



CITY OF SACRAMENTO

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RECEIVED
MAY 31 1979

THOMAS P. FRIERY
TREASURER
DONALD E. SPERLING
ASST. TREASURER

May 31, 1979

Parking Authority
Sacramento, California

Honorable Members in Session:

SUBJECT: Notice of Lost Parking Authority Bonds,
Replacement Bonds and Acceptable Indemnity Bond

SUMMARY

An investment firm which is the legal owner of two Parking Authority Revenue Series B Bonds valued at \$10,000 has reported their loss and requested the issuance of replacement bonds. The bond resolution authorizing the original issue permits such action and the Government Code requires Parking Authority approval. There is no cost to the City.

BACKGROUND

- Merrill Lynch, Pierce, Fenner and Smith (MLPFS) has requested that two duplicate bearer bonds for Bond No. 583 and Bond No. 584 of the 1968 Parking Revenue Series B, 7% due July 1, 1993 at \$5,000.00 each and coupon No. 7 due January 1, 1979 and all subsequent coupons through No. 36 be printed as a replacement for the originals that were lost. MLPFS has pledged an Indemnity Bond of the Federal Insurance Company in a dollar amount equivalent to twice the value of the bonds and coupons to be printed. MLPFS will pay the printing costs estimated at \$480.00.
- Section 2.15 of Resolution No. 5 authorizing the issuance of Parking Authority of the City of Sacramento 1968 Parking Revenue Bonds permits the issuance of replacement bonds for lost bonds so long as the indemnity bond pledged is acceptable.
- Section 53461 of the Government Code contains enabling legislation which requires that the Legislative body of a local agency approve the issuance of replacement bonds. The conditions to be met are:
 - Proof of loss is provided.
 - Indemnity bond is provided.
 - The owner pays all costs of issuance of the new bond.

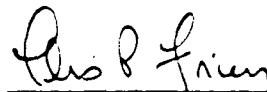
FINANCIAL DATA

No cost to the City. An Indemnity bond has been pledged as insurance in the event the originals are ever transacted and the printing costs will be borne by the owner of the lost bonds.

RECOMMENDATION

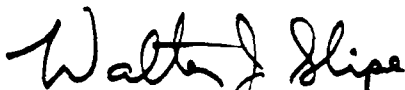
The Sacramento City Council as the City of Sacramento Parking Authority and the local legislative body authorize the printing of replacement bonds as here-in described.

Respectfully Submitted



THOMAS P. FRIERY, CITY TREASURER

RECOMMENDATION APPROVED



Walter J. Slife, City Manager

Council Agenda June 5, 1979
All Districts

RESOLUTION NO. _____ OF THE PARKING
AUTHORITY OF THE CITY OF SACRAMENTO

RESOLUTION AUTHORIZING ISSUANCE OF
REPLACEMENT BONDS - 1968 PARKING
REVENUE BONDS - SERIES B

WHEREAS it appears that bonds numbered 583 and 584 of 1968 Parking Revenue Bond Issue - Series B have been lost and the owner thereof, Merrill Lynch Pierce Fenner and Smith, have given security adequate to indemnify the Parking Authority against any and all loss incurred on account of said bonds and has agreed to pay all costs of issuance of new bonds,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

That the Parking Authority of the City of Sacramento hereby is authorized to issue new bonds to replace said bonds numbered 583 and 584 to the owners thereof pursuant to Section 2.15 of Resolution No. 5 and that said security to indemnify the Parking Authority be, and the same is hereby approved.

By _____
CHAIRMAN

ATTEST:

CITY CLERK