

## ORDINANCE NO. 57

AN ORDINANCE RELATING TO THE SEWER SYSTEM OF THE CITY OF DIETRICH, IDAHO; PROVIDING FOR AND CALLING A SPECIAL ELECTION AT WHICH THERE SHALL BE SUBMITTED TO THE ELECTORS QUALIFIED TO VOTE THEREON THE QUESTION OF ISSUING THE CITY'S ADDITIONAL SEWER REVENUE BONDS FOR THE PURPOSE OF DEFRAYING IN PART THE ADDITIONAL COSTS OF FURTHER RENOVATION, IMPROVEMENT, UPGRADING AND BETTERMENT OF THE CITY'S SEWER SYSTEM AND COMPLETION OF THE CONSTRUCTION AND INSTALLATION THEREOF; PROVIDING DETAILS IN CONNECTION THEREWITH AND OF THE ELECTION ON THE QUESTION; AND PROVIDING THE EFFECTIVE DATE THEREOF.

WHEREAS, the City of Dietrich (the "City"), Lincoln County, Idaho, is a municipal corporation duly organized and existing as a city under the general laws of the State of Idaho; and,

WHEREAS, the current sewer system of the City is presently in need of further renovation, improvement, upgrading and betterment and completion of the ongoing construction and installation project that the City has previously commenced and completed in substantial part; and,

WHEREAS, the City Council of the City has determined and does hereby determine that the interests of the community and the public interest and necessity require the immediate further renovation, improvement, upgrading and betterment of the City's sewer system by the completion of all remaining construction, installation and work on the sewer collection system and lagoon, and all other related items and appurtenances necessary, useful and convenient for the treatment of wastewater within the City, including but not limited to providing an effective land application process and facility for wastewater from the sewer system, all collectively the "Project"; and,

WHEREAS, the Council now deems it necessary and appropriate to seek approval from at least a majority of the qualified electors who will vote on the question to issue additional sewer revenue bonds (the "Bonds") in an additional amount of up to \$100,000 for the purpose of defraying, in part, the cost of the Project, payable solely from the revenues of the sewer system as so constructed, installed, renovated, improved, upgraded and bettered pursuant to the Revenue Bond Act (the "Act") cited as §§50-1027 through 50-1042, Idaho Code, and all laws thereunto enabling; and,

WHEREAS, the above Bonds and amount shall and are to be in addition to the prior \$100,000 amount of sewer revenue bonds previously authorized by the qualified voters of the City on November 7, 1995; and,

WHEREAS, the net revenues to be derived from the operation of the sewer 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 sewer 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, neither the question herein set forth nor any question for a similar, or like, purpose has been defeated at an election which has been held in the City within six (6) months of the date of the adoption of this Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE COUNCIL OF THE CITY OF DIETRICH, IDAHO:

**Section 1.** All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the Council and the officers of the City, directed toward:

- a. The Project; and
- b. The issuance of the City's Bonds therefor; and
- c. The calling and holding of an election for the authorization and issuance of the City's Bonds,

be, and the same hereby is, ratified, approved and confirmed, including, without limitation, the giving of notice of such election.

**Section 2.** Subject to the assent of a simple majority of the qualified electors voting on the question, it is hereby ordered that the Project be purchased, constructed, and acquired and that further Bonds of the City in the additional aggregate principal amount of not more than \$100,000, or so much thereof as may be necessary, be issued pursuant to the Act to defray, in part, the cost thereof.

**Section 3.** The Project briefly and generally described shall consist of the further renovation, improvement, upgrading and betterment of the sewer system by making the following improvements and acquisitions:

The completion of all remaining construction, installation and work on the City's new sewer collection system and lagoon, and related items and all other appurtenances necessary, useful and convenient for the treatment of wastewater within the City, including the provision of an effective land application process and facility for wastewater from the sewer system, all collectively constituting the "Project."

