



24

RECORDED
AUG 3 1988

**DEPARTMENT OF
PUBLIC WORKS**

ENGINEERING DIVISION

THOMAS M. FINLEY
ENGINEERING DIVISION MANAGER

CITY OF SACRAMENTO
CALIFORNIA

927 TENTH STREET
ROOM 200
SACRAMENTO, CA
95814-2705

916-449-8220

CONSTRUCTION SECTION
640 BERGUT DRIVE
SUITE B
SACRAMENTO, CA
95814-0131

916-449-5282

APPROVED
BY THE CITY COUNCIL

SEP 6 1988

OFFICE OF THE
CITY CLERK

September 6, 1988

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: Willow Rancho Street Lighting Assessment District No. 3 (PN:17AD, IP
5542) - Issuance of Bonds**

SUMMARY

This is the final action in the formation of the Willow Rancho Street Lighting Assessment District No. 3 calling for the adoption of resolutions to determine the unpaid amount of assessments, authorize change orders, and authorizes issuance and sale of bonds. Adoption of the resolutions is recommended.

BACKGROUND

On July 12, 1988, the City Council approved the Engineer's Report and Assessment for the Willow Rancho Street Lighting Assessment District No. 3. The property owners were given the required 30 days in which to pay their assessments, as prescribed by law.

The Revenue Division has determined the assessments that remain unpaid and we are now ready to issue bonds to represent those assessments.

Attached are the resolutions to be adopted by the City Council which will finalize this district by the issuance of 1915 Act Improvement bonds.

FINANCIAL

The total project cost is \$55,812.48 which will be financed entirely by the property owners within the district. A summary of the project costs based on the bid price are as follows:

City Council
Willow Rancho Street Lighting
Assessment District No. 3
September 6, 1988
Page 2

Contract Cost	\$ 38,699.00
Engineering	10,373.48
Other Incidental Expenses	<u>4,507.50</u>
 Total Amount to be Budgeted	 \$ 53,579.98

Bond Discount 2,232.50

Amount Assessed to Property Owners \$ 55,812.48

RECOMMENDATION

It is recommended that the attached resolutions be adopted in the order listed below:

1. Resolution Determining Assessments Remaining Unpaid
2. Resolution Authorizing Issuance of Bonds

Respectfully submitted,

Thomas M. Finley
 for THOMAS M. FINLEY
 Engineering Division Manager

Recommendation Approved:

Walter J. Slipe, Jr.
 for WALTER J. SLIPE
 City Manager

Approved:

Melvin H. Johnson
 MELVIN H. JOHNSON
 Director of Public Works

RHW:yg
RE3-07AD.C
08.2488

September 6, 1988
District No. 8

Attachments

RESOLUTION No. 88-778

Adopted by The Sacramento City Council on date of

RESOLUTION DETERMINING ASSESSMENTS REMAINING UNPAID

WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

The City Council of the City of Sacramento resolves:

The City Treasurer has filed a list of all payments received on account of assessments levied in Willow Rancho Street Lighting Assessment District No. 3 and a list of all assessments or portions of assessments unpaid after thirty (30) days following the recordation of the assessments.

A copy of the Paid and Unpaid List is attached to this resolution as Exhibit A and included in it. The City Council shall issue improvement bonds under the provisions of the Improvement Bond Act of 1915 of the State of California upon the security of the assessments shown as unpaid on the attached list.

* * *

This Resolution was passed and adopted by the City Council of the City of Sacramento, County of Sacramento, State of California, this 6th day of September, 1988.

Mayor

ATTEST:

City Clerk

APPROVED
BY THE CITY COUNCIL

SEP 6 1988

OFFICE OF THE
CITY CLERK

PAID AND UNPAID LIST
OF ASSESSMENTS IN
WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

I HEREBY CERTIFY that the attached list of Paid and Unpaid Assessments correctly reflects (1) all amounts received by me on account of assessments in Willow Rancho Street Lighting Assessment District No. 3, City of Sacramento, Sacramento County, California, within thirty (30) days after the assessments became due and payable and (2) all amounts remaining unpaid on each of the assessments in Willow Rancho Street Lighting Assessment District No. 3.

