

ORDINANCE NO. 1129

AN ORDINANCE PROVIDING FOR THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THE DOMESTIC WATER SYSTEM FACILITIES OF THE CITY OF KETCHUM, IDAHO; CALLING FOR A SPECIAL ELECTION FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY THE QUESTION OF INCURRING AN INDEBTEDNESS AND ISSUING THE REVENUE BONDS OF THE CITY IN A PRINCIPAL AMOUNT NOT TO EXCEED \$449,000 TO PAY THE COST THEREOF; ESTABLISHING THE DATE AND TIME OF ELECTION; APPROVING A FORM OF BALLOT AND PROVIDING FOR NOTICE OF THE SPECIAL BOND ELECTION; PROVIDING FOR REGISTRATION OF VOTERS; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Ketchum, Blaine County, Idaho (the "City"), is a municipal corporation duly organized and operating under the laws of the State of Idaho; and

WHEREAS, the City owns and operates a domestic water system (the "System") and collects rates, fees, and charges for the use of the System; and

WHEREAS, the System is in need of improvement and the Mayor and City Council have determined it to be in the best interest of the City and its residents to improve the domestic water system related facilities (collectively, the "Project"); and

WHEREAS, the City does not have sufficient funds available to pay the cost of the foregoing Project and has determined it advisable to finance a portion of such cost through the issuance of the revenue bonds (the "Bonds") of the City in an amount not to exceed \$449,000, pursuant to the provisions of the Revenue Bond Act (the "Act") the same being §§50-1027 through 50-1042, Idaho Code, and in order to do so desires to provide for the holding of a special bond election as required by the Act; and

WHEREAS, the net revenues to be derived from the operation of the domestic water system may be pledged lawfully and irrevocably to secure the repayment of such Bonds herein authorized pursuant to the Act; and

WHEREAS, such Bonds shall not be a debt of the City and it shall not be liable thereon, nor shall such Bonds be payable out of any other funds other than the revenue from the System pledged to the payment thereof; and

WHEREAS, said Bonds cannot be issued without the assent of a majority of the qualified electors of the City voting at an election held for the purpose of authorizing or refusing to authorize the issuance of said Bonds; and

WHEREAS, such election shall be conducted by Blaine County, Idaho (the "County"), as provided by law.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Ketchum, Blaine County, Idaho, as follows:

SECTION 1: THE PROJECT

The Mayor and Council hereby find, determine, and declare that it is necessary and essential to the public interest, health, safety, and welfare that the City acquire and construct certain capital improvements and betterments to the System, consisting generally of, but not limited to, the conversion of the Ketchum Springs water distribution system to the City's municipal water system, installing water meters, and related improvements, together with costs of engineering, legal, accounting, and other necessary professional services, costs of bond issuance, interest on borrowed funds during construction, and costs incidental thereto (the "Project").

The cost and expense of the acquisition, construction, and installation of the Project is estimated by the engineers of the City to be \$449,000, including the payment of all preliminary expenses incurred and incident to the Project and properly incident to the issuance of the bonds as such expenses are set forth in the Revenue Bond Act, and including payment of interest on such bonds during the period to be covered by the acquisition and construction of the improvements as described above.

Subject to the approval of the incurring of indebtedness and the issuance of revenue bonds therefor by the qualified electors voting at the election for which provision is hereinafter made, revenue bonds of the City shall be issued pursuant to the provisions of the Revenue Bond Act, being Idaho Code Sections 50-1027 to 50-1042, inclusive, in a principal amount not to exceed \$449,000 to pay a portion of the costs of the Project. The remainder of the costs, if any, will be paid from grants and other lawfully available funds of the City.

SECTION: SPECIAL ELECTION

A special municipal bond election is hereby called to be held within the City of Ketchum on Tuesday, May 19, 2015, for the purpose of voting upon the proposition set forth in Section 4 of this Ordinance. The polling place or places for the special bond election shall be determined by the Blaine County Clerk, and the election shall be conducted by the Blaine County Clerk. The Blaine County Clerk shall appoint election judges and election clerks for the polling place or places for the special bond election.

SECTION 3: ADMINISTRATION OF ELECTION

The polls of the special bond election shall open at the hour of 8:00 o'clock A.M. on May 19, 2015, and shall remain open continuously until the hour of 8:00 o'clock P.M., at which time the polls shall be closed. The administration of the election shall be conducted by Blaine County in accordance with Chapter 4 of Title 50, Idaho Code, Title 34 of Idaho Code, and this Ordinance.

The ballot proposition to be voted upon at the special bond election, as set forth in Section 4 of this Ordinance, shall be separate from any other proposition being voted upon at or in conjunction with any other election being held and conducted on the same date. Only those qualified electors of the City casting valid ballots upon the proposition set forth in Section 4 of this Ordinance shall be counted in determining the number of qualified electors voting at or participating in the special bond election.

SECTION 4: BALLOT PROPOSITION

The ballot proposition for the special bond election shall be in substantially the following form:

WATER REVENUE BOND ELECTION

CITY OF KETCHUM  
Blaine County, Idaho

May 19, 2015

SHALL THE CITY OF KETCHUM, IDAHO, BE AUTHORIZED TO INCUR AN INDEBTEDNESS AND TO ISSUE AND SELL ITS WATER REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$449,000 TO PAY THE COST OF ACQUIRING AND CONSTRUCTING IMPROVEMENTS AND BETTERMENTS TO THE DOMESTIC WATER SYSTEM FACILITIES OF THE CITY, SAID BONDS TO BE PAYABLE SOLELY FROM DOMESTIC WATER SYSTEM REVENUES, OVER A TERM WHICH MAY BE LESS THAN BUT WHICH SHALL NOT EXCEED TWENTY (20) YEARS FROM THE DATE OF THE BONDS, AS MORE FULLY PROVIDED IN ORDINANCE NO. 1129?

