

TRAVIS CIVIL
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KING COUNTY, WASHINGTON

ORDINANCE NO. 964

AN ORDINANCE of the County Council of King County, Washington specifying and adopting a plan and system of additions to and betterments of the King County Airport; declaring the estimated cost thereof; providing for the issuance of General Obligation Airport Improvement Bonds, 1971 of the County in the principal amount of \$3,000,000 to provide part of the funds necessary to carry out such capital purposes; providing for annual tax levies sufficient with available airport revenues to pay the principal of and interest on the bonds; specifying the maximum interest rate, date, form, maturities and covenants of the bonds and providing for their public sale.

WHEREAS, King County, Washington presently owns and operates a public airport known as the "King County Airport"; and

WHEREAS, it is necessary for the efficient operation of the King County Airport and in the best interests of the County and its inhabitants that certain capital additions and improvements be made to the Airport and the structures and property incidental to its operation; and

WHEREAS, the County's share of the cost of such additions and betterments can not be provided from available Airport funds and it is necessary and desirable that such share be provided from the public sale of general obligation bonds of the County in the manner set forth in this Ordinance; NOW THEREFORE,

BE IT ORDAINED by the County Council of King County, Washington, as follows:

Section 1. King County, Washington, hereby specifies and adopts the following plan and system of additions to and improvements of the King County Airport:

1. A new building of approximately 63,000 square feet to be used as the Northwest Regional Headquarters of the Federal Aviation Administration shall be constructed on

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Airport property replacing an existing building used for that purpose at the Airport;

2. Approximately 2,500 feet of the main airport runway shall be reconstructed and strengthened to handle DC-8 and B-707 aircraft or equivalent;

3. Approximately 1,000 feet of 36 inch trunk storm sewer line shall be installed from the south end of the Airport to Slip No. 6 on the Duwamish River;

4. Pollution control devices required by State Department of Ecology regulations shall be installed, including oil separators and new storm drains at the north end of the Airport;

5. Approximately 1,300 feet of public taxiway shall be constructed to serve the new Federal Aviation Administration building;

6. A standby electrical power generator shall be acquired and installed providing emergency back up for main runway and taxiway landing lights;

7. The airfield perimeter road at the south end of the Airport shall be relocated a distance of approximately 1,400 feet to meet safety regulations.

Section 2. It is anticipated that moneys from federal grants and/or other sources will become available to pay part of the cost of carrying out the foregoing plan of additions and improvements and it is estimated that King County's share of such cost will be \$3,000,000 as near as may be determined. For the purpose of providing funds for such strictly County capital purpose, King County shall issue and sell its negotiable general obligation bonds in the principal amount of \$3,000,000.

Section 3. The bonds to be issued for such purpose shall be dated October 1, 1971, shall be designated "General Obligation Airport Improvement Bonds, 1971" of King County, Washington, shall

be serial in form, shall be in denominations of \$5,000 each, and shall bear interest at an effective interest rate of not to exceed 8% per annum, payable semiannually on the first days of April and October of each year as evidenced to maturity by coupons to be attached thereto. The County shall be obligated to pay interest on the bonds at the coupon rate for each bond from and after the maturity date thereof until such bond shall have been paid or until funds shall have been duly provided in the "King County Limited General Obligation Bond Redemption Fund" for such payment in full. Both principal of and interest on the bonds shall be payable in lawful money of the United States of America out of the "King County Limited General Obligation Bond Redemption Fund" at the office of the Treasurer of King County in Seattle, Washington, or at the option of the holder, at the fiscal agencies of the State of Washington in the cities of Seattle, Washington, or New York, New York. The life of the capital improvements to be made from the proceeds of the bonds is not less than twenty years and the bonds shall be payable serially over a period of from two to twenty years, be numbered and mature in order of their number as follows:

