



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

September 17, 2002

Motion 11532

Proposed No. 2002-0371.2

Sponsors Phillips

1 A MOTION of the county accepting bids for the purchase
2 of the county's Limited Tax General Obligation Bond
3 Anticipation Notes, 2002, in the aggregate principal
4 amount of \$85,000,000; fixing the interest rates and other
5 terms of such Notes, all in accordance with Ordinance
6 14167 of the county.

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BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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WHEREAS, the county council by Ordinance 14167 passed July 16, 2001 (the
11 "Note Ordinance"), authorized the issuance and sale of limited tax general obligation
12 bond anticipation notes of the county in an outstanding aggregate principal amount of not
13 to exceed \$125,000,000, and

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WHEREAS, the Note Ordinance provided that such bond anticipation notes be
15 sold in one or more series at public sale as determined by the Finance Director, and

16 WHEREAS, the Finance Director has determined that a series of such bond
17 anticipation notes to be designated as the county's Limited Tax General Obligation Bond
18 Anticipation Notes, 2002 (the "Notes") be sold as provided herein, and

19 WHEREAS, pursuant to the Note Ordinance, a preliminary official statement
20 dated September 5, 2002 has been prepared for the public sale of the Notes, the official
21 Notice of such sale (the "Notice") has been duly published, and bids have been received
22 in accordance with the Notice, and

23 WHEREAS, the attached bid of Morgan Stanley, Dean Witter ("Morgan
24 Stanley") to purchase the Notes is the best bid received for such Notes, and it is in the
25 best interest of the county that such Notes be sold to Morgan Stanley on the terms set
26 forth in the Notice, the attached bid, the Note Ordinance and this motion;

27 NOW, THEREFORE, BE IT MOVED by the Council of King County:

28 A. Definitions. Except as expressly authorized herein, terms used in this
29 motion have the meanings set forth in the Note Ordinance.

30 B. Ratification of Notice of Sale, Acceptance of Bids, and Authorization of
31 Notes. The issuance of the Notes, designated as the county's Limited Tax General
32 Obligation Bond Anticipation Notes, 2002, in the aggregate principal amount of
33 \$85,000,000 and the terms and conditions thereof set forth in the Notice, attached hereto
34 as Exhibit A, are hereby ratified and confirmed, and the bid to purchase the Notes, as set
35 forth in the purchaser's bid attached hereto as Exhibit B, are hereby accepted. The Notes
36 shall bear interest at the rates set forth on Exhibit B and shall conform in all other
37 respects to the terms and conditions specified in the Notice and Note Ordinance. The
38 Notes shall mature on October 1, 2003.

39 The Notes shall not be subject to redemption.

40 C. Undertaking to Provide Ongoing Disclosure.

41 1. Contract/Undertaking. This section C constitutes the county's
42 written undertaking for the benefit of the owners and beneficial owners of the Notes as
43 required by section (b)(5) of rule 15c2-12 (the "rule") of the Securities and Exchange
44 Commission (the "commission").

45 2. Financial Statements/Operating Data. The county agrees to
46 provide or cause to be provided to each nationally recognized municipal securities
47 information repository ("NRMSIR") and to the state information depository (the "SID"),
48 if any, in each case as designated by the commission in accordance with the rule, the
49 following annual financial information and operating data for the prior fiscal year
50 (commencing in 2003 for the fiscal year ended December 31, 2002):

51 (a) annual financial statements prepared in accordance with the
52 Budget Accounting and Reporting System ("BARS") prescribed by the Washington State
53 Auditor pursuant to RCW 43.09.200 (or any successor statutes) and generally of the type
54 included in the official statement for the Notes under the heading "Appendix B: Audited
55 Financial Statements," which statements will not be audited, except that if and when
56 audited financial statements are otherwise prepared and available to the county they will
57 be provided;

58 (b) the assessed valuation of taxable property in the county;

59 (c) the property taxes due, percentage of taxes collected and
60 property taxes delinquent;

61 (d) property tax levy rates per \$1,000 of assessed value; and

62 (e) outstanding general obligation debt of the county.