**Section 4.** The details of the construction, installation, renovation, improvement, upgrading and betterment of the City's sewer system and this Project are more specifically shown and described in the preliminary, past and current engineering reports and studies and revisions thereto, prepared by Forsgren & Associates of Rexburg, Idaho. For further details, reference is hereby made to said reports, studies, supplements and revisions, which are now on file and available for inspection in the office of

the Clerk of the City.

**Section 5.** The cost of the entire ongoing construction and installation sewer system project, including this Project, and including all incidental expenses, has been estimated by Forsgren & Associates, Rexburg, Idaho, (the "Engineer") to be approximately \$1,591,046. The City contemplates issuing Bonds pursuant to this Ordinance in the additional aggregate principal amount of not more than \$100,000, or so much thereof as may be necessary. The City anticipates that a portion of the cost of the Project will be defrayed by federal grants, grants from the State of Idaho and/or City funds.

**Section 6.** Such Bonds shall bear interest at a rate or rates to be later determined by the Council, payable annually or at such lesser intervals as may hereafter be prescribed by ordinance; shall mature serially (or in installments if one Bond is issued representing the entire principal amount of the Bond issued) commencing at the expiration of at least one (1) year from the date of the Bonds and ending not more than twenty (20) years from said date; shall be payable solely from the revenues of the sewer system as so constructed, installed, renovated, improved, upgraded and bettered, in accordance with the provisions of the Act; shall be in such denomination and form as may hereafter be prescribed by ordinance; and may be made subject to prior redemption at such time or times, with or without premium, and upon such terms and conditions as may be determined by the Council in the ordinance authorizing said Bonds, or otherwise pertaining thereto.

**Section 7.** A special municipal bond election be, and the same hereby is, called, to be held on Tuesday, the 27th day of May, 2003, between the hours of 8:00 a.m. and 8:00 p.m. on said day for the purpose of enabling the qualified electors of the City to vote upon the question of issuing said Bonds as set forth in the notice of the municipal bond election, the form of which is prescribed by this Ordinance.

**Section 8.** There shall be one (1) voting precinct for the special municipal bond election with boundaries coterminous with those of the City.

**Section 9.** At said election the voting place and officials serving thereat shall be as follows:

DIETRICH PRECINCT

Polling Place

Dietrich City Hall  
Dietrich, Idaho

Officials

\_\_\_\_\_  
Judge

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Clerk

**Section 10.** The polls and the ballot boxes shall be open at the hour of 8:00 a.m. on the day of the election and shall remain open continuously until the hour of 8:00 p.m. of said day, at which time the polls shall be closed.

**Section 11.** The voting at the election on the question of issuing the City's sewer revenue bonds shall be by ballot substantially in the following form:

(Form of Revenue Bond Ballot)

OFFICIAL BALLOT  
SPECIAL MUNICIPAL BOND ELECTION  
SEWER REVENUE BONDS  
CITY OF DIETRICH, LINCOLN COUNTY  
STATE OF IDAHO

May 27, 2003

QUESTION SUBMITTED:

Shall the City of Dietrich, Idaho, be authorized to issue its additional sewer revenue bonds, in the additional aggregate principal amount of not more than \$100,000, or so much thereof as may be necessary, for the purpose of providing funds with which to further renovate, improve, upgrade, better and complete the construction and installation of the sewer system of the City, said bonds to mature serially commencing at the expiration of at least one (1) year from their date and ending not more than twenty (20) years from their date and to bear interest at a rate or rates to be determined by an ordinance or resolution of the City, as more fully provided in Ordinance No. 57, signed and approved on the 3rd day of March, 2003, the principal of and the interest on said bonds to be payable solely from the net revenues to be derived from the operation of the City's sewer system?

IN FAVOR of issuing sewer revenue bonds for the purposes provided  
by Ordinance No. 57.....  
AGAINST issuing sewer revenue bonds for the purposes provided  
by Ordinance No. 57.....