IN FAVOR OF issuing revenue bonds in an amount not to exceed \$449,000 for the purposes provided by Ordinance No. 1129.....

AGAINST issuing revenue bonds in an amount not to exceed \$449,000 for the purposes provided by Ordinance No. 1129.....

The following information is required by §34-439, Idaho Code:

The purpose for which the proceeds of the bonds will be used is improvements to the domestic water system of the City through the conversion of the Ketchum Springs water distribution system to the main distribution system. The City currently has outstanding indebtedness of \$5,890,476, of which \$894,365 is payable from a property tax levy, \$171,181 is payable from wastewater system revenues, and 4,824,930 is payable from water system revenues. The interest rate anticipated on the proposed bonds is 2.75%. The range of anticipated rates is from 2.00% to 4.00%. The total proposed principal amount to be repaid over the life of the bonds is \$449,000, the total interest to be paid over the life of the bonds, based on the anticipated interest rate is \$137,741; the total amount to be

repaid over the life of the bonds is \$586,741. The bonds, if approved and issued, will be payable over a term which may be less than but which will not exceed twenty (20) years from their date, to be determined by the City Council at the time the bonds are issued.

#### SECTION 5: QUALIFIED ELECTORS

Every person eighteen (18) years of age or older, who at the time of the specified bond election is a United States citizen who has been a legal and bona fide resident of the City for at least thirty (30) days immediately preceding the date of the election, if properly registered as required by law, shall be qualified to vote at said election.

All electors must be registered before being able to vote at the special bond election. The Blaine County Clerk is the registrar for the City, and voter registration shall be conducted pursuant to the provisions of Section 34-1402, Idaho Code.

Any person who is eligible to vote may register on election day by appearing in person at the polling place established for the election, by completing a registration card, making an oath on the form prescribed by law, and providing proof of residence in the manner provided by Section 34-408A, Idaho Code, as amended.

#### SECTION 6: BALLOTS

The Blaine County Clerk shall cause the official ballot for the special bond election to be prepared in a sufficient quantity for the special bond election.

#### SECTION 7: NOTICE

Notice of the special bond election shall be given prior to the election by publishing notice of the election in the official newspaper of the City, the first publication being at least twelve (12) days prior to the election, the last publication to be not less than five (5) days prior to the special bond election. In accordance with Section 34-602, Idaho Code, as amended, the second publication of the notice of election shall be accompanied by a facsimile of the sample ballot for the special bond election.

#### SECTION 8: CANVASS

When the polls are closed, the election officials shall immediately proceed to count the ballots cast at the special bond election. The counting shall be continued without adjournment until completed and the result declared. The election judge and clerks shall thereupon certify the returns of the special bond election to the County Clerk, who shall present the results to the County Commissioners.

The Board of County Commissioners shall meet within ten (10) days following the election, or at such time to which said meeting is continued, for the purpose of canvassing the results of the special bond election. The County Clerk shall thereupon certify the election results

to the City Clerk. The results shall then be entered in the minutes of the City Council and proclaimed as final.

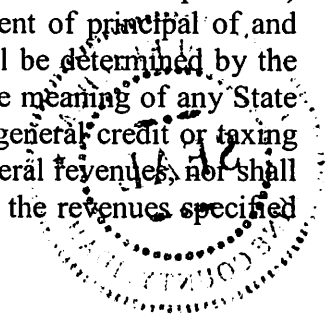
SECTION 9: DEBT DISCLOSURE STATEMENT

A brief official statement containing the information required by Idaho Code §34-439, as amended, shall be prepared by the City Treasurer.

SECTION 10: REVENUE BONDS

If, at the special bond election, a majority of the qualified electors of the City voting upon the ballot question set forth in Section 4 of this Ordinance vote in favor of incurring of indebtedness and the issuance of revenue bonds for the purposes set forth herein and designated on the aforesaid ballot, fully registered revenue bonds of the City shall be authorized, issued, sold, and delivered. The bonds shall be issued in the form and manner, shall be registered, shall mature annually over a period which may be less than but which shall not exceed twenty (20) years, shall bear interest at a rate or rates to be determined by the Council at the time of issuance of such bonds, and shall be payable annually or at such lesser intervals and be subject to such redemption provisions, as may be prescribed by the ordinance authorizing the issuance of the bonds, all of which shall be in accordance with the laws of the State of Idaho.

The net revenues (gross revenues minus normal expenses of maintenance and operation) of the domestic water system of the City will be pledged for the payment of principal of and interest and redemption premiums, if any, on the revenue bonds, as shall be determined by the Mayor and Council. The bonds shall not be a debt of the City within the meaning of any State constitutional provision or statutory limitation, nor a charge against the general credit or taxing powers of the City, and the City shall not be liable therefor out of its general revenues, nor shall the bonds or the interest thereon be payable out of any funds other than the revenues specified above.



SECTION 11: OFFICERS AUTHORIZED

The officers of the City and Blaine County are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance.

SECTION 12: RATIFICATION

All actions heretofore taken, not inconsistent with the provisions of this Ordinance, by the Mayor and Council and other City officials directed toward construction and installation of the Project and the issuance of revenue bonds of the City therefor, and for the holding of a special bond election, are hereby ratified, approved, and confirmed.

SECTION 13: PUBLICATION

This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, substantially in the form annexed hereto as Exhibit "A," shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval, and publication.

ADOPTED and APPROVED this 16<sup>th</sup> day of March, 2015.

CITY OF KETCHUM, IDAHO

By:   
MAYOR

ATTEST:

By:   
CITY CLERK

