

COUNCIL CHAMBER, 7:30 P.M.
Tuesday, May 27, 1958

The meeting of the Council of the City of Tacoma was reconvened by Mayor Anderson at 4:00 P.M., Tuesday, May 27, 1958, in the Council Chamber in the City Hall, Tacoma, Washington, this meeting being a continuation of the regular meeting held Monday, May 26, 1958, at 7:30 P.M. Present on roll call: Goering, Humiston, Hanson, Perdue and Anderson. Absent 4, Battin, Bratrud, Stojack and Tollefson.

There being a legal quorum present for the transaction of business, Resolution No. 15358 was read by title and presented to the Council for its consideration. This was a resolution accepting the recommendation of the Director of Finance of the City of Tacoma as to the best bid and the proposal of John Green & Co. and Grande & Co., Inc., to purchase the General Obligation Public Building Bonds, 1958, in the amount of \$148,000.00, for the amount of \$153,186.00, resulting in an effective interest rate of 2.4314 per cent, with a net interest cost of \$22,174.00, and to further pay accrued interest to the date of delivery of said bonds. Attached to and a part of said Resolution was a tabulation of all bids received and considered by the Director of Finance on such bond issue, and a schedule of maturity dates for the issue of such bonds.

In the discussion by the Council on this resolution, the Director of Finance advised the Council that the low bid as set forth in the resolution and recommended for acceptance by the Director of Finance, was, at the opening of the bids, deficient in the amount of the good faith 5% requirement in the approximate amount of \$219.30. He pointed out that 5% of the total bid of \$153,186.00 would amount to \$7,659.30, whereas the amount of the certified check was \$7,440.00, leaving a deficit of \$219.30. Thereafter the City Attorney, Marshall McCormick, immediately by phone contacted Mr. Logan of the firm of Wood, King & Dawson, the bond attorneys for the City of Tacoma on this issue, and the bids and the facts surrounding such bids were related to Mr. Logan. After consideration, Mr. Logan informed both Mr. Gaisford and Mr. McCormick over the telephone that the bidder, until the bid was accepted by the City Council, had the right to make up the deficiency, and that if this was made up prior to acceptance by the City Council of the bid, such bid would be a good and valid bid, and that it, being the lower bid, is the bid that should be accepted by the City Council. Mr. Gaisford further advised the Council that shortly after this the difference had been made up and that, at the time of the Council meeting considering this resolution, he had a deposit to the credit of the City of Tacoma the full amount of the 5% of the bid, or the sum of \$7,659.30.

The Council then considered the recommendation of the Director of Finance and also the other bid on said issue and the schedule of maturity dates. It was then moved by Dr. Humiston to adopt said resolution, which motion was seconded by Mrs. Goering. The vote was then taken.

Adopted on roll call May 27, 1958
Ayes 5; Nays 0; Absent 4, Battin, Bratrud, Stojack and Tollefson

Resolution No. 15359:

Resolution No. 15359 was read by title and presented to the City Council for consideration. This resolution was a resolution for the acceptance of the best bid on the General Obligation Street and Bridge Improvement Bonds, 1958, in the amount of \$4,923,000; the General Obligation Street Lighting Improvement Bonds, 1958, in the amount of \$1,040,000; and the General Obligation

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Storm Drain and Storm Sewer Improvement Bonds, 1958, in the amount of \$2,775,000. This made a total in all of \$7,738,000, all of which bonds were bid upon on a one-unit basis. Said Resolution No. 15359 involved the recommendation of the Director of Finance as to the best bid and the proposal of the First National Bank of Chicago, Chase Manhattan Bank, New York (joint managers), and Associates, to purchase said bonds for the total amount of \$7,743,838, resulting in an effective interest rate of 2.923951 per cent, with a net interest cost of \$2,689,479,50, and to further pay accrued interest to the date of delivery of said bonds.

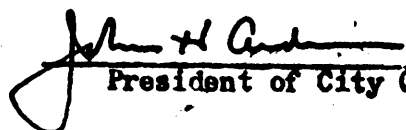
The Council duly considered and discussed the recommendation as to the best bid, made by the Director of Finance; the tabulation of all bids received on such issues, which was attached to the resolution and made a part thereof; and the schedule of maturity dates of said bond issue, also attached and made a part of said resolution.

Dr. Humiston then asked Mr. Gaisford if all of the bids were strictly in order and whether the bid recommended by said Director for acceptance was also all in order. Mr. Gaisford replied that they were strictly in order and that all had been checked and that the best and lowest bid was the bid recommended for acceptance pursuant to the proposed resolution.

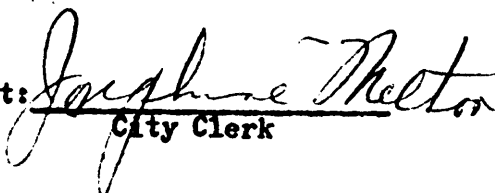
After further discussion, it was then moved by Dr. Humiston to adopt Resolution No. 15359, which motion was seconded by Mr. Perdue. The vote was then taken.

Adopted on roll call May 27, 1958
Ayes 5; Nays 0; Absent 4, Battin, Bratrud, Stojack and Tollefson.

Council then adjourned at 4:30 P.M.



President of City Council

Attest: 

City Clerk