The following information is provided in accordance with Section 34-440, Idaho Code:

The total existing indebtedness, including interest accrued as of May 27, 2003, of the City of Dietrich is \$208,555.62. Interest rate anticipated on the proposed bonds is Three and Three-Quarters percent (3.75%). The range of anticipated rates is from Three percent (3.00%) to Five percent (5.00%). The total amount estimated to be repaid over the life of the proposed bonds, based on the anticipated interest rate, is \$143,036.40.

**INSTRUCTIONS TO VOTERS:** The voter must make a cross (X) in the appropriate space opposite the words which express his or her choice on the above question.

(End of Revenue Bond Ballot)

**Section 12.** The City Clerk shall cause to be printed not less than fifteen (15) days before the election, sample ballots containing the revenue bond question to be submitted, which sample ballots shall be in the same form as the official ballot to be used, except they shall have printed thereon the

words "Sample Ballot," which shall be on paper of a different color than the official ballot and shall not be numbered, and the Clerk shall furnish copies of the same on application at her office to anyone applying therefor. Said sample ballot shall be published at least twice in the Lincoln County Journal, the last publication being within seven (7) days of the election.

**Section 13.** Ballots shall be furnished by the City Clerk to the judges of the election to be by them furnished to the voters. At said election, only those persons who are qualified to vote at elections in the City shall be permitted to vote on said revenue bond question.

**Section 14.** Notice of such election shall be given prior to said election by publishing notice in the Lincoln County Journal, which is the official newspaper of the City, and of general circulation therein, once at least forty-five (45) days before the election and once a week for two (2) successive weeks prior to such election. The last publication of such notice shall be made not less than fifteen (15) days prior to the election.

**Section 15.** The notice of election shall be in substantially the following form:

(Form of Notice)

CITY OF DIETRICH, IDAHO

NOTICE OF SPECIAL MUNICIPAL BOND ELECTION

May 27, 2003

PUBLIC NOTICE IS HEREBY GIVEN that a special municipal bond election will be held in the City of Dietrich, Lincoln County, Idaho, on Tuesday, May 27, 2003, for the purpose of voting on the following question:

QUESTION SUBMITTED:

Shall the City of Dietrich, Idaho, be authorized to issue its additional sewer revenue bonds, in the additional aggregate principal amount of not more than \$100,000, or so much thereof as may be necessary, for the purpose of providing funds with which to further renovate, improve, upgrade, better and complete the construction and installation of the sewer system of the City, said bonds to mature serially commencing at the expiration of at least one (1) year from their date and ending not more than twenty (20) years from their date and to bear interest at a rate or rates to be determined by an ordinance or resolution of the City, as more fully provided in Ordinance No. 57, signed and approved on the 3rd day of March, 2003, the principal of and the interest on said bonds to be payable solely from the net revenues to be derived from the operation of the City's sewer system?

At such election only registered qualified electors of the City will be permitted to vote on the question submitted.

A qualified elector is a person who shall be eighteen years of age or older on the date of the

election, a citizen of the United States, and a bona fide resident of the City as of thirty (30) days prior to the date of the election.

The polls will open at the hour of 8:00 a.m. on said day, and will be open continuously until the hour of 8:00 p.m., at which time the polls will be closed.

There shall be one (1) voting precinct with boundaries coterminous with those of the City. The polling place for the qualified electors shall be as follows:

### DIETRICH PRECINCT

Polling Place:

Dietrich City Hall  
Dietrich, Idaho

The County Clerk of Lincoln County is in charge of registration of electors for the election and electors may register at said County Clerk's office or with the City Clerk at Dietrich, Idaho.

Notice is further given that only qualified electors of the City, eighteen (18) years of age or older, who have resided in the City for thirty (30) days or more, are eligible to vote in said election. Pursuant to Title 34, Chapter 4, Idaho Code, as amended, the said person desiring to vote must register with the Clerk of the County, the City Clerk or with any other registrar(s) the County Clerk has appointed, in which he or she resides not less than twenty-five (25) days preceding the date of the election. An individual who is eligible to vote may register on election day by appearing in person at the polling place for the precinct in which the individual maintains residence, by completing a registration card, making an oath in the form prescribed and providing proof of residence as called for under Section 34-408A, Idaho Code.

