

SULTAN CITY COUNCIL

AGENDA ITEM COVER SHEET

ITEM NO: Consent C 8

DATE: August 13, 2009

SUBJECT: Ordinance 1054-09 Amendments to Chapter 3.64

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the City Council is the adoption of Ordinance 1054-09 to amend Title 3.64, Registration of Bonds and Obligations. This is a part of the code scrub project for SMC Title 3. Ordinance 1054-09 was introduced for a first reading at the July 23, 2009 Council meeting.

SUMMARY:

The City has the authority to issue General Obligation and Revenue Bonds for capital projects and equipment. The bonds are issued with a schedule of annual payments for principal and interest amounts. All bonds issued are required to be registered with a fiscal agent.

The State of Washington contracts for the services of a Fiscal Agent (currently the Bank of New York) to register bonds (required), process redemption calls and to make payments to bond holders. The City Treasurer used to be responsible for those tasks.

Ordinance 1054-09 provides for the designation of a fiscal agent pursuant to RCW 43.80 and designation of a Cremation agent for the destruction of paid and canceled bonds and coupons in accordance with RCW 43.80.130.

STAFF RECOMMENDATION:

Adoption of Ordinance 1054-09 amending Title 3.64.

Attachments: A. Ordinance 1054-09 Fiscal and Cremation Agent

**CITY OF SULTAN
WASHINGTON**

ORDINANCE NO. 1054-09

**AN ORDINANCE OF THE CITY OF SULTAN,
WASHINGTON, AMENDING SMC 3.64 REGARDING
REGISTRATION OF BONDS; ESTABLISHING A FISCAL
AGENT AND CREMATION AGENT FOR BONDS;
PROVIDING FOR SEVERABILITY; AND ESTABLISHING
AN EFFECTIVE DATE**

WHEREAS, the City uses the Washington State Fiscal Agency pursuant to authorization contained in RCW 43.80.110, RCW 43.80.120 and RCW 43.80.130;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SULTAN, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Sultan Municipal Code 3.64 is hereby amended to read as follows:

Chapter 3.64
Fiscal and Cremation Agent

Sections:

- 3.64.010 Fiscal Agent – Designated
- 3.64.020 Cremation Agent – Designated

3.64.010 Fiscal Agent – Designated: Pursuant to the authorization contained in RCW 43.80.110 and 43.80.120, the Washington State Fiscal Agency is designated as fiscal agent for the City of Sultan for payment of bonds and coupons thereof, all in accordance with the requirements of RCW 43.80.100 et seq.

3.64.020 Cremation Agent – Designated: The Washington State Fiscal Agency is designated as cremation agent for the destruction of paid and canceled bonds and coupons in accordance with the requirements of RCW 43.80.130; provided, however, that the finance officer enter into a contractual agreement with the Washington State Fiscal Agency, providing for and regulating the destruction and/or cremation of any general or revenue obligation or local improvement district bonds or interest coupons that have been canceled or paid after one year from said cancellation or payment; and further provided, that a certificate of destruction as required by RCW 43.80.140 giving full descriptive reference to the instruments destroyed shall be made by the person or persons authorized to perform such destruction, and one copy of said certificate shall be filed with the finance office of the

City of Sultan. Not certificate of destruction shall itself be destroyed until all the bonds and coupons of the issue or series described thereon shall have matured and been paid or canceled.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 3. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 13TH DAY OF AUGUST, 2009.

CITY OF SULTAN

Carolyn Eslick, Mayor

ATTEST/AUTHENTICATED:

Laura Koenig, City Clerk

Approved as to form:

Margaret J. King, City Attorney

Passed by the City Council:

Date of Publication:

Effective Date: