereafter shall be utilized or distributed as determined by the legislative body.

Section 22. Redemption Fund. Principal of and interest on said bonds shall be paid out of the Redemption Fund created pursuant to Section 8671 of the California Streets and Highways Code. Accrued interest paid by the purchaser of the bonds, if any, shall be deposited in the Redemption Fund. In all respects not recited herein, said bonds shall be governed by the provisions of the "Improvement Bond Act of 1915", Division 10 of the California Streets and Highways Code, as amended.

Section 23. Designation of Paying Agent, Transfer Agent and Registrar. The Bank of American NT & SA is hereby designated paying agent, transfer agent and registrar with respect to these proceedings and the bonds to be issued.

Section 24. Covenant to Foreclose. The legislative body hereby covenants that upon default of any assessment payment due, it will cause foreclosure proceedings to be brought within one hundred fifty (150) days of such default and thereafter diligently prosecute to completion such proceedings.

Section 25. Order to Print and Authenticate Bonds. The Treasurer is hereby instructed to cause bonds, as set forth above, to be printed, and to proceed to cause said bonds to be authenticated and delivered to an authorized representative of the purchaser, upon payment of the purchase price as set forth in the accepted proposal for the sale of bonds.

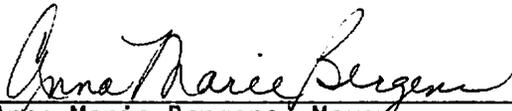
APPROVED AND ADOPTED this 20th day of March, 1985, by the following vote:

AYES: Mayor Bergens, Councilmembers Mower, Condos, Pearson, and Wiknich

NOES: None

ABSENT: None

ABSTAIN: None



Anna Marie Bergens, Mayor
City of Ridgecrest
State of California

ATTEST:



Joyce M. Taft, City Clerk
City of Ridgecrest
State of California

EXHIBIT "A"
LIST OF PAID AND UNPAID ASSESSMENTS

CITY OF RIDGECREST

Church Avenue Improvement Project
Assessment District No. 15

| DIAGRAM AND ASSESSMENT NUMBERS | ASSESSOR'S PARCEL NUMBER | AS PRELIMINARILY APPROVED | AS FINALLY CONFIRMED AND RECORDED | PAYMENTS |
|--------------------------------------|--------------------------------|---------------------------------|---|----------|
| 1 | 079-030-09 | 5,102.77 | 4,411.72 | 4,411.72 |
| 2 | 079-030-08 | 3,283.96 | 2,839.22 | |
| 3 | 079-030-07 | 3,196.08 | 2,732.73 | 2,732.73 |
| 4 | 079-030-27 | 3,114.95 | 2,354.57 | |
| 5 | 079-120-25 | 8,678.01 | 7,833.77 | |
| 6 | 079-120-26 | 6,360.93 | 5,665.50 | |
| 7 | 079-120-18 | 8,308.70 | 7,836.60 | |
| 8 | 079-120-14 | 4,892.19 | 4,892.19 | |
| 9 | 079-120-13 | 1,965.61 | 1,965.61 | 1,965.61 |
| 10 | 079-120-12 | 9,469.44 | 8,260.03 | |
| 11 | 079-060-17 | 18,969.42 | 17,046.80 | |
| 12 | 079-060-16 | 4,171.11 | 3,794.80 | |
| 13 | 079-060-15 | 12,513.33 | 11,384.40 | |
| 14 | 079-060-10 | 4,555.12 | 4,555.12 | 4,555.12 |
| 15 | 079-060-09 | 1,826.51 | 1,826.51 | 1,826.51 |
| 16 | 079-060-08 | 4,324.72 | 3,914.19 | 3,914.19 |
| 17 | 079-060-07 | 3,938.75 | 3,528.23 | |
| 18 | 079-050-21 | 5,397.29 | 4,678.87 | |
| 19 | 079-040-01 | 6,761.69 | 6,009.06 | |
| 20 | 079-040-10 | 5,819.88 | 5,217.78 | 5,217.78 |

| DIAGRAM AND ASSESSMENT NUMBERS | ASSESSOR'S PARCEL NUMBER | AS PRELIMINARILY APPROVED | AS FINALLY CONFIRMED AND RECORDED | PAYMENTS |
|--------------------------------|--------------------------|---------------------------|-----------------------------------|-------------------------------|
| 21 | 079-040-09 | 6,029.80 | 5,404.09 | 5,404.09 |
| 22 | 070-040-23 | 6,478.91 | 6,478.91 | |
| 23 | 079-040-22 | 3,919.46 | 3,919.46 | |
| 24 | 079-040-21 | 5,153.78 | 5,153.78 | |
| 25 | 079-020-10 | 26,084.74 | 24,853.19 | |
| 26 | 079-020-03 | <u>21,440.44</u> | <u>15,952.02</u> | |
| TOTAL | | 191,757.58 | 172,509.15 (2% disc) 600.54 | 30,027.75 <u>29,427.21</u> |
| | | | To Bond: | 143,081.94 |

The undersigned City Treasurer does hereby certify the above as true and correct.

Dated: March 21, 1985


 City Treasurer