

RESOLUTION NO. 174

RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF  
GENERAL OBLIGATION BONDS OF THE CITY OF  
CHESTERFIELD, MISSOURI.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHESTERFIELD,  
MISSOURI, AS FOLLOWS:

Section 1. The City of Chesterfield, Missouri, is hereby authorized to offer at competitive public sale \$11,000,000 principal amount of General Obligation Bonds, Series 1995, as described in the Notice of Bond Sale attached hereto as Exhibit A.

Section 2. The Finance Director is hereby authorized and directed to receive sealed bids for the purchase of said Bonds at the City Hall in Chesterfield, Missouri, until 11:00 A.M., Central Time, on Tuesday, January 10, 1995, pursuant to the terms and conditions set forth in said Notice of Bond Sale, and to deliver all bids so received to the City Council at its meeting to be held at 1:00 P.M. on said date, at which meeting the City Council shall review such bids and shall award the sale of the Bonds or reject all bids.

Section 3. The Notice of Bond Sale is hereby approved in substantially the form attached hereto as Exhibit A, and the Finance Director is hereby authorized to execute such Notice of Bond Sale, with such changes and additions thereto as such official shall deem necessary or appropriate, and to use such document in connection with the public sale of the Bonds.

Section 4. The Preliminary Official Statement is hereby approved in substantially the form attached hereto as Exhibit B, with such changes and additions thereto as the Finance Director shall deem necessary or appropriate, and the appropriate officers and representatives of the City are hereby authorized to use such document in connection with the public sale of the Bonds.

Section 5. The Finance Director is hereby authorized and directed to give notice of said bond sale by publishing a summary of the Notice of Bond Sale in a newspaper having general circulation in the City, and by mailing copies of the Notice of Bond Sale and Preliminary Official Statement to such banks and investment banking firms and other financial institutions located in the State of Missouri and elsewhere which might be interested in the purchase of said Bonds.

Section 6. For the purpose of enabling the purchaser of the Bonds (the "Original Purchaser") to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the appropriate officers of the City are hereby authorized, if requested, to provide the Original Purchaser a letter or certification to the effect that the City deems the information regarding the City contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Original Purchaser to comply with the requirement of such Rule.

Section 7. The City agrees to provide to the Original Purchaser within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Original Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Original Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 8. The Finance Director and other officers and representatives of the City are hereby authorized and directed to take such other action as may be necessary to carry out the public sale of said Bonds.

Section 9. This Resolution shall be in full force and effect from and after its passage by the City Council.

PASSED by the City Council this 19th day of December, 1994.

(SEAL)

ATTEST:

Martha A. DeMay  
City Clerk

Jack Leisner  
Mayor

EXHIBIT A

NOTICE OF BOND SALE

**NOTICE OF BOND SALE**

**\$11,000,000**

**CITY OF CHESTERFIELD, MISSOURI**

**GENERAL OBLIGATION BONDS  
SERIES 1995**

**Sealed Bids.** Sealed bids for the purchase of \$11,000,000 principal amount of General Obligation Bonds, Series 1995 (the "Bonds"), of the City of Chesterfield, Missouri (the "City"), will be received by the Finance Director, on behalf of the City Council of the City, at the Chesterfield City Hall, 922 Roosevelt Parkway, Chesterfield, Missouri 63017, until 11:00 A.M., Central Time, on

**TUESDAY, JANUARY 10, 1995**

All bids will be publicly opened, read and evaluated at said time and place, and the award of the Bonds will be acted upon at a meeting of the City Council to be held at 1:00 P.M., Central Time, on said date.

**Terms of the Bonds.** The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated February 15, 1995, and will become due serially on February 15 in the years as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
1996	\$265,000	2006	\$530,000
1997	285,000	2007	565,000
1998	310,000	2008	600,000
1999	335,000	2009	640,000
2000	360,000	2010	685,000
2001	390,000	2011	730,000
2002	415,000	2012	785,000
2003	440,000	2013	840,000
2004	470,000	2014	895,000
2005	500,000	2015	960,000

The Bonds will bear interest from the date thereof at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on February 15 and August 15 in each year, beginning on August 15, 1995.