63 Items (b) through (f) shall be required only to the extent that such information is
64 not included in the annual financial statements.

65 Such annual information and operating data described above shall be provided on
66 or before seven months after the end of the county's fiscal year. The county's fiscal year
67 currently ends on December 31. The county may adjust such fiscal year by providing
68 written notice of the change of fiscal year to each then existing NRMSIR and the SID, if
69 any. In lieu of providing such annual financial information and operating data, the
70 county may cross-reference to other documents provided to the NRMSIR, the SID or to
71 the commission, and, if such document is a final official statement within the meaning of
72 the rule, such document will be available from the Municipal Securities Rulemaking
73 Board (the "MSRB").

74 If not provided as part of the annual financial information discussed above, the
75 county shall provide the county's audited annual financial statement prepared in
76 accordance with BARS when and if available to each then existing NRMSIR and the
77 SID, if any.

78 3. Material Events. The county agrees to provide or cause to be
79 provided, in a timely manner, to the SID, if any, and to each NRMSIR or to the MSRB,
80 notice of the occurrence of any of the following events with respect to the Notes, if
81 material:

82 (a) principal and interest payment delinquencies;

83 (b) non-payment related defaults;

- 84 (c) unscheduled draws on debt service reserves reflecting
85 financial difficulties;
- 86 (d) unscheduled draws on credit enhancements reflecting
87 financial difficulties;
- 88 (e) substitution of credit or liquidity providers, or their failure
89 to perform;
- 90 (f) adverse tax opinions or events affecting the tax-exempt
91 status of the Notes;
- 92 (g) modifications to rights of Noteholders;
- 93 (h) optional, contingent or unscheduled calls of any Notes
94 other than scheduled sinking fund redemptions for which notice is given pursuant to
95 Exchange Act Release 34-23856;
- 96 (i) defeasances;
- 97 (j) release, substitution or sale of property securing repayment
98 of the Notes; and
- 99 (k) rating changes.

100 Solely for purposes of disclosure, and not intending to modify this undertaking,
101 the county advises with reference to items (c) and (j) above that no debt service reserves
102 secure payment of the Notes and no property secures repayment of the Notes.

103 4. Notification Upon Failure to Provide Financial Data. The county
104 agrees to provide or cause to be provided, in a timely manner, to each NRMSIR or to the
105 MSRB and to the SID, if any, notice of its failure to provide the annual financial

106 information described in subsection 2 above on or prior to the date set forth in subsection
107 2 above.

108 5. Termination/Modification. The county's obligations to provide
109 annual financial information and notices of material events shall terminate upon the legal
110 defeasance, prior redemption or payment in full of all of the Notes. This section, or any
111 provision hereof, shall be null and void if the county (i) obtains an opinion of nationally
112 recognized bond counsel to the effect that those portions of the rule which require this
113 section, or any such provision, are invalid, have been repealed retroactively or otherwise
114 do not apply to the Notes; and (ii) notifies each then existing NRMSIR and the SID, if
115 any, of such opinion and the cancellation of this section.

116 Notwithstanding any other provision of this motion, the county may amend this
117 section C, and any provision of this section C may be waived, with an approving opinion
118 of nationally recognized bond counsel and in accordance with the rule.

119 In the event of any amendment or waiver of a provision of this section C, the
120 county shall describe such amendment in the next annual report, and shall include, as
121 applicable, a narrative explanation of the reason for the amendment or waiver and its
122 impact on the type (or in the case of a change of accounting principles, on the
123 presentation) of financial information or operating data being presented by the county. In
124 addition, if the amendment relates to the accounting principles to be followed in
125 preparing financial statements, (i) notice of such change shall be given in the same
126 manner as for a material event under subsection 3, and (ii) the annual report for the year
127 in which the change is made should present a comparison (in narrative form and also, if
128 feasible, in quantitative form) between the financial statements as prepared on the basis

129 of the new accounting principles and those prepared on the basis of the former accounting
130 principles.