| <u>Bond Numbers</u> | <u>Maturity Date</u> | <u>Amount</u> |
|---------------------|----------------------|---------------|
| 1-18 | October 1, 1973 | \$ 90,000 |
| 19-37 | October 1, 1974 | 95,000 |
| 38-57 | October 1, 1975 | 100,000 |
| 58-78 | October 1, 1976 | 105,000 |
| 79-100 | October 1, 1977 | 110,000 |
| 101-124 | October 1, 1978 | 120,000 |
| 125-149 | October 1, 1979 | 125,000 |
| 150-176 | October 1, 1980 | 135,000 |
| 177-204 | October 1, 1981 | 140,000 |
| 205-234 | October 1, 1982 | 150,000 |
| 235-266 | October 1, 1983 | 160,000 |
| 267-300 | October 1, 1984 | 170,000 |
| 301-336 | October 1, 1985 | 180,000 |
| 337-374 | October 1, 1986 | 190,000 |
| 375-414 | October 1, 1987 | 200,000 |
| 415-456 | October 1, 1988 | 210,000 |
| 457-501 | October 1, 1989 | 225,000 |
| 502-549 | October 1, 1990 | 240,000 |
| 550-600 | October 1, 1991 | 255,000 |

The maturity schedule is calculated at an assumed interest rate of 6% per annum.

Section 4. The County hereby reserves the right to redeem the outstanding bonds of this issue in whole, or in part in inverse numerical order, at par, on October 1, 1981 or any interest payment date thereafter.

Notice of any such intended redemption shall be published at least once in the official newspaper of the County not less than thirty days nor more than forty days prior to the redemption date and a copy of such notice shall be mailed within the same period to the main office of the purchaser or account manager of the purchasers of the bonds at their sale by the County, or to the business successor, if any, of said purchaser or account manager at its main office. In addition, such redemption notice shall also be mailed to Moody's Investors Service, Inc., and Standard & Poor's Corporation at their main offices in New York, New York, or to the business successors, if any, of said firms. Interest on any bonds so called for redemption shall cease on such redemption date unless the same shall not be redeemed upon presentation made pursuant to such call.

Section 5. The bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____

\$5,000

STATE OF WASHINGTON
KING COUNTY
GENERAL OBLIGATION AIRPORT IMPROVEMENT BOND, 1971

_____ %

King County, State of Washington, a municipal corporation, is justly indebted and for value received hereby

promises to pay to bearer on the FIRST DAY OF OCTOBER,
 _____, the principal sum of

FIVE THOUSAND DOLLARS

with interest thereon at the rate of _____ percent (____%)
 per annum, payable semiannually on the first days of April
 and October of each year, upon presentation and surrender
 of the attached interest coupons as they severally become
 due, or until such principal sum shall have been paid or
 funds are duly provided in the "King County Limited General
 Obligation Bond Redemption Fund" for such payment in full.

Both principal of and interest on this bond are pay-
 able in lawful money of the United States of America at
 the office of the Treasurer of King County in Seattle,
 Washington, or at the option of the holder, at either of
 the fiscal agencies of the State of Washington in the
 cities of Seattle, Washington, or New York, New York.

King County reserves the right to redeem the outstand-
 ing bonds of this issue in whole, or in part in inverse
 numerical order, at par, on October 1, 1981 or any interest
 payment date thereafter.

Notice of such intended redemption shall be published
 in the official newspaper of King County at least once not
 less than thirty days nor more than forty days prior to the
 redemption date and a copy of such notice shall be mailed
 within the same period to _____

In addition, such redemption notice shall also be mailed
 to Moody's Investors Service, Inc. and Standard & Poor's
 Corporation at their main offices in the City of New York,

New York, or to the business successors, if any, of said firms at their main offices. Interest on any bonds called for redemption shall cease on such redemption date unless the same shall not be redeemed upon presentation made pursuant to such call.

This bond is one of a total issue of six hundred bonds of like date and tenor, except as to number, rate of interest and date of maturity, in the aggregate principal amount of \$3,000,000 issued to provide funds for certain additions to and improvements of the King County Airport and is issued pursuant to Ordinance No. _____ of the County Council of King County, Washington and in accordance and in strict compliance with the statutes of the State of Washington, the Constitution of the State of Washington and the ordinances and resolutions of King County.