**Place of Payment.** The principal of and interest on the Bonds will be payable in lawful money of the United States of America. The principal of each Bond will be payable at maturity or upon earlier redemption to the registered owner upon presentation and surrender of such Bond at the principal corporate trust office of Mark Twain Bank, St. Louis, Missouri, which has been designated by the City as paying agent and bond registrar for the Bonds (the "Paying Agent"). Interest on each Bond will be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date

for such interest (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or (b) at such other address as is furnished to the Paying Agent in writing by such Registered Owner or (c) in the case of an interest payment to any Registered Owner of \$500,000 or more in aggregate principal amount of Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address (which shall be in the continental United States) to which such Registered Owner wishes to have such wire directed.

**Redemption of Bonds Prior to Maturity.** At the option of the City, Bonds maturing on February 15, 2006 and thereafter will be subject to redemption and payment prior to maturity on February 15, 2005 and thereafter in whole at any time or in part on any interest payment date in such order of maturity as shall be determined by the City (Bonds of less than a single maturity to be selected in multiples of \$5,000 principal amount), at the redemption price of 100% of the principal amount thereof plus accrued interest thereon to the redemption date.

**Conditions of Bids.** Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all Bonds of the same maturity. Each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. **No interest rate shall exceed 9.0% per annum. The difference between the highest rate specified and the lowest rate specified shall not exceed 3.0%.** No supplemental interest payments will be authorized. **No bid shall be for less than 100% of the principal amount of the Bonds plus accrued interest, if any.** Each bid shall specify the total interest cost (expressed in dollars) during the life of the Bond issue on the basis of such bid, the premium, if any, offered by the bidder, and the true interest cost (expressed as a percentage) on the basis of such bid.

**Basis of Award.** The Bonds will be awarded to the bidder whose bid will result in the lowest true interest cost (the "Canadian Method") calculated by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments from the payment dates to the date of the Bonds to equal the price bid, excluding interest accrued to the date of delivery. If there is any discrepancy between the true interest data shown on the bid form and the true interest cost determined from the premium, if any, and the coupon specified on the bid form, the latter shall govern and the true interest cost specified in the bid shall be adjusted accordingly. If two or more proper bids are received providing for identical lowest true interest cost, the City shall determine by lot which bid, if any, shall be accepted and its determination shall be final.

**Authority, Purpose and Security.** The Bonds are being issued pursuant to the Constitution and laws of the State of Missouri for the purpose of acquiring land and constructing and equipping city parks and recreational facilities thereon. The Bonds and the interest thereon will constitute general obligations of the City, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.

**Legal Opinion.** The Bonds will be sold subject to the approving legal opinion of Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel, which opinion will be furnished and paid for by the City and printed on the Bonds and delivered to the successful bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond Counsel relating to the exclusion of the interest on the Bonds from gross income for federal and Missouri income tax purposes. The Bonds will not be designated as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. Reference is made to the Preliminary Official Statement for further discussion of federal and Missouri income tax matters relating to the interest on the Bonds.

**Certification as to Offering Prices.** To provide the City with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), the successful bidder will be required to complete, execute and deliver to the City prior to the delivery of the Bonds, a certificate regarding the "issue price" of the Bonds (as defined in Section 148 of the Code), reflecting the initial offering prices (excluding accrued interest and expressed as dollar prices) at which a substantial amount (i.e., 10% or more) of the Bonds of each maturity have been or are expected to be sold to the public. The term "public" excludes bond houses, brokers or similar persons, or organizations acting in the capacity of underwriters or wholesalers. Such certificate shall state that 10% or more of the Bonds of each maturity have been or are expected to be sold to the public at prices no higher than such initial offering prices. However, such certificate may indicate that the successful bidder will not reoffer the Bonds for sale.