131 6. Note Owner's Remedies Under This Section. The right of any
132 Note owner or beneficial owner of Notes to enforce the provisions of this section shall be
133 limited to a right to obtain specific enforcement of the county's obligations hereunder,
134 and any failure by the county to comply with the provisions of this undertaking shall not
135 be an event of default with respect to the Notes. For purposes of this section, "beneficial
136 owner" means any person who has the power, directly or indirectly, to vote or consent
137 with respect to, or to dispose of ownership of, any Notes, including persons holding
138 Notes through nominees or depositories.

139 D. Further Authority. The county officials, their agents, and representatives
140 are hereby authorized and directed to do everything necessary for the prompt issuance
141 and delivery of the Notes and for the proper use and application of the proceeds of such
142 sale.

143 E. Severability. The covenants contained in this motion shall constitute a
144 contract between the county and the owners of each and every Note. If any one or more
145 of the covenants or agreements provided in this motion to be performed on the part of the
146 county shall be declared by any court of competent jurisdiction to be contrary to law, then
147 such covenant or covenants, agreement or agreements, shall be null and void and shall be

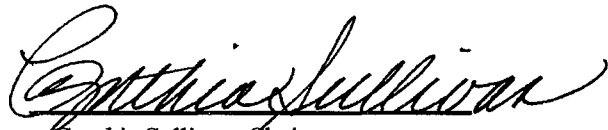
Motion 11532

148 deemed separable from the remaining covenants and agreements of this motion and shall
149 in no way affect the validity of the other provisions of this motion or of the Notes.
150

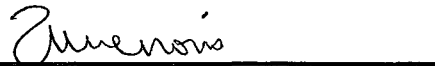
Motion 11532 was introduced on 8/19/2002 and passed by the Metropolitan King County Council on 9/16/2002, by the following vote:

Yes: 13 - Ms. Sullivan, Ms. Edmonds, Mr. von Reichbauer, Ms. Lambert, Mr. Phillips, Mr. Pelz, Mr. McKenna, Mr. Constantine, Mr. Pullen, Mr. Gossett, Ms. Hague, Mr. Irons and Ms. Patterson
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Cynthia Sullivan, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments A. Exhibit A - Notice, B. Exhibit B Morgan Stanley, Dean Witter - New York, NY's Bid

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 5, 2002

SALE DATE: SEPTEMBER 16, 2002
SALE TIME: 9:00 A.M. PACIFIC TIME

New Issue
Book-Entry Only

Moody's Rating: _____
 Standard & Poor's Rating: _____
 (See "Other Note Information—Ratings.")

In the opinion of Bond Counsel, interest on the Notes is excluded from gross income subject to federal income taxation pursuant to the Internal Revenue Code of 1986, as amended, subject to certain conditions and assumptions described under "Legal and Tax Information—Tax Exemption for the Notes." The Notes are not private activity bonds. Interest on the Notes is included in the computation of certain federal taxes on corporations.

\$85,000,000*

KING COUNTY, WASHINGTON

LIMITED TAX GENERAL OBLIGATION BOND ANTICIPATION NOTES, 2002

DATED: October 1, 2002

DUE: October 1, 2003

The Notes are issuable only as fully registered notes and, when issued, will be registered in the name of Cede & Co., as Note owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes. The Notes will be issued initially in book-entry form only in the value of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Notes purchased. The Notes bear interest payable at maturity. The principal of and interest on the Notes are payable by the fiscal agency of the State of Washington, currently The Bank of New York in New York, New York (the "Note Registrar"). For so long as the Notes remain in a "book-entry only" transfer system, the Note Registrar will make such payments only to DTC, which, in turn, is obligated to remit such principal and interest to the DTC Participants for subsequent disbursement to Beneficial Owners of the Notes as described herein under Appendix C—Book-Entry Transfer System.

The Notes are not subject to redemption.

The Notes are being issued to pay and retire limited tax general obligation bond anticipation notes of King County, Washington, issued in 2001, to provide interim financing for a series of capital improvement projects and to pay the capitalized interest and costs of issuance of the Notes.

The Notes are general obligations of King County, Washington. The County irrevocably covenants, for as long as the Notes are outstanding and unpaid, to include in its budget and levy an *ad valorem* tax annually within the constitutional and statutory tax limitations provided by law without a vote of the people upon all property within the County subject to taxation in an amount that will be sufficient, together with all other revenues, taxes and money of the County legally available for such purposes, to pay the principal of and interest on the Notes as the same will become due. The full faith, credit and resources of the County are pledged irrevocably for the annual levy and collection of these taxes and for the prompt payment of this principal and interest.

The Notes are offered when, as and if issued, subject to approval of legality by Gottlieb, Fisher & Andrews, PLLC, Seattle, Washington, Bond Counsel, and certain other conditions. A form of Bond Counsel's opinion is attached hereto as Appendix A. It is anticipated that the Notes will be ready for delivery through the facilities of DTC in New York, New York, or to the Note Registrar on behalf of DTC by Fast Automated Securities Transfer on or about October 1, 2002.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

* Preliminary, subject to change.

OFFICIAL NOTICE OF NOTE SALE
\$85,000,000*
KING COUNTY, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BOND ANTICIPATION NOTES, 2002

Sealed and electronic (as explained below) bids for the above-referenced notes (the "Notes") of King County, Washington (the "County"), will be received, in the case of sealed bids, in the King County Administration Building, Room 610, 500 4th Avenue, Seattle, Washington, and, in the case of electronic bids, via *PARITY*, in the manner described below, until

9:00 A.M., PACIFIC TIME, ON SEPTEMBER 16, 2002,

or at such later date or time as may be established by the King County Manager of Finance and Business Operations (the "Finance Manager") and communicated through TM3, the Bond Buyer Wire or the Bloomberg News Network not less than 24 hours prior to the time bids are to be received, for the purchase of the Notes. All bids received with respect to the Notes will be considered by the Metropolitan King County Council (the "County Council") at its regularly scheduled meeting on the day bids are received. If the County accepts a bid, it will be awarded to the successful bidder and its terms will be approved by the County Council at such meeting.

Bids must be submitted either:

- (i) in a sealed envelope to the Finance Manager as described above; or
- (ii) electronically via *PARITY* in accordance with its Rules of Participation and this Official Notice of Sale, but no bid will be received after the time for receiving bids specified above. In the event of a malfunction in the electronic bidding process, bidders may submit their bids by facsimile transmission to the Finance Manager at (206) 296-7345. For further information about *PARITY*, potential bidders may contact the County's financial advisor, Seattle-Northwest Securities, at (206) 628-2882 or *PARITY* at (212) 806-8304.

In the event a bidder submits an electronic bid for the Notes, such bidder hereby agrees to the following terms and conditions:

- (i) If any provision in this Official Notice of Note Sale conflicts with information or terms provided or required by *PARITY*, this Official Notice of Note Sale, including any amendments issued by public wire, shall control.
- (ii) Electronic bids may only be submitted via *PARITY*. The bidder is solely responsible for making necessary arrangements to access *PARITY* for purposes of submitting a bid timely and in compliance with the requirements of this Official Notice of Note Sale.
- (iii) The County shall have no duty or obligation to provide or assure access to *PARITY*, and shall not be responsible for the proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, use of *PARITY*.
- (iv) The County is using *PARITY* as a communication mechanism, and not as an agent of the County.
- (v) The County may regard the electronic transmission of a bid through *PARITY* (including information regarding the purchase price for the Notes and the interest rate for the Notes) as though the information were submitted on the Official Bid Form and executed on the bidder's behalf by a duly authorized signatory.

* Preliminary, subject to change.

- (vi) Upon acceptance of a bid by the County, this Official Notice of Note Sale, the Official Bid Form and the information that is electronically transmitted through *PARITY* shall form a contract between the bidder and the County.

If all bids for the Notes are rejected, the Finance Manager may fix a new date and time for the receipt of bids for the Notes by giving notice communicated through TM3, the Bond Buyer Wire or the Bloomberg News Network not less than 24 hours prior to such new date and time. Any notice specifying a new date and/or time for the receipt of bids, following the rejection of bids received or otherwise, shall be considered an amendment to this Official Notice of Note Sale.