King County hereby irrevocably covenants that it will include in its budgets and levy taxes annually, within and as a part of the tax millage levy permitted to Counties without a vote of the people, upon all the taxable property within the County in amounts sufficient together with available Airport revenues to pay the principal of and interest on the bonds of this issue as the same shall become due. The full faith, credit and resources of King County are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest.

It is hereby certified that all acts, conditions and things required to be done precedent to and in the issuance of this bond have been done, have happened and have been performed as required by law, and that the total indebtedness of King County, including this bond and the bonds of this issue, does not exceed any constitutional or statutory limitations.

IN WITNESS WHEREOF, King County, State of Washington, has caused this bond to be signed by the facsimile signature of its County Executive to be attested by the Administrator-Clerk of its County Council, the seal of the County to be imprinted hereon, and the interest coupons attached hereto to be signed with the facsimile signatures of those officials, this first day of October, 1971.

KING COUNTY, WASHINGTON

By (Facsimile signature)
County Executive

ATTEST:

Administrator-Clerk of the County Council

King County Treasurer's Reference No. _____

The interest coupons attached to the bonds shall be in substantially the following form:

Coupon No. _____
\$ _____

ON THE FIRST DAY OF (date)

King County, Washington, will pay to bearer at the office of the Treasurer of King County, in Seattle, Washington, or, at the option of the holder, at either of the fiscal agencies of the State of Washington in the cities of Seattle, Washington, or New York, New York, the amount shown hereon in lawful money of the United States of America, said amount being

the semiannual interest due on that date on its "General Obligation Airport Improvement Bond, 1971" dated October 1, 1971 and numbered _____.

KING COUNTY, WASHINGTON

By (Facsimile signature)
County Executive

ATTEST:

(Facsimile signature)
Administrator-Clerk of the County Council

King County Treasurer's Reference No. _____

Section 6. The bonds shall be signed on behalf of the County by the facsimile signature of the County Executive, shall be attested by the Administrator-Clerk of the County Council, and shall have the seal of the County affixed thereto by imprinting a facsimile of same thereon. Each of the interest coupons attached thereto shall be signed with the facsimile signatures of said officials.

Section 7. King County hereby irrevocably covenants to include in its budgets and to make annual levies of taxes, within and as a part of the tax millage levy permitted to counties without a vote of the people, upon all of the property in the County subject to taxation, in amounts sufficient together with available Airport revenues to pay the principal of and interest on the bonds as the same shall become due. The full faith, credit and resources of the County are hereby irrevocably pledged for the annual levy and collection of said taxes and the prompt payment of such principal and interest. All taxes and Airport revenues collected and allocated for the payment of the principal of and interest on the bonds and any accrued interest received from the sale of the bonds shall be deposited in the "King County Limited General

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Obligation Bond Fund" heretofore created and established in the office of the King County Treasurer which fund shall be drawn upon for the purpose of paying the principal of and interest on the bonds and other limited tax levy general obligation bonds of the County.

Section 8. The principal proceeds received from the sale of the bonds shall be deposited in the "King County Airport Construction Fund", also designated as Treasurer's Fund No. 51-02-001, heretofore created and established in the office of the King County Treasurer and shall be expended for the purpose of acquiring, and making the additions to and improvements of the King County Airport described in Section 1 of this Ordinance and the expenses of the issuance and sale of the bonds.

Section 9. The bonds shall be sold for cash at public sale for not less than par and accrued interest upon sealed bids to be received at the office of the Administrator-Clerk of the County Council, up to the day and hour stated in the Notice of Sale herein provided to be given.

The Administrator-Clerk of the County Council is hereby authorized and directed to advertise said bonds for sale pursuant to law as hereinafter directed.

Notice calling for bids for the purchase of the bonds shall be given by publication thereof once a week for four consecutive weeks in the official newspaper of King County and a short form of such notice shall also be published at least once not less than ten days prior to the sale date in The Bond Buyer, New York, New York, and in the Daily Journal of Commerce, Seattle, Washington.

