

RESOLUTION NO. 4034

RESOLUTION ORDERING AND CALLING A SPECIAL BOND ELECTION TO BE HELD IN AND FOR THE CITY OF CHANDLER, ARIZONA ON MAY 15, 2007, TO SUBMIT TO THE QUALIFIED ELECTORS THEREOF THE QUESTIONS OF AUTHORIZING THE ISSUANCE AND SALE OF \$451,500,000 PRINCIPAL AMOUNT OF BONDS, CONSISTING OF GENERAL OBLIGATION BONDS, STREET AND HIGHWAY REVENUE BONDS AND UTILITY REVENUE BONDS, PROJECT OF 2007.

WHEREAS, the Mayor and Council of the City of Chandler, Arizona, have received the recommendations of the 2007 Citizens Bond Committee and believe it to be in the best interest of the City to authorize the issuance and sale of \$451,500,000 principal amount of bonds, which bonds would include general obligation, street and highway revenue bonds and utility revenue bonds, specifically for the following purposes:

<u>Description of Bonds</u>	<u>Principal Amount</u>
Parks and Recreation bonds	\$ 81,350,000
Public Safety/Fire bonds	14,265,000
Public Safety/Police bonds	15,745,000
Library bonds	11,255,000
Municipal buildings bonds (Center for the Arts)	4,200,000
Municipal buildings bonds (Museum)	4,500,000
Municipal buildings bonds (Expansion of Public Works Bldg)	9,960,000
Water and Sewer bonds	107,850,000
Street and Highway bonds	202,310,000
Airport bonds	65,000

WHEREAS, it is necessary that the Mayor and Council submit the questions of the issuance and sale of such bonds to the qualified electors of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF CHANDLER, ARIZONA:

Section 1. Order Election. Pursuant to Arizona Revised Statutes ("A.R.S."), Sections 35-453, 9-524 and 48-683, as amended, a special bond election in the City of Chandler, Arizona (the "City"), is hereby called to be held on May 15, 2007, to submit to the qualified electors of the City the questions as shown on the form of ballot attached hereto and marked Exhibit A which is a part of this resolution and the terms of which are incorporated by reference herein. Having completed its work, the 2007 Citizens Bond Committee is hereby dissolved.

Bonds issued pursuant to Title 35, Chapter 3, Article 3, A.R.S., which are expected to be the parks and recreation bonds, public safety bonds, library bonds and municipal building bonds, will be general obligation bonds payable from an ad valorem tax levied on all taxable property in the City (the "*general obligation bonds*").

Bonds issued pursuant to Title 9, Chapter 5, Articles 2 or 3, A.R.S., as amended (the "*utility revenue bonds*"), will be payable from the net revenues of the utility system, unless such utility revenue bonds are issued as tax secured bonds in which case the utility revenue bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the utility revenue bonds are to be issued, the maximum principal amount and the maximum rate of interest of the utility revenue bonds is set forth in Exhibit A attached hereto.

Bonds issued pursuant to Title 9, Chapter 5, Article 3, A.R.S., as amended (the "*airport revenue bonds*"), will be payable from the revenues of the airport, unless such airport revenue bonds are issued as tax secured bonds in which case the airport revenue bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the airport revenue bonds are to be issued, the maximum principal amount and the maximum rate of interest of the airport revenue bonds is set forth in Exhibit A attached hereto.

Bonds issued pursuant to Title 48, Chapter 4, Article 5, A.R.S., as amended (the "*street and highway improvements bonds*") will be payable from monies to be derived from highway user taxes and all other taxes, fees, charges and other monies collected by the State of Arizona and returned to the City for street and highway purposes, unless such street and highway improvement bonds are issued as tax secured in which case the street and highway improvement bonds may be paid from an ad valorem tax levied upon all taxable property in the City. The purpose for which the street and highway improvement bonds are to be issued, the maximum principal amount and the maximum rate of interest of the street and highway improvement bonds is set forth in Exhibit A attached hereto.

If the voters of the City approve the ballot question authorizing the issuance of \$81,350,000 of bonds for park and recreational facilities ("*Park Bonds*") and Park Bonds are issued for a Boys and Girls Club and youth facility, the Mayor and Council intend to pay up to \$8,500,000 of the costs of constructing the community facility to be used by the Boys and Girls Club and other youth oriented community service agencies, with a corresponding reduction of the amount to be spent on parks or recreational facilities in the South Arizona Avenue Corridor by up to \$4,200,000.