A copy of the County's Preliminary Official Statement (with the Official Notice of Note Sale and the Official Bid Form), dated September 5, 2002, and further information regarding the details of the Notes may be obtained upon request to the King County Manager of Finance and Business Operations Division, 6th Floor, King County Administration Building, 500 Fourth Avenue, Seattle, Washington 98104 (telephone: (206) 296-7345), or the County's financial advisor, Seattle-Northwest Securities Corporation, 1420 Fifth Avenue, Suite 4300, Seattle, Washington 98101 (telephone: (206) 628-2882).

Description of the Notes

The Notes will be dated October 1, 2002. Interest on the Notes will be payable at maturity.

The Notes are issuable only as fully registered notes and when issued will be registered in the name of Cede & Co. as Note owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Notes. Purchases of the Notes will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Notes purchased. The principal of and interest on the Notes are payable by the fiscal agency for the State of Washington, currently The Bank of New York in New York, New York (the "Note Registrar"), to DTC, which in turn is obligated to remit such principal and interest to the DTC Participants for subsequent disbursement to Beneficial Owners of the Notes.

Security

The Notes are a general obligation of the County. The County irrevocably covenants, for as long as the Notes are outstanding, to include in its budget and levy an *ad valorem* tax annually within the constitutional and statutory tax limitations provided by law without a vote of the people upon all property within the County subject to taxation in an amount that will be sufficient, together with all other revenues, taxes and money of the County legally available for such purposes, to pay the principal of and interest on the Notes as the same will become due. The full faith, credit and resources of the County are pledged irrevocably for the annual levy and collection of these taxes and for the prompt payment of this principal and interest.

The County always has met principal and interest payments on outstanding bonds and notes when due.

Bidding Information

Bidders are invited to submit bids for the purchase of the Notes fixing the interest rate that the Notes will bear. The maximum interest rate bid may not exceed five percent (5%) per annum. The interest rate bid shall be in a multiple of 1/8 or 1/20 of one percent and the Notes shall bear no more than one rate of interest. Bids shall be without condition and shall be submitted only on the Official Bid Form that is contained in the Preliminary Official Statement, or on photocopies of such form, or electronically via *PARITY*.

No bid will be considered for the Notes for less than an amount equal to 99.5 percent of par plus accrued interest or for less than the entire offering of the Notes. The purchaser must pay accrued interest, if any, to the date of delivery of the Notes.

For the purpose of comparing bids only, the interest rate bid being controlling, each bid shall state the net interest cost of the bid determined in the manner hereinafter stated. The net interest cost will be equal to the total interest cost plus any premium and minus any discount, divided by the bond year dollars.

Bidders are requested to provide a list of any syndicate members with their bids or within 24 hours of submitting their bids. The County strongly encourages the inclusion of women and minority business enterprise firms in bidding syndicates.

Good Faith Deposit

All bids shall be accompanied by a good faith deposit in the amount of \$1,000,000. The good faith deposit shall be in the form of cash or a certified or bank cashier's check made payable to the order of the King County Treasury Division Manager or a financial surety bond. If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Washington and preapproved by the County. Such bond must be submitted to either of the County's Financial Advisors prior to the opening of the bids. The financial surety bond must identify each bidder whose deposit is guaranteed by such financial surety bond.

If the Notes are awarded to a bidder using a financial surety bond, then that purchaser is required to submit its deposit to the County in the form of a certified or bank cashier's or treasurer's check or wire transfer as instructed by the County not later than 2:00 p.m., Pacific Time, on the next business day following the award. If such deposit is not received by that time, the financial surety bond may be drawn upon by the County to satisfy the deposit requirement. Each good faith deposit in a form other than a financial surety bond shall be returned promptly if the bid is not accepted. The good faith deposit of the successful bidder will be retained by the County as security for the performance of such bid, and will be applied to the purchase price of the Notes on the delivery of the Notes to the successful bidder. Pending delivery of the Notes, the good faith deposit may be invested for the sole benefit of the County.