Executed at Sacramento, California, on Aug 29, 1988.

THOMAS P. FRIERY, City Treasurer,
City of Sacramento, Sacramento
County, California

By l. e. lund

PAID AND UNPAID LIST:

Willow Rancho Street Lighting Assessment District No. 3
City of Sacramento
Sacramento County, California

ASSESSMENT NUMBER	AMOUNT	PAID	CREDITED	UNPAID
1	\$581.38	\$.00	\$.00	\$581.38
2	581.38	558.12	581.38	.00
3	581.38	558.12	581.38	.00
4	581.38	.00	.00	581.38
5	581.38	558.12	581.38	.00
6	581.38	.00	.00	581.38
7	581.38	558.12	581.38	.00
8	581.38	558.12	581.38	.00
9	581.38	.00	.00	581.38
10	581.38	.00	.00	581.38
11	581.38	.00	.00	581.38
12	581.38	.00	.00	581.38
13	581.38	.00	.00	581.38
14	581.38	.00	.00	581.38
15	581.38	.00	.00	581.38
16	581.38	558.12	581.38	.00
17	581.38	.00	.00	581.38
18	581.38	.00	.00	581.38
19	581.38	558.12	581.38	.00
20	581.38	558.12	581.38	.00
21	581.38	558.12	581.38	.00
22	581.38	.00	.00	581.38
23	581.38	558.12	581.38	.00
24	581.38	.00	.00	581.38
25	581.38	.00	.00	581.38
26	581.38	.00	.00	581.38
27	581.38	558.12	581.38	.00
28	581.38	.00	.00	581.38
29	581.38	.00	.00	581.38
30	581.38	.00	.00	581.38
31	581.38	.00	.00	581.38
32	581.38	.00	.00	581.38
33	581.38	.00	.00	581.38
34	581.38	558.12	581.38	.00
35	581.38	.00	.00	581.38
36	581.38	.00	.00	581.38
37	581.38	.00	.00	581.38
38	581.38	558.12	581.38	.00
39	581.38	.00	.00	581.38
40	581.38	.00	.00	581.38

Willow Rancho Street Lighting Assessment District No. 3
 City of Sacramento
 Sacramento County, California

ASSESSMENT NUMBER	AMOUNT	PAID	CREDITED	UNPAID
41	\$581.38	\$.00	\$.00	\$581.38
42	581.38	.00	.00	581.38
43	581.38	.00	.00	581.38
44	581.38	.00	.00	581.38
45	581.38	.00	.00	581.38
46	581.38	.00	.00	581.38
47	581.38	558.12	581.38	.00
48	581.38	.00	.00	581.38
49	581.38	.00	.00	581.38
50	581.38	.00	.00	581.38
51	581.38	.00	.00	581.38
52	581.38	.00	.00	581.38
53	581.38	.00	.00	581.38
54	581.38	558.12	581.38	.00
55	581.38	558.12	581.38	.00
56	581.38	.00	.00	581.38
57	581.38	.00	.00	581.38
58	581.38	558.12	581.38	.00
59	581.38	.00	.00	581.38
60	581.38	.00	.00	581.38
61	581.38	.00	.00	581.38
62	581.38	558.12	581.38	.00
63	581.38	.00	.00	581.38
64	581.38	.00	.00	581.38
65	581.38	558.12	581.38	.00
66	581.38	558.12	581.38	.00
67	581.38	.00	.00	581.38
68	581.38	.00	.00	581.38
69	581.38	558.12	581.38	.00
70	581.38	.00	.00	581.38
71	581.38	.00	.00	581.38
72	581.38	.00	.00	581.38
73	581.38	.00	.00	581.38
74	581.38	.00	.00	581.38
75	581.38	.00	.00	581.38
76	581.38	558.12	581.38	.00
77	581.38	.00	.00	581.38
78	581.38	.00	.00	581.38
79	581.38	.00	.00	581.38
80	581.38	.00	.00	581.38