**Delivery and Payment.** The City will pay for printing the Bonds and will deliver the Bonds, properly prepared, executed and registered, without cost to the successful bidder within 45 days after the date of sale at such bank or trust company located in the United States as may be specified by the successful bidder, or elsewhere at the expense of the successful bidder. The successful bidder will also be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds shall be made in federal reserve funds, immediately available for use by the City. The denominations of the Bonds and the names, addresses and social security or taxpayer identification numbers of the Registered Owners shall be submitted in writing by the successful bidder to the Paying Agent at least one week prior to the date of delivery of the Bonds. In the absence of such information, the City will deliver Bonds in the denomination of each maturity registered in the name of the successful bidder.

**Good Faith Deposit.** Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America in the amount of \$220,000 payable to the order of the City to secure the City from any loss resulting from the failure of the bidder to comply with the terms of its bid. No interest will be paid upon the deposit made by the successful bidder. Said check shall be returned to the bidder if its bid is not accepted. If a bid is accepted, said check or the proceeds thereof shall be held by the City until the successful bidder has complied with all of the terms and conditions of this Notice, at which time the amount of said check shall be returned to the successful bidder or deducted from the purchase price at the option of the City. If a bid is accepted but the City fails to deliver the Bonds to the bidder in accordance with the terms and conditions of this Notice, said check or the proceeds thereof shall be returned to the bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such check shall be retained by the City as and for liquidated damages.

**Ratings.** The City has applied to Moody's Investors Service for a rating on the Bonds. Such rating will be described in the City's final Official Statement relating to the Bonds, copies of which will be provided to the successful bidder. Should a rating be secured prior to the sale date, all bidders will be advised accordingly.

**CUSIP Numbers.** CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Notice. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds will be paid by the City.

**Bid Forms.** All bids must be made on forms which may be procured from the Finance Director or the City's Financial Advisor. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid. The City reserves the right to waive irregularities and to reject any or all bids.

**Submission of Bids.** Bids accompanied by good faith checks shall be submitted in sealed envelopes addressed to the undersigned Finance Director marked "Proposal for the Purchase of General Obligation Bonds of the City of Chesterfield, Missouri." Bids may be submitted by mail or delivered in person to the undersigned at the address given above and must be received prior to 11:00 A.M., Central Time, on Tuesday, January 10, 1995.

Bidders wishing to call in a bid should submit the bidding documents together with the good faith deposit to the Finance Director on or prior to the date of sale as follows: Karen Irwin c/o Jan Hawn, Finance Director, Chesterfield City Hall, 922 Roosevelt Parkway, Chesterfield, Missouri 63017. If signed bid forms are received as provided above, bids may be called in up to 11:00 A.M., Central Time, on January 10, 1995, by contacting Karen Irwin in the Finance Director's office at (314) 537-4726. A bid called in as specified above will constitute a bid received by the City.

Any bidder submitting a bid by phone in the manner described above acknowledges that neither the City nor the City's Financial Advisor assumes any liability or responsibility for any inscribing or transmittal error in connection with such bid.

**Preliminary Official Statement and Official Statement.** The City has prepared a Preliminary Official Statement, copies of which may be obtained from the Financial Advisor. Upon the sale of the Bonds, the City will adopt the final Official Statement and will furnish the successful bidder with a sufficient quantity of such Official Statements within seven business days of the acceptance of the successful bidder's proposal in order to comply with Rule 15c2-12(b)(4) of the Securities and Exchange Commission and Rule G-32 of the Municipal Securities Rulemaking Board. The City's acceptance of the successful bidder's proposal for the purchase of the Bonds shall constitute a contract between the City and the successful bidder for purposes of said Rules. Additional copies of the final Official Statement may be ordered by the successful bidder at its expense.

**Additional Information.** Additional information regarding the Bonds may be obtained from the Finance Director (314-537-4726) or from the City's Financial Advisor, A.G. Edwards & Sons, Inc., One North Jefferson Avenue, St. Louis, Missouri 63103, Attention: Ms. Karen Irwin (314-289-4344).

DATED this 29th day of December, 1994.

CITY OF CHESTERFIELD, MISSOURI

By: /s/ Jan Hawn  
Finance Director

EXHIBIT B

PRELIMINARY OFFICIAL STATEMENT