If the Notes are ready for delivery and the successful bidder fails to complete the purchase of the Notes within 50 days following the acceptance of its bid, the good faith deposit will be forfeited to the County, and, in that event, the County Council may accept the next best bid or call for additional proposals.

Insurance

Bids for the Notes shall not be conditioned upon obtaining insurance or any other credit enhancement. If the Notes qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder and any increased costs of issuance of the Notes resulting by reason of such insurance, unless otherwise paid, shall be paid by such bidder. Any failure of the Notes to be so insured or of any such policy of insurance to be issued shall not in any way relieve the purchaser of its contractual obligations arising from the acceptance of its proposal for the purchase of the Notes.

Award

The Notes will be sold to the bidder making a bid that conforms to the terms of the offering and that, on the basis of the lowest net interest cost, is the best bid. For the purpose of comparing bids only, the interest rate bid being controlling, each bid shall state the net interest cost of the bid determined in the manner hereinafter stated. The net interest cost will be equal to the total interest cost plus any premium and minus any discount, divided by the bond year dollars. If there are two or more equal bids and those bids are the best bids received, the County Council will determine by lot which bid will be accepted. The County reserves the right to reject any or all bids submitted and to waive any formality in the bidding or bidding process, and, if all bids for an offering are rejected, that Note Offering may be readvertised for sale in the manner provided by law and as provided above. Any bid presented after the time specified for the receipt of bids will not be received, and any bid not accompanied by the required good faith deposit at the time of opening that bid will not be read or considered.

Issue Price Information

Upon award of the Notes, the successful bidder shall advise the County and Bond Counsel of the initial reoffering price to the public of the Notes (the "Initial Reoffering Price"). Simultaneously with or before delivery of the Notes, the successful bidder shall furnish to the County and Bond Counsel a certificate in form and substance acceptable to Bond Counsel:

- (i) confirming the Initial Reoffering Price,
- (ii) certifying that a *bona fide* offering of the Notes has been made to the public (excluding bond houses, brokers and other intermediaries),
- (iii) stating the price at which a substantial amount of the Notes was sold to the public (excluding bond houses, brokers and other intermediaries),
- (iv) stating the price at which any portion of the Notes that remains unsold at the date of closing would have been sold on the date the Notes were awarded, and
- (v) stating the offering price of each portion of the Notes sold to institutional or other investors at discount.

Delivery

The County will deliver the Notes (consisting of a single word-processed certificate) to DTC in New York, New York, or to the Note Registrar on behalf of DTC by Fast Automated Securities Transfer, prior to the date of closing. Closing shall occur within 40 days after the sale date. Settlement shall be in federal funds available in Seattle, Washington, on the date of delivery. Delivery is expected to be October 1, 2002.

It is understood that if, prior to the delivery of the Notes, the interest receivable by the owners of the Notes becomes includable in gross income for federal income tax purposes, or becomes subject to federal income tax other than as described in this Official Statement for the Notes, the successful bidder, at its option, may be relieved of its obligation to purchase the Notes, and in that case the good faith deposit accompanying its bid will be returned without interest.

The approving legal opinion of Gottlieb, Fisher & Andrews, PLLC, Seattle, Washington, Bond Counsel, will be provided to the purchaser at the time of the delivery of the Notes. Bond Counsel's opinion will express no opinion concerning the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Notes, nor will there be an opinion of Bond Counsel expressed relating to the undertaking of the County to provide ongoing disclosure pursuant to SEC Rule 15c2-12. A no-litigation certificate will be included in the closing papers of the Notes.

CUSIP Number

It is anticipated that a CUSIP identification number will be printed on the Notes, but neither the failure to print such number on the Notes nor any error with respect thereto will constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes in accordance with the terms of this Official Notice of Sale. The County will be responsible for obtaining the CUSIP number and all expenses in relation to the printing of the CUSIP number on the Notes will be paid by the County, but the charge of the CUSIP Bureau shall be paid by the purchaser.