PAID AND UNPAID LIST:

Willow Rancho Street Lighting Assessment District No. 3
 City of Sacramento
 Sacramento County, California

ASSESSMENT NUMBER	AMOUNT	PAID	CREDITED	UNPAID
81	\$581.38	\$558.12	\$581.38	\$.00
82	581.38	.00	.00	581.38
83	581.38	.00	.00	581.38
84	581.38	.00	.00	581.38
85	581.38	.00	.00	581.38
86	581.38	.00	.00	581.38
87	581.38	558.12	581.38	.00
88	581.38	.00	.00	581.38
89	581.38	.00	.00	581.38
90	581.38	.00	.00	581.38
91	581.38	.00	.00	581.38
92	581.38	.00	.00	581.38
93	581.38	558.12	581.38	.00
94	581.38	.00	.00	581.38
95	581.38	.00	.00	581.38
96	581.38	.00	.00	581.38
	=====	=====	=====	=====
	\$55,812.48	\$13,953.00	\$14,534.50	\$41,277.98

APPROVED
BY THE CITY COUNCIL

SEP 6 1988

OFFICE OF THE
CITY CLERK

24

RESOLUTION No. 88-779

Adopted by The Sacramento City Council on date of
RESOLUTION AUTHORIZING ISSUANCE AND PURCHASE OF BONDS

WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

The City Council of the City of Sacramento resolves:

Section 1. RECITALS. On May 10, 1988, the City Council of the City of Sacramento adopted its resolution of intention, as later amended, to order improvements in Willow Rancho Street Lighting Assessment District No. 3, City of Sacramento, Sacramento County, California, under the provisions of the Municipal Improvement Act of 1913 (the "Act"), as amended. Proceedings taken under the Act led to the levy of a special assessment by the City Council against parcels of land within the assessment district in the total amount of \$55,812.48. These assessments were recorded in the office of the County Recorder of the County of Sacramento, and thereupon became a lien on each parcel assessed. The period within which parcel owners might pay their assessments in cash without interest expired August 12, 1988.

Section 2. ISSUANCE OF BONDS. The City Council hereby authorizes the issuance of and purchase by the City of improvement bonds under the provisions of the Improvement Bond Act of 1915 to represent unpaid assessments in an amount of \$41,277.98. The bonds shall be designated, "Limited Obligation Bond, City of Sacramento, Willow Rancho Street Lighting Assessment District No. 3." Bonds shall be issued in denominations of \$1000 or integral multiples thereof, except for Bond No. 1, which may be an odd amount, and shall be dated September 13, 1988. Bonds shall mature and shall bear interest at the rates set forth in the table attached as Exhibit A.

Section 3. REGISTRATION. The bonds shall be registered to the City of Sacramento, California, and held by the City until maturity, provided that the City Council may at any time in the future authorize sale of said bonds to any other parties.

Section 4. APPOINTMENT OF PAYING AGENT, REGISTRAR AND TRANSFER AGENT. The City Council hereby appoints the Director of Finance as paying agent, registrar and transfer agent for the bonds.

Section 5. FORM AND EXECUTION. Bonds shall be issued as fully registered bonds substantially in the form set forth as Exhibit B to this resolution. The bonds shall be signed by the City Treasurer and the City Clerk and the seal of the City shall be affixed. Both signatures and seal may be reproduced on the bonds by facsimile, but upon its registration or reregistration each bond shall be authenticated by the manual signature of the registrar.

The paying agent shall assign to each bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof which shall be available to the City for inspection.

