

3:00 - 4:00 PM

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CC # 06-395

June 19, 2006

RESOLUTION DIRECTING THE ADVERTISEMENT  
FOR SALE OF THREE SERIES OF GENERAL  
OBLIGATION BONDS IN THE AGGREGATE  
PRINCIPAL AMOUNT OF \$ \_\_\_\_\_

WHEREAS, by Roll No. 06-940 approved May 8, 2006, this Council directed that notice be given of the sale of three series of General Obligation Bonds in the aggregate principal amount of \$38,875,000, to be designated as Series 2006A (in the principal amount of \$27,055,000), Series 2006B (in the principal amount of \$10,700,000), and Taxable Series 2006C (in the principal amount of \$1,120,00) (collectively, the "Series 2006 Bonds); and

WHEREAS, said Roll Call approved a form of Notice of Bond Sale to be published in connection with the offering of the Series 2006 Bonds for sale, under which bids were to be received at 11:00 A.M. on May 31, 2006, which Notice of Bond Sale was duly published on May 19, 2006; and

WHEREAS, on May 26, 2006, the Iowa Supreme Court issued its decision in the litigation captioned Lisa Kragnes v. City of Des Moines, relating to the authority of the City of Des Moines to impose franchise fees in respect of gas and electric power services; and

WHEREAS, by Roll Call No. 06-1068-I approved on May 31, 2006, this Council authorized the postponement of the sale of the Series 2006 Bonds so that the foregoing ruling of the Iowa Supreme Court could be fully considered and taken into account in determining the principal amounts of the Series 2006 Bonds to be sold; and

WHEREAS, a revised summary of the projects to be financed with the Series 2006 Bonds now has been prepared and is attached hereto and hereby made a part hereof, under which the Series 2006 Bonds are proposed to be issued in the revised aggregate principal amount of \$ \_\_\_\_\_ as three separate series of Bonds (together, the "Bonds") in the aggregate principal amounts as hereinafter set forth, pursuant to Section 384.28 of the City Code of Iowa; and

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WHEREAS, a revised form of preliminary Official Statement has been prepared for the purpose of offering the Bonds for sale to the public; and

WHEREAS, it is appropriate that the revised form of the preliminary Official Statement be approved and deemed final and, upon completion of the same, that the preliminary Official Statement be used in connection with the offering of the Bonds for sale to the public; and

WHEREAS, the Council has received information from its Financial Consultant evaluating and recommending the procedure hereinafter described for electronic and internet bidding to maintain the integrity and security of the competitive bidding process and to facilitate the delivery of bids by interested parties; and

WHEREAS, the Council deems it in the best interests of the City and the residents thereof to receive bids to purchase such Bonds by means of both sealed and electronic internet communication; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA:

Section 1. That the receipt of electronic bids for the Bonds through the PARITY<sup>®</sup> competitive bidding system described in the Notice of Bond Sale are hereby found and determined to provide reasonable security and to maintain the integrity of the competitive bidding process, and to facilitate the delivery of bids by interested parties in connection with the offering of the Bonds at public sale.

Section 2. That the preliminary Official Statement in the form presented to this meeting be and the same hereby is approved as to form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to such revisions, corrections or modifications as the Acting Finance Director, upon the advice of bond counsel and the City's financial consultant, shall determine to be appropriate, and is authorized to be distributed thereafter in connection with the offering of the Bonds for sale.

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Section 3. That the Clerk be and is hereby directed to publish a notice of sale of said Bonds at least once, not less than four clear days nor more than twenty days before the date of the sale. Publication shall be made in The Des Moines Register, a legal newspaper, printed wholly in the English language, published within the county in which the Bonds are to be offered for sale or an adjacent county. Said notice shall be given pursuant to Chapter 75 of the Code of Iowa, and shall state that this Council, on the 12th day of July, 2006, at 4:00 P.M., will hold a meeting to receive and act upon bids for said Bonds; said notice to be in substantially the following form:

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NOTICE OF BOND SALE

Time and Place of Sealed Bids: Sealed bids for the sale of Bonds of the City of Des Moines, Iowa, will be received at the office of the Acting Finance Director, City Hall, 400 Robert D. Ray Drive, in the City of Des Moines, Iowa (the "Issuer") at 11:00 A.M., on the 12th day of July, 2006. The bids will then be publicly opened and referred for action to the meeting of the City Council as stated below.

Manner of Bidding: Open bids will not be received. Bids will be received in any of the following methods:

Sealed Bidding: Sealed bids may be submitted and will be received at the office of the Acting Finance Director, City Hall, Des Moines, Iowa

Electronic Internet Bidding: Electronic internet bids will be received at the office of the Acting Finance Director, City Hall, Des Moines, Iowa. The bids must be submitted through the PARITY<sup>®</sup> competitive bidding system.

Consideration of Bids: After the time for receipt of bids has passed, the close of sealed bids will be announced. Sealed bids will then be publicly opened and announced. Finally, electronic internet bids will be accessed and announced.

Sale and Award: The sale and award of the Bonds will be held at the Council Chambers, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa, at a meeting of the City Council on the above date at 4:00 P.M.

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The Bonds: The Bonds to be offered are the following:

GENERAL OBLIGATION BONDS, SERIES 2006A, in the amount of \$ \_\_\_\_\_, to be dated the date of delivery.

GENERAL OBLIGATION BONDS, SERIES 2006B (Urban Renewal), in the amount of \$ \_\_\_\_\_, to be dated the date of delivery.

GENERAL OBLIGATION BONDS, TAXABLE SERIES 2006C, in the amount of \$ \_\_\_\_\_, to be dated the date of delivery.

(each of such series being referred to herein as the "Bonds").

Official Statement: The Issuer has issued an Official Statement of information pertaining to the Bonds to be offered, including a statement of the Terms of Offering and an Official Bid Form, which is incorporated by reference as a part of this notice. The Official Statement may be obtained by request addressed to the Acting Finance Director, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa 50309 (telephone: 515/283-4844) or the financial consultant to the City, Public Financial Management, Inc., 2600 Grand Avenue, Des Moines, Iowa 50312 (telephone: 515/243-2600).

Terms of Offering: All bids shall be in conformity with and the sale shall be in accord with the Terms of Offering as set forth in the Official Statement.

Legal Opinion: Said Bonds will be sold subject to the opinion of Ahlers & Cooney, P.C., Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed Bonds without cost to the purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds. The opinion will be printed on the back of the Bonds.

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Rights Reserved: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

By order of the City Council of the City of Des Moines, Iowa.

City Clerk of the City of Des Moines, Iowa

Published in The Des Moines Register on \_\_\_\_\_, 2006.

(End of Notice)

June 19, 2006

Moved by: \_\_\_\_\_ to adopt.

Form approved: \_\_\_\_\_  
Deputy City Attorney

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