Ongoing Disclosure Undertaking

In order to assist bidders in complying with SEC Rule 15c2-12(b)(5), the County will undertake, pursuant to the Sale Motion, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in this Preliminary Official Statement and will also be set forth in the final Official Statement.

Official Statement

This Preliminary Official Statement is in a form deemed final by the County for the purpose of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final Official Statement, which the County will deliver, at the expense of the County, to the purchaser not later than seven business days after the County's

acceptance of the purchaser's bid. The County will deliver no more than 250 copies of the final Official Statement. Additional copies will be provided at the purchaser's expense.

By submitting the successful proposal, the purchaser's designated senior representative agrees to file, or cause to be filed, within one business day following the receipt from the County, the final Official Statement with each nationally recognized municipal securities information repository designated by the Securities and Exchange Commission.

At the time of the delivery of the Notes, one or more officials of the County will furnish a certificate stating that to the best of his or her knowledge and belief at the time of the acceptance of the bid for and at the time of delivery of the Notes, this Official Statement and information furnished by the County supplemental thereto did not and do not contain any untrue statements of material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in any material respect.

The County will advise the purchaser, by written notice, of any "developments that impact the accuracy and completeness of the key presentations" (within the meaning of Rule 15c2-12) contained in the final Official Statement, which may occur during the period commencing on the date of the acceptance by the County of the successful proposal and ending on the 90th day next following that date of acceptance, unless the final Official Statement has been filed with each municipal securities information repository, in which event such period will end on the 25th day.

DATED at Seattle, Washington, this 5th day of September, 2002.

Clerk of the Metropolitan King County Council

OFFICIAL BID FORM

\$85,000,000*

KING COUNTY, WASHINGTON

LIMITED TAX GENERAL OBLIGATION BOND ANTICIPATION NOTES, 2002

Manager of Finance and Business Operations Division
King County
Seattle, Washington

Dear Sir:

For the above-referenced notes (the "Notes"), described in the attached Official Notice of Note Sale, which is hereby made a part of this bid, and for all but not less than all of the Notes, with an interest rate on the Notes as indicated below:

\$85,000,000* due October 1, 2003, at _____%

we offer to pay the sum of \$ _____
(must be no less than \$ _____)

together with accrued interest, if any, to the date of delivery.

In accordance with the terms of the Official Notice of Note Sale, a good faith deposit in the amount of \$ _____ has been provided in the form of either a certified or bank cashier's check or a financial surety bond, each payable to the order of King County. The good faith deposit is to be applied in accordance with the terms of the Official Notice of Note Sale if the Notes are awarded to us. If the Notes are not awarded to us and a check has been submitted, such check is to be returned to us. If the Notes are not awarded to us and we provided the good faith deposit in the form of a surety bond, neither we nor the County have any further obligations with respect to the surety bond.

This bid is submitted in accordance with and subject to all provisions contained in the Official Notice of Note Sale which is incorporated herein by reference and made a part of this bid.

If our proposal to purchase the Notes is successful, the person at the designated senior representative's office whom the County or its representatives should contact regarding closing is _____ at the following telephone number: _____.

Very truly yours,

Representing: _____

For: _____

(Please provide a list of the managers and account members of your bidding group.)

Estimated net interest cost _____% (not a part of the proposal).

* Preliminary, subject to change.

Morgan Stanley, Dean Witter - New York , NY's Bid

King County
\$85,000,000 Limited Tax General Obligation
Bond Anticipation Notes, 2002

For the aggregate principal amount of \$85,000,000.00, we will pay you \$85,820,250.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
10/01/2003	85,000M	2.5000	1.5200	100.965

Total Interest Cost:	\$2,125,000.00
Premium:	\$820,250.00
Net Interest Cost:	\$1,304,750.00
NIC:	1.535000

Time Last Bid Received On: 09/16/2002 8:58:29 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Morgan Stanley, Dean Witter, New York , NY
Contact: J.R. McDermott
Title:
Telephone: 212-762-8104
Fax: 212-762-5527

Issuer Name: King County

Company
Name: _____

Accepted By: _____

Accepted By: _____

Date: _____

Date: _____