Section 6. ESTABLISHMENT OF SPECIAL FUNDS. For administering the proceeds of the sale of bonds and payment of interest and principal on the bonds, there are hereby established four funds to be known as the improvement fund, the redemption fund, the investment earnings fund, and the excess investment earnings fund, respectively, for Willow Rancho Street Lighting Assessment District No. 3.

Section 6.1. IMPROVEMENT FUND. Except as provided in Section 6.3, proceeds of sale of the bonds, together with all amounts paid on the assessments prior to bond issuance, shall be deposited in the improvement fund to be maintained by the City Treasurer. Disbursements from the improvement fund shall be made by the City Treasurer in accordance with the budget of estimated costs and expenses set forth in the amended engineer's report heretofore approved by the City Council, which report and budget are subject to modification by the City Council from time to time as prescribed by the Act.

Section 6.2. REDEMPTION FUND. The redemption fund shall be maintained by the City Treasurer. All payments of principal and interest installments on the assessments, together with penalties, if any, shall be deposited in the redemption fund, which shall be a trust fund for the benefit of the bondholders. Payment of the bonds at maturity, or at redemption prior to maturity, and all interest on the bonds shall be made from the redemption fund.

Section 6.3. INVESTMENT EARNINGS FUND. Proceeds of the investment of amounts in the improvement fund and the redemption fund will be deposited in the investment earnings fund. On July 1 of each year during the term of the bonds (or at other times as may be required or permitted by regulations of the United States Internal Revenue Service), the Treasurer shall determine whether any portion of investment earnings must be rebated to the United States pursuant to Section 148 of the United States Internal Revenue Code and regulations adopted thereunder. Any amounts required to be rebated will be transferred to the excess investment earnings fund, and the balance will be transferred to the improvement fund (or, upon completion of the improvement, to the redemption fund to be applied as credit to the next installment of principal and interest collected from owners of assessed land).

The City Treasurer is authorized to retain independent attorneys, accountants and other consultants to assist in complying with Federal requirements.

Section 6.4. EXCESS INVESTMENT EARNINGS FUND. Amounts in the excess investment earnings fund shall be invested in the same manner as amounts in the other funds and shall be held in trust for rebate to the United States at the times required by Section 148 of the United States Internal Revenue Code and regulations adopted thereunder.

Section 7. PAYMENT ON BONDS. The principal and interest on the bonds shall be payable at the office of the Director of Finance, City Hall, 915 "I" Street, Sacramento, California 95814. Principal and interest shall be paid by check, draft or warrant mailed to the registered owner of each bond at the owner's address appearing on the register maintained by the registrar on the 15th day preceding the date of interest payment or maturity of each bond.

Section 8. REREGISTRATION. Any bond may be registered to a new owner by completing the assignment certificate on the reverse of the bond and delivering the bond to the registrar. Upon reregistration, any bond may be replaced by one or more bonds of the same maturity and aggregate amount in denominations of \$1000 or any integral multiple thereof.

Section 9. COVENANTS. In the event of a default in the payment of any bond or any installment of interest thereon, bondholders shall have the remedies set forth in the Improvement Bond Act of 1915. In addition, the City Council makes the following covenants, which shall constitute a contract with the bondholders:

Section 9.1. FORECLOSURE OF LIENS. If any installment of principal or interest of any assessment levied in Willow Rancho Street Lighting Assessment District No. 3 becomes delinquent, the City Council shall cause an action to be filed in the Superior Court of the County of Sacramento to foreclose the lien of the delinquent assessment under the authority of Section 8830 and following of the Streets and Highways Code of the State of California. This action shall be filed not later than one hundred fifty (150) days after the date of delinquency.

Section 9.2. ARBITRAGE. During the term of the bonds, the City will make no use of bond proceeds which, if such use had been reasonably expected at the date the bonds are issued, could have caused the bonds to be "arbitrage bonds" within the meaning of Section 148 of the United States Internal Revenue Code of 1986, and regulations of the Internal Revenue Service adopted thereunder, and further shall rebate to the United States any amounts actually earned as arbitrage in accordance with the provisions of that Code and those regulations.

Section 9.3. MAINTENANCE OF TAX EXEMPTION. The City will take all reasonable actions required to maintain the status of the bonds as bonds exempt from federal income taxes and State of California personal income taxes.

* * *

This Resolution was passed and adopted by the City Council of the City of Sacramento, County of Sacramento, State of California, this 6th day of September, 1988.

Mayor

ATTEST:

City Clerk

MATURITY SCHEDULE

CITY OF SACRAMENTO, SACRAMENTO COUNTY, CALIFORNIA
WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

1989	\$ 9,277.98
1990	8,000.00
1991	8,000.00
1992	8,000.00
1993	<u>8,000.00</u>

\$41,277.98

8.5% INTEREST

United States of America
State of California
County of Sacramento

REGISTERED
Number

REGISTERED

LIMITED OBLIGATION IMPROVEMENT BOND
CITY OF SACRAMENTO
WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

INTEREST RATE

MATURITY DATE

BOND DATE

REGISTERED OWNER:

PRINCIPAL SUM:

DOLLARS

Under and by virtue of the Improvement Bond Act of 1915, Division 10 (commencing with Section 8500), of the Streets and Highways Code, (the "Act"), the City of Sacramento, County of Sacramento, State of California, (the "City"), will, out of the redemption fund for the payment of the bonds issued upon the unpaid portion of assessments made for the acquisition, work and improvements more fully described in proceedings taken pursuant to Resolution of Intention No. 88-378, adopted by the City Council of the City of Sacramento on the 10th day of May, 1988, as later amended, pay to the registered owner stated above or registered assigns, on the maturity date stated above, the principal sum stated above, in lawful money of the United States of America and in like manner will pay interest from the interest payment date next preceding the date on which this Bond is authenticated, unless this Bond is authenticated and registered as of an interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated and registered prior to March 2, 1990, in which event it shall bear interest from its date, until payment of such principal sum shall have been discharged, at the rate per annum stated above, payable semiannually on March 2 and September 2 in each year commencing on March 2, 1990. Both the principal hereof and redemption premium hereon are payable at the office of the Director of Finance, City of Sacramento, City Hall, 915 "I" Street, Sacramento, California, or its successor, as Transfer Agent, Registrar and Paying Agent, and the interest hereon is payable by check or draft mailed to the owner hereof at the owner's address as it appears on the registration books of the City, or at such address as may have been filed with the City for that purpose, as of the fifteenth day immediately preceding each interest payment date.

REFERENCE IS MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH IN THE REVERSE SIDE HEREOF WHICH SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH HEREIN.

This Bond will continue to bear interest after maturity at the rate above stated, provided, it is presented at maturity and payment thereof is refused upon the sole ground that there are not sufficient moneys in said redemption fund with which to pay same. If it is not presented at maturity, interest thereon will run until maturity.

This Bond shall not be entitled to any benefit under the Act or the Resolution Authorizing Issuance of Bonds (the "Resolution of Issuance"), or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Director of Finance.

IN WITNESS WHEREOF, said City of Sacramento has caused this Bond to be signed in facsimile by the City Treasurer of said City and by its Clerk, and has caused its corporate seal to be reproduced in facsimile hereon all as of the 13th day of September, 1988.

CITY OF SACRAMENTO

Clerk

Treasurer

(SEAL)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within mentioned Resolution of Issuance, which has been authenticated and registered on _____, 1988.

DIRECTOR OF FINANCE OF THE CITY OF SACRAMENTO

By _____
Authorized Officer

(REVERSE OF BOND)

LIMITED OBLIGATION IMPROVEMENT BOND
CITY OF SACRAMENTO
WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

ADDITIONAL PROVISIONS OF THE BOND

This Bond is one of several annual series of bonds of like date, tenor and effect, but differing in amounts and maturities issued by the City of Sacramento under the Act and the Resolution of Issuance, for the purpose of providing means for paying for the improvements described in said proceedings, and is secured by the moneys in said redemption fund and by the unpaid portion of said assessments made for the payment of said improvements, and, including principal and interest, is payable exclusively out of said fund.