A copy of the Notice shall, at least three weeks prior to the date fixed for such sale, be mailed to the State Finance Committee in Olympia, Washington.

The notice shall state that bids for the purchase of the bonds shall be received by the Administrator-Clerk of the County Council of King County, at her office in the King County Courthouse, Seattle, Washington, on October 6, 1971, up to 10:00 o'clock a.m. (PDST), and immediately thereafter all bids received will be publicly opened and considered at a meeting of the County Council then to be held in Room 402 of said King County Courthouse, and the Notice shall specify such place and time of opening such bids.

The Notice shall specify the maximum effective rate of interest the bonds shall bear, to-wit, 8% per annum, and shall require bidders to submit a bid specifying:

(a) The lowest rate of interest and premium, if any, above par at which the bidder will purchase the bonds; or

(b) The lowest rate of interest at which the bidder will purchase the bonds at par.

Coupon rates bid shall be in multiples of 1/8 or 1/10 of 1%, or both. No more than one rate of interest may be fixed for any one maturity. The maximum differential between the lowest and highest coupon rates named in any bid shall not exceed 2%.

For the purpose of evaluating bids only, the coupon rates bid being controlling, each bid shall state the total interest cost over the life of the bonds and the net effective interest rate of such bid. Only one coupon will be attached to each bond for each installment of interest thereon, and bids providing for additional or supplemental coupons will be rejected.

The bonds shall be sold to the bidder making the best bid, subject to the right of the County Council of King County to reject any and all bids and to readvertise the bonds for sale in the manner provided by law, and no bid for less than the entire issue shall be considered.

All bids shall be sealed, and except the bid of the State of Washington, if one is received, shall be accompanied by a deposit of \$150,000, either in cash or certified or cashier's check payable to the Treasurer of King County, Washington, which shall be returned promptly if the bid is not accepted. The bonds will be delivered to the successful purchaser within forty days after the sale date, and in the event the bonds are not ready for delivery by such date, the successful bidder shall have an option to cancel his obligation and to receive prompt refund of his good-faith deposit check, or may agree to an extension of such delivery date, and not less than seven days' advance notice of the time and date of delivery will be given to the successful bidder. If the bonds are ready for delivery and the successful bidder shall fail and neglect to complete the purchase of the bonds within forty days following the acceptance of his bid, the amount of his deposit shall be forfeited to King County, and in that event, the County Council of King County may accept the bid of the one making the next best bid. The bonds shall be delivered to the successful bidder at the office of the Treasurer of King County at Seattle, Washington, at the County's expense, or at such other place as the successful bidder and said Treasurer may mutually agree upon at the expense of the successful bidder.

Any bid presented after the hour specified for the receipt of bids will not be received, and any bid not accompanied by the required bid deposit at the time of opening such bid will not be read or considered.

It is understood that if, prior to the delivery of the bonds, the income receivable by the holders thereof shall become taxable, directly or indirectly, by the terms of any federal income

tax law, the successful bidder may at his option be relieved of his obligation to purchase the bonds, and in such case the deposit accompanying his bid will be returned, without interest.

The notice to be published by the Administrator-Clerk of the County Council shall provide that the County will cause the bonds to be printed or lithographed and signed without expense to the successful bidder and that the County will furnish the approving legal opinion of Messrs. Preston, Thorgrimson, Starin, Ellis & Holman of Seattle, Washington, and the Prosecuting Attorney for King County, Washington, relative to the issuance of the bonds, which legal opinion will be printed on each bond. A non-litigation certificate in the usual form will be included in the closing papers.

INTRODUCED and read for the first time this 23rd day of August, 1971.

PASSED by the Council at a regular meeting thereof on the 30th day of August, 1971.

Robert B. Dunn
Chairman of the County Council

ATTEST:

Lee Kraft
Administrator-Clerk of the County Council

APPROVED this 1st day of September, 1971.

John D. Pedman
King County Executive