



**Roll Call Number**

13-1820

**Agenda Item Number**

41

**Date** November 18, 2013

RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE OF \$40,950,000 GENERAL OBLIGATION BONDS, SERIES 2014A, APPROVING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE USE OF ELECTRONIC BIDDING PROCEDURES IN CONNECTION WITH THE SALE OF THE BONDS

WHEREAS, it is deemed necessary and advisable that the City of Des Moines, Iowa, should authorize and issue its General Obligation Bonds to the amount of not to exceed \$42,000,000, as authorized by Section 384.25 of the City Code of Iowa, for the purpose of providing funds to pay costs of the settlement of a legal indebtedness of the City, consisting of the judgment expected to be entered by the Iowa District Court for Polk County in the Kragnes franchise fee litigation and related post-judgment interest thereon; and

WHEREAS, pursuant to notice published as required by Section 384.25 of the City Code of Iowa, a public meeting and hearing was held on October 21, 2013, upon the proposal to institute proceedings for the issuance of the above described Bonds, and all objections, if any, to such action made by any resident or property owner of said City were received and considered; and it is the decision of this governing body that additional action be taken for the issuance of said Bonds, and that such action is considered to be in the best interests of said City and the residents thereof; and

WHEREAS, a preliminary form of Official Statement has been prepared for the purpose of offering the Bonds for sale to the public; and

WHEREAS, it is appropriate that the form of the preliminary Official Statement be approved and deemed final and, upon completion of the same, that the preliminary Official Statement be used in connection with the offering of the Bonds for sale to the public; and



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WHEREAS, the Council has received information from its Financial Consultant evaluating and recommending the procedure hereinafter described for electronic internet bidding to maintain the integrity and security of the competitive bidding process and to facilitate the delivery of bids by interested parties; and

WHEREAS, the Council deems it in the best interests of the City and the residents thereof to receive bids to purchase such Bonds by means of both sealed and electronic internet communication.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA:

Section 1. That the receipt of electronic bids through the PARITY<sup>®</sup> competitive bidding system is hereby found and determined to provide reasonable security and to maintain the integrity of the competitive bidding process, and to facilitate the delivery of bids by interested parties in connection with the offering of the Bonds at public sale.

Section 2. That the preliminary Official Statement in the form presented to this meeting be and the same hereby is approved as to form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to such revisions, corrections or modifications as the Finance Director/Treasurer, upon the advice of bond counsel and the City's financial consultant, shall determine to be appropriate, and is authorized to be distributed in connection with the offering of the Bonds for sale.

Section 3. That the Clerk be and is hereby directed to publish a notice of sale of said Bonds at least once, not less than four clear days nor more than twenty days before the date of the sale. Publication shall be made in The Des Moines Register, a legal newspaper, printed wholly in the English language, published within the county in which the Bonds are to be offered for sale or an adjacent county. Said notice shall be given pursuant to Chapter 75 of the Code of Iowa, and shall state that this Council, on the 4th day of December, 2013, will hold a meeting to receive and act upon bids for said Bonds, said notice to be in substantially the following form:.

Date November 18, 2013

NOTICE OF BOND SALE

Time and Place of Sealed Bids: Sealed bids for the sale of Bonds of the City of Des Moines, Iowa, will be received at the office of the Finance Director/Treasurer, City Hall, 400 Robert D. Ray Drive, in the City of Des Moines, Iowa (the "Issuer") at 10:00 o'clock A.M., on the 4th day of December, 2013. The bids will then be publicly opened and referred for action to the meeting of the City Council as stated below.

Manner of Bidding: Open bids will not be received. Bids will be received in any of the following methods:

- Sealed Bidding: Sealed bids may be submitted and will be received at the office of the Finance Director/Treasurer, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa.
- Electronic Internet Bidding: Electronic internet bids will be received at the office of the Finance Director/Treasurer, Des Moines, Iowa. The bids must be submitted through the PARITY<sup>®</sup> competitive bidding system.

Consideration of Bids: After the time for receipt of bids has passed, the close of sealed bids will be announced. Sealed bids will then be publicly opened and announced. Finally, electronic internet bids will be accessed and announced.

Sale and Award: The sale and award of the Bonds will be held at the Council Chambers, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa, at a meeting of the City Council on the above date at 4:30 o'clock P.M.

The Bonds: The Bonds to be offered are the following:

GENERAL OBLIGATION BONDS, SERIES 2014A, in the amount of \$40,950,000, to be dated the date of delivery (the "Bonds").



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Principal Adjustment: The aggregate principal amount of the Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. The City may increase or decrease each maturity in increments of \$5,000 but the total amount to be issued will not exceed \$42,000,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder.

Official Statement: The Issuer has issued an Official Statement of information pertaining to the Bonds to be offered, including a statement of the Terms of Offering and an Official Bid Form, which is incorporated by reference as a part of this notice. The Official Statement may be obtained by request addressed to the Finance Director/Treasurer, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa 50309 (telephone: 515/283-4523) or the financial consultant to the City, Public Financial Management, Inc., 801 Grand Avenue, Suite 3300, Des Moines, Iowa 50309 (telephone: 515/243-2600).

Terms of Offering: All bids shall be in conformity with and the sale shall be in accord with the Terms of Offering as set forth in the Official Statement.

Legal Opinion: Said Bonds will be sold subject to the opinion of Ahlers & Cooney, P.C., Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed Bonds without cost to the purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds. The opinion will be printed on the back of the Bonds.

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Rights Reserved: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

By order of the City Council of the City of Des Moines, Iowa.

Diane Rauh

City Clerk of the City of Des Moines, Iowa

Published in The Des Moines Register on November 21, 2013.

(End of Notice)

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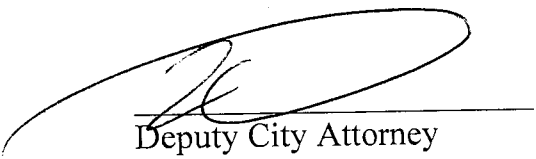
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Moved by: Coleman to adopt.

FORM APPROVED:

  
Deputy City Attorney

(Council Communication No. 13548 )

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	6			

MOTION CARRIED

APPROVED

T. M. Franklin Council Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

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Diane Rauh City Clerk