Section 2. Information Pamphlet. The Clerk is hereby directed to cause the preparation and distribution of an information pamphlet and sample ballot for the City pursuant to A.R.S. § 35-454. The officers of the City are hereby authorized to do all things necessary or appropriate to conduct the election, including the preparation and distribution of an informational pamphlet. The Clerk is hereby authorized and directed to cause the information pamphlet to be prepared and mailed as required by law and in accordance with the provisions of this resolution and to cause a copy of the informational pamphlet to be submitted to the Arizona Department of Revenue within thirty (30) days after the election.

Section 3. Notice of Election. Notice of the special bond election is ordered to be given by causing the information pamphlet to be mailed not less than thirty-five (35) days before the date of election to the residence of each registered voter of the City as shown on the general county register. Notice of the special bond election pertaining to utility revenue bonds, airport revenue bonds and street and highway improvement bonds, is ordered to be given by causing publication of this resolution once in a newspaper published in Maricopa County,

Arizona, and of general circulation within the City not less than fifteen (15) nor more than thirty (30) days before the date of election.

Section 4. Conduct of Election. The election will be conducted and the poll lists kept, and the votes cast thereat shall be counted and tabulated and the returns thereof will be made in the manner provided by law and only persons will be allowed to vote at the election who are qualified electors of the City. The polls will open at 6:00 a.m. and will close at 7:00 p.m. The election may be consolidated with any other election conducted in the City on May 15, 2007.

Section 5. Early Voting. Early voting will be permitted at the election in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

Section 6. Compliance with Voting Rights Act. In order to comply with the Voting Rights Act of 1965, as amended, the following proceedings pertaining to this election will be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such proceedings are required, to-wit: ballot, voter information pamphlet, all early voting material and all instructions at the polls.

Section 7. Ballots; Contracts. The Clerk is hereby directed to cause ballots to be printed and delivered to the election boards to be furnished to the qualified electors offering to vote at the election. The special bond election may be conducted using either electromechanical or electronic vote recording and ballot counting equipment or paper ballots, as shall be determined to be in the best interests of the City by the County Elections Department and the Mayor and the Clerk or either of them. The Mayor and the Clerk or either of them is authorized and directed to enter into a contract with the Maricopa County Recorder to obtain precinct registers for the election and to enter into an agreement with the Maricopa County Elections Department to conduct the election for the City.

Section 8. Canvass of Election. As soon as the polls are closed, the election officials will forward the votes cast to the Mayor and Council of the City for canvassing. The Mayor and Council will meet at the Council Chambers on a day that is within twenty (20) days after the election date to canvass the returns of the election. The Mayor and Council will be governed by the vote of the majority on the question submitted.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Chandler, Arizona, on January 25, 2007.

ATTEST: _____s/Boyd W. Dunn_____
Mayor

_____/s/Marla Paddock_____
Clerk

APPROVED AS TO FORM:

___s/Michael House _____
City Attorney

___s/Scott Ruby _____
Bond Counsel

CERTIFICATION

I, Marla Paddock, the duly appointed and acting City Clerk of the City of Chandler, Arizona, do hereby certify that the above and foregoing Resolution No. 4034 was duly passed by the City Council of the City of Chandler, Arizona, at a regular meeting held on January 25, 2007, and that the Mayor and 6 Council Members were present thereat.

_____s/Marla Paddock _____
Marla Paddock, City Clerk

EXHIBIT A

OFFICIAL BALLOT

**FOR SPECIAL BOND ELECTION IN AND FOR THE CITY OF CHANDLER,
ARIZONA ON MAY 15, 2007.**

General Provisions for all Bond Questions

The following provisions apply to all bonds to be voted on. Specific information for each authorized purpose is set out for each question.

- In addition to each specific authorized purpose, bond proceeds may be used to pay for bond insurance or other credit support for the bonds, all legal, accounting, financial, architectural, design, engineering and construction management costs and all other costs incurred in connection with the issuance of the bonds and the purposes set forth in each question. The City may contract for letters of credit, surety bonds, lines of credit or other credit or liquidity support in connection with any one or more series of bonds.
- The bonds may be issued in one or more series.
- The bonds may be issued in the denomination of \$5,000 each or multiples thereof.
- Interest rates may be fixed or variable but shall not exceed twelve percent (12%) per annum. Interest may be evidenced by separate certificates and will be paid on July 1 and January 1 or more frequently.
- The bonds, and any bonds issued to refund the City's bonds, may be sold at prices that include premiums not greater than permitted by law.
- Bonds will mature over a period not to exceed thirty (30) years from their date of issuance.
- Bonds will mature on the days of each year determined by the Mayor and Council.
- The issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds, unless the governing body provides for payment from other sources.