The voting at said election shall be by ballot. The ballots to be supplied the voters for their use at said election shall be in the form set out in said Ordinance No. 57.

Absentee voting will be permitted for the above-described election in the manner prescribed by law. A written application for an absentee voter's ballot shall be delivered to the City Clerk and shall contain the name of the elector, the elector's home or residence address, and the address to which such ballot shall be forwarded.

The following information is provided in accordance with Section 34-440, Idaho Code:

The total existing indebtedness, including interest accrued as of May 27, 2003, of the City of Dietrich is \$208,555.62. The interest rate anticipated on the proposed bonds is Three and Three-Quarters percent (3.75%). The range of anticipated rates is from Three percent (3.00%) to Five percent (5.00%). The total amount estimated to be repaid over the life of the proposed bonds, based on the anticipated interest rate, is \$143,036.40.

Ordinance No. 57 was adopted for the purpose of ordering the further renovation, improvement, upgrading and betterment of the City's sewer system by the completion of construction, installation and work on the sewer collection system and lagoon, and all other related items and appurtenances

necessary, useful and convenient thereto, including the provision of an effective land application process and facility for wastewater from the sewer system, and authorizing the City to issue its additional sewer revenue bonds, subject to the assent of a majority of the registered qualified electors voting on the question.

Proceedings to contest the results of the special municipal bond election on the above question may be instituted as provided in §34-2001, Idaho Code, but shall be instituted within forty (40) days after the votes cast at such election have been canvassed and the results thereof declared and not thereafter.

PUBLIC NOTICE IS HEREBY GIVEN that the Mayor and Council will hold a special meeting on May 27, 2003 (said date being within six (6) days of the date of said election), at the hour of 8:30 p.m., at the regular meeting place of the Mayor and Council in the Council Chambers of the City Hall in the City of Dietrich, Idaho, for the purpose of canvassing the results of the said Bond Election.

BY ORDER OF THE CITY COUNCIL OF THE CITY OF DIETRICH, IDAHO, this 3rd day of March, 2003.

ATTEST:

Jeanette R. Knowles  
MAYOR

(SEAL)

By: Gia Lee Shur  
CITY CLERK

(End of Form of Notice)

**Section 16.** If at such election a majority of the qualified electors of the City voting at such election assents to the issuance of the City's sewer revenue bonds, they shall be sold, executed and delivered in the same manner provided in the Act and any other applicable laws of the State of Idaho.

**Section 17.** The officers of the City be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance. The law firm of Skinner Fawcett, Boise, Idaho, is hereby authorized and designated as bond counsel for the said bonds.

**Section 18.** All bylaws, resolutions and ordinances in conflict with this Ordinance are hereby repealed.

**Section 19.** If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

**Section 20.** An application may be submitted to any agency of the State of Idaho, including the

Idaho Department of Environmental Quality, and the United States, including the United States Department of Agriculture, Rural Development, seeking to have it issue and disburse interim loan or grant funds for the completion of the Project and/or for it to purchase the revenue bonds of the City. Officers of the City are hereby authorized to take such action as necessary to effectuate the completion and approval of the applications referenced above.

**Section 21.** This Ordinance or a summary thereof shall be published after adoption in at least one issue of the Lincoln County Journal, Shoshone, Idaho, which is the official newspaper of the City.

**Section 22.** This Ordinance shall be in full force and effect from and after its passage, approval and publication, as provided by law.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR of the City of Dietrich, Idaho, this 3rd day of March, 2003.

CITY COUNCIL OF THE CITY OF DIETRICH, IDAHO, a municipal corporation of the State of Idaho

By: *Jeanetta R. Knowles*  
MAYOR

ATTEST:

By: *Sha Lu Shun*  
CITY CLERK

(SEAL)