This Bond is transferable by the registered owner hereof, in person or by the owner's attorney duly authorized in writing, at said office of the Director of Finance, subject to the terms and conditions provided in the Resolution of Issuance, including the payment of certain charges, if any, upon surrender and cancellation of this Bond. Upon such transfer, 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.

Bonds shall be registered only in the name of an individual (including joint owners), a corporation, a partnership or a trust.

The City shall not be required to make such exchange or registration of transfer of bonds during the fifteen (15) days immediately preceding any interest payment date.

The City will not obligate itself to advance available funds from the City treasury to cure any deficiency which may occur in the bond redemption fund. A determination not to obligate itself shall not prevent the City from, in its sole discretion, so advancing funds.

The City may treat the registered owner hereof as the absolute owner for all purposes, and the City shall not be affected by any notice to the contrary.

This Bond or any portion of it in the amount of \$1,000 or any integral multiple thereof, may be redeemed and paid in advance of maturity upon the second day of March or September in any year by giving at least 30 days' notice by registered mail to the registered owner hereof at such owner's address as it appears on the registration books of the Director of Finance and by paying principal and accrued interest together with a premium equal to three percentum of the principal.

I hereby certify that the following is a correct copy of the signed legal opinion of STURGIS, NESS, BRUNSELL & SPERRY a professional corporation, Emeryville, California, on file in my office.

City Clerk

OPINION OF BOND COUNSEL

CITY OF SACRAMENTO
WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

We have acted as bond counsel for the City of Sacramento for the issuance of improvement bonds representing unpaid special assessments in Willow Rancho Street Lighting Assessment District No. 3. We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion.

We have not independently verified questions of fact but have relied on the certifications of public officials. Nor have we reviewed the accuracy or sufficiency of the offering material related to the sale of the bonds.

Based on our examination, we are of the following opinion:

1. The unpaid assessments in Willow Rancho Street Lighting Assessment District No. 3 were validly levied and now constitute a lien on the parcels of land assessed, as provided in the Municipal Improvement Act of 1913 of the State of California. Bonds representing the unpaid assessments were validly issued under the provisions of the Improvement Bond Act of 1915 of the State of California.

2. The bonds are valid special obligations of the City of Sacramento, payable solely from the redemption fund, into which are placed all sums received from the collection of installments of principal and interest on the unpaid assessments. The bonds are enforceable in accordance with the Improvement Bond Act of 1915.

3. Interest on the bonds is not includable in the gross income of the bondholder for purposes of Federal income taxes under existing statutes, regulations and Court decisions, but such interest affects the corporate bondholder's liability for alternative minimum taxes. Interest on the bonds is exempt from State of California personal income taxes, and the bonds are exempt from all California taxes except estate and franchise taxes. The federal tax-exempt status of bond interest depends upon continuing compliance by the issuer with the arbitrage rebate covenant contained in the Resolution Authorizing Issuance of the Bonds.

4. The rights of the bondholders and the enforceability of the bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights,

heretofore or hereafter enacted. Enforcement of the bonds may be subject to the exercise of judicial discretion in accordance with general principles of equity.

STURGIS, NESS, BRUNSELL & SPERRY
a professional corporation

By: Philip D. Assaf

(REVERSE OF BOND)

ASSIGNMENT

Please see the verbage below for the "ASSIGNMENT" to be printed on the reverse of the bonds after the OPINION OF BOND COUNSEL.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned do(es) hereby sell, assign and transfer unto _____

_____ the within registered bond hereby irrevocably constitute(s) and appoint(s)

_____ attorney to transfer the same on the registry books of the Paying Agent/Registrar with full power of substitution in the premises.