**THE VOTER MAY VOTE "FOR THE BONDS" OR "AGAINST THE BONDS" ON EACH
SEPARATE BOND QUESTION.**

Question 1

PURPOSE: PARKS AND RECREATION BONDS

AMOUNT: \$81,350,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct, improve and acquire community, neighborhood, regional and aquatic parks, including recreational facilities, buildings and improvements; to acquire land for parks, recreational facilities, buildings and open spaces; to make improvements, additions and replacements to existing parks and recreational facilities and buildings; to landscape, furnish and equip existing and new parks and recreational facilities and buildings.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 2

PURPOSE: PUBLIC SAFETY/FIRE BONDS

AMOUNT: \$14,265,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire and construct fire stations and other fire safety related facilities; to furnish, equip and improve fire stations, fire safety related facilities and radio infrastructure; to acquire vehicles and land for fire and public safety purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 3

PURPOSE: PUBLIC SAFETY/POLICE BONDS

AMOUNT: \$15,745,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire land and construct police facilities, to acquire radio infrastructure; and to furnish and equip such facilities.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 4

PURPOSE: LIBRARY BONDS

AMOUNT: \$11,255,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To acquire, construct, improve, renovate or remodel library facilities; to furnish and equip such library facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 5

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(CENTER FOR THE ARTS)
AMOUNT: \$4,200,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To improve, renovate and remodel municipal buildings to be used as a center for the arts; to furnish and equip such facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 6

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(MUSEUM)
AMOUNT: \$4,500,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct and improve museum facilities and parking improvements; to landscape, furnish and equip museum facilities.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 7

**PURPOSE: MUNICIPAL BUILDINGS BONDS
(EXPANSION OF PUBLIC WORKS BUILDING)
AMOUNT: \$9,960,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To construct, improve, renovate and remodel municipal buildings to be used as public works facilities and public parking garage; to furnish and equip such facilities and improve the grounds thereof.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as general obligation bonds of the City pursuant to Title 35, Chapter 3, Article 3, Arizona Revised Statutes, payable from the levy of an ad valorem tax against the taxable property located within the City, unless the Mayor and Council provide for payment from other sources.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 8

**PURPOSE: WATER AND SEWER BONDS
AMOUNT: \$107,850,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To improve, extend, replace and add to the existing water and sewer systems, both within and without the City limits, including joint facilities to be utilized with others; to design, or acquire water and sewer treatment, water reclamation, pumping, recharge, reuse, transmission and water storage facilities; to acquire land, rights-of-way, equipment, furnishings and other improvements for water, sewer and effluent purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council either as: (1) water and sewer utility revenue bonds payable solely from the revenues of the water and sewer utility systems of the City; (2) tax secured revenue bonds payable from such water and sewer revenues and, if such revenues prove insufficient, from the levy of an ad valorem tax against the taxable property located within the City; or (3) general obligation bonds of the City, payable from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 9

PURPOSE: STREET AND HIGHWAY BONDS

AMOUNT: \$202,310,000

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To design, improve, construct, reconstruct and rehabilitate the streets, avenues, alleys and highways of or within the City; to design, acquire, install, construct and reconstruct street lighting, traffic signal/control systems, underground utility lines, landscape improvements and transit/bicycle program improvements; to acquire land and interests in land for transportation purposes.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council either as: (1) street and highway user revenue bonds payable solely from revenues to be derived from highway user taxes and all other taxes, fees, charges and other monies collected by the State and returned to the City for street and highway purposes; or (2) general obligation bonds of the City, payable from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>

Question 10

**PURPOSE: AIRPORT BONDS
(EXTENSION OF SOUTH RUNWAY)
AMOUNT: \$65,000**

Shall the Mayor and Council of the City of Chandler, Arizona, be authorized to issue and sell the following bonds of the City:

Purposes: To extend the South runway and taxiways at the municipal airport.

Payment of Bonds: Each series of these bonds will be issued at the option of the Mayor and Council as: (1) airport revenue bonds payable solely from the revenues of the airport of the City or (2) tax secured revenue bonds payable from such airport revenues and, if such revenues prove insufficient, from the levy of an ad valorem tax against the taxable property located within the City.

FOR THE BONDS	<input type="checkbox"/>
AGAINST THE BONDS	<input type="checkbox"/>