Dated: _____

Signature(s) Guaranteed: _____

NOTE: The signature(s) to this Assignment must correspond with the name(s) as shown on the face of the within Bond in every particular.

EDGENE K. STURGIS
(1892-1976)
EDWIN N. NESS
ROBERT BRUNSELL
SAMUEL A. SPERRY
DANIEL C. BORT
PHILIP D. ASSAF

Law Offices of
STURGIS, NESS, BRUNSELL & SPERRY
a professional corporation

2000 Powell Street, Suite 1690
Emeryville, California 94608-1804

(415) 652-7588
FAX: (415) 652-0190

MAIL ADDRESS:
POST OFFICE BOX 8808
EMERYVILLE, CA 94662

August 25, 1988

Mr. Ron Wicky
Engineering Division
City of Sacramento
527 Tenth Street, Room 200
Sacramento, CA 95814

RE: WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3, CITY
OF SACRAMENTO

Dear Ron:

Enclosed are the proceedings for Council consideration at its meeting on Tuesday, September 6, 1988, to file the paid and unpaid list, to authorize issuance of bonds, and to sell the improvement bonds to the City of Sacramento.

Please do not hesitate to contact us if you have any questions.

Very truly yours,

STURGIS, NESS, BRUNSELL & SPERRY
a professional corporation

Philip D. Assaf
Philip D. Assaf

PDA:oue

Enclosures

cc: Lorraine Magana, City Clerk
Irvin Moraes, Real Property Supervisor
Lawrence M. Lunardini, Deputy City Attorney
Michael Medema, Revenue Officer
Tom Friery, Treasury Office
Melvin H. Johnson, Director of Public Works

MEMORANDUM OF PROCEEDINGS TO BE CONSIDERED BY THE CITY COUNCIL ON TUESDAY, SEPTEMBER 6, 1988, IN CONNECTION WITH WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

The period in which assessments may be paid in cash expired on August 12, 1988. The following items should now be considered:

- 1. Paid and Unpaid List. This is to be filed. Please see additional instructions.
- 2. Resolution determining assessments remaining unpaid. This is to be passed.
- 3. Resolution authorizing issuance and purchase of bonds. This is to be passed. Please see additional instructions.

ADDITIONAL INSTRUCTIONS TO CITY CLERK:

- A. Paid and Unpaid List - please have original and four copies executed by the City Treasurer. The original is to be retained in the Treasurer's file, one copy is to be provided to the City Clerk, one copy to the Director of Public Works and two copies are to be returned to the undersigned.
- B. Please provide a certified copy of the Resolution authorizing issuance of bonds to the Director of Finance, City of Sacramento, 915 "I" Street, Sacramento, CA 95814.
- C. Please provide our office with two certified copies of each resolution adopted.

STURGIS, NESS, BRUNSELL & SPERRY
a professional corporation

By: Philip D. Assaf

24

EUGENE K. STURGIS
(1892-1976)
EDWIN N. NESS
ROBERT BRUNSELL
SAMUEL A. SPERRY
DANIEL C. BORT
PHILIP D. ASSAF

Law Offices of
STURGIS, NESS, BRUNSELL & SPERRY
a professional corporation

2000 Powell Street, Suite 1690
Emeryville, California 94608-1804
September 8, 1988

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FAX: (415) 652-0190

MAIL ADDRESS:
POST OFFICE BOX 8808
EMERYVILLE, CA 94662

Mr. Thomas P. Friery, City Treasurer
City of Sacramento
800 Tenth Street, Suite 1
Sacramento, CA 95814

Re: Willow Rancho Street Lighting Assessment District No. 3

Dear Tom:

Enclosed are copies of closing documents for this issue. Closing is scheduled to take place at your office, 800 Tenth Street, Suite 1, Sacramento, California 95814 on Tuesday, September 13, 1988, at 10:00 a.m.

In addition, the following documents are enclosed in quadruplicate for your signature and use at the closing:

1. Receipt for Bonds and Bond Proceeds, to be signed by you;
2. Certificate Re: Arbitrage, to be signed by you;
3. Signature and No-Litigation Certificate, to be executed by you and the City Clerk, and to which the City seal should be affixed; and
4. Form 8038-G, Information Return to IRS, to be signed by you.

Please take these signed documents with you to the closing.

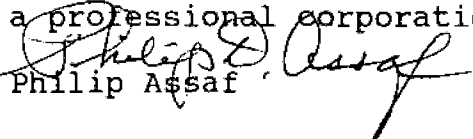
The City will have to make a transfer from whatever fund you are taking the money to purchase these bonds, into the improvement fund for this project. The sum of \$39,626.86 should be transferred to the improvement fund on the date of the bond closing. This sum represents 96% of par value of the bonds.

With a copy of this letter we are sending one copy of Opinion of Bond Counsel to the City Clerk to be filed with the proceedings in her office.

If you have any questions about the documents or these instructions, please do not hesitate to contact us immediately.

Yours very truly,

STURGIS, NESS, BRUNSELL & SPERRY
a professional corporation


Philip Assaf

PDA:oue

cc: Anne Mason, Acting City Clerk (w/Opinion only)
Jack R. Crist, Director of Finance
Irvin E. Moraes, Real Property Supervisor
Ron Wicky, Engineering Division

RECEIVED
CITY CLERKS OFFICE
CITY OF SACRAMENTO
SEP 12 10 13 AM '88

EUGENE K. STURGIS
(1892-1978)
EDWIN N. NESS
ROBERT BRUNSELL
SAMUEL A. SPERRY
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PHILIP D. ASSAF

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OPINION OF BOND COUNSEL

CITY OF SACRAMENTO
WILLOW RANCHO STREET LIGHTING ASSESSMENT DISTRICT NO. 3

We have acted as bond counsel for the City of Sacramento for the issuance of improvement bonds representing unpaid special assessments in Willow Rancho Street Lighting Assessment District No. 3. We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion.

We have not independently verified questions of fact but have relied on the certifications of public officials. Nor have we reviewed the accuracy or sufficiency of the offering material related to the sale of the bonds.

Based on our examination, we are of the following opinion:

1. The unpaid assessments in Willow Rancho Street Lighting Assessment District No. 3 were validly levied and now constitute a lien on the parcels of land assessed, as provided in the Municipal Improvement Act of 1913 of the State of California. Bonds representing the unpaid assessments were validly issued under the provisions of the Improvement Bond Act of 1915 of the State of California.

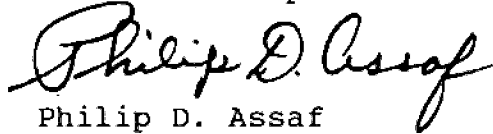
2. The bonds are valid special obligations of the City of Sacramento, payable solely from the redemption fund, into which are placed all sums received from the collection of installments of principal and interest on the unpaid assessments. The bonds are enforceable in accordance with the Improvement Bond Act of 1915.

3. Interest on the bonds is not includable in the gross income of the bondholder for purposes of Federal income taxes under existing statutes, regulations and Court decisions, but such interest affects the corporate bondholder's liability for alternative minimum taxes. Interest on the bonds is exempt from State of California personal income taxes, and the bonds are exempt from all California taxes except estate and franchise taxes. The federal tax-exempt status of bond interest depends upon continuing compliance by the issuer with the arbitrage rebate covenant contained in the Resolution Authorizing Issuance of the Bonds.

Opinion of Bond Counsel
Page Two

4. The rights of the bondholders and the enforceability of the bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, heretofore or hereafter enacted. Enforcement of the bonds may be subject to the exercise of judicial discretion in accordance with general principles of equity.

STURGIS, NESS, BRUNSELL & SPERRY
a professional corporation



By: Philip D. Assaf

Dated as of September 13, 1988

Opinion to:

City of Sacramento
915 I Street
Sacramento, California 95814