

Introduced by:

MIKE LOWRY

NO. 76 - 1075

KING COUNTY, WASHINGTON

ORDINANCE NO. 3021

1  
2  
3 AN ORDINANCE providing for the sale and issuance  
4 of unlimited tax levy general obligation bonds of  
5 the County in the principal amount of \$19,500,000  
6 to pay the cost of improving and equipping the  
7 Harborview Medical Center as provided in Ordinance  
8 No. 2831 passed August 16, 1976 and as authorized  
9 by the qualified electors of the County at a  
10 special election held therein on November 2, 1976;  
11 providing the date, form, terms, maturities and  
12 covenants of said bonds; and providing for the  
13 annual levy of taxes without limitation as to rate  
14 or amount to pay the principal of and interest on  
15 the bonds.

16 PREAMBLE

17 At an election held in King County, Washington (the  
18 "County"), on the 2nd day of November, 1976, the number and  
19 proportion of the qualified electors of the County required by  
20 law for the adoption thereof voted in favor of a proposition  
21 authorizing the issuance of general obligation bonds of the  
22 County in the total principal amount of \$19,500,000 for the  
23 purpose of renovating, modernizing and equipping Harborview  
24 Medical Center to meet new life safety codes and accreditation  
25 standards and constructing new burn treatment facilities therefor  
26 as provided in Ordinance No. 2831 passed August 16, 1976.

27 It is for the best interests of the County that the  
28 \$19,500,000 par value of bonds authorized by Ordinance No. 2831  
29 be now issued to provide the money necessary to carry out the  
30 Harborview Medical Center modernization program set forth in said  
31 ordinance and that said bonds be sold at public sale as provided  
32 in this ordinance.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. For the purpose of providing the money to  
carry out the Harborview Medical Center modernization program  
set forth in Ordinance No. 2831 passed August 16, 1976, the  
County shall now sell and issue as herein provided \$19,500,000

1 par value of its unlimited tax levy general obligation bonds (the  
2 "Bonds") for strictly County capital purposes other than the  
3 replacement of equipment as authorized by said Ordinance No. 2831  
4 and duly approved by the qualified electors of the County at a  
5 special election held therein on November 2, 1976.

6           The Bonds shall be sold at public sale as herein  
7 provided. The Bonds shall be dated February 1, 1977, shall be  
8 designated "General Obligation Hospital Bonds, 1977"; shall be  
9 serial in form; shall be in denominations of \$5,000 each and  
10 shall bear interest at an effective rate not to exceed the maximum  
11 rate permitted by law, which shall be payable semiannually as  
12 evidenced by coupons to be attached thereto. The County shall be  
13 obligated to pay interest at the same coupon rate for each Bond  
14 from and after the maturity date thereof until such Bond shall  
15 have been paid or until funds shall have been duly provided in  
16 the "King County General Obligation Bond Redemption Fund" for  
17 such payment in full. Both principal of and interest on the  
18 Bonds shall be payable in lawful money of the United States of  
19 America out of the "King County General Obligation Bond Redemp-  
20 tion Fund" at the office of the Comptroller of King County in  
21 Seattle, Washington, or at the option of the holder, at either of  
22 the fiscal agencies of the State of Washington in the cities of  
23 New York, New York, or Seattle, Washington. The life of the  
24 capital improvements to be made from the proceeds of the Bonds is  
25 not less than twenty years and the Bonds shall be payable seri-  
26 ally over a period of from two to twenty years, be numbered and  
27 mature in order of their number as follows:

28  
29  
30  
31  
32

1	<u>Bond Numbers</u>	<u>Maturity Date</u>	<u>Amount</u>
2	1-125	February 1, 1979	\$ 625,000
	126-256	February 1, 1980	655,000
3	257-394	February 1, 1981	690,000
	395-539	February 1, 1982	725,000
4	540-692	February 1, 1983	765,000
	693-853	February 1, 1984	805,000
5	854-1022	February 1, 1985	845,000
	1023-1200	February 1, 1986	890,000
6	1201-1388	February 1, 1987	940,000
	1389-1586	February 1, 1988	990,000
7	1587-1794	February 1, 1989	1,040,000
	1795-2013	February 1, 1990	1,095,000
8	2014-2243	February 1, 1991	1,150,000
	2244-2485	February 1, 1992	1,210,000
9	2486-2740	February 1, 1993	1,275,000
	2741-3008	February 1, 1994	1,340,000
10	3009-3290	February 1, 1995	1,410,000
	3291-3587	February 1, 1996	1,485,000
11	3588-3900	February 1, 1997	1,565,000

12                    SECTION 2. The County hereby reserves the right  
13 to redeem the outstanding Bonds of this issue in whole, or in  
14 part in inverse numerical order, on February 1, 1987 and any  
15 interest payment date thereafter at par plus accrued interest to  
16 the date of such redemption.

17                    Notice of any such intended redemption shall be pub-  
18 lished at least once in the official newspaper of the County not  
19 less than thirty days nor more than forty days prior to redemp-  
20 tion date and a copy of such notice shall be mailed within the  
21 same period to the main office of the purchaser or account manager  
22 of the purchasers of the Bonds at their sale by the County, or to  
23 the business successor, if any, of said purchaser or account  
24 manager at its main office. In addition, such redemption notice  
25 shall also be mailed to Moody's Investors Service, Inc., and  
26 Standard and Poor's Corporation at their main offices in the City  
27 of New York, New York, or to the business successors, if any, of  
28 said firms at their main offices. Interest on any Bonds so  
29 called for redemption shall cease on such redemption date unless  
30 the same shall not be redeemed upon presentation made pursuant to  
31 such call.

32

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32

SECTION 3. The Bonds shall be in substantially the following form:

No. \_\_\_\_\_ \$5,000

UNITED STATES OF AMERICA

STATE OF WASHINGTON

KING COUNTY

GENERAL OBLIGATION HOSPITAL BOND, 1977

\_\_\_\_\_ %

King County, State of Washington, a municipal corporation, is justly indebted and for value received hereby promises to pay to bearer upon the FIRST DAY of February, 19\_\_ the principal sum of

FIVE THOUSAND DOLLARS

with interest thereon at the rate of \_\_\_ percent (\_\_\_%) per annum, payable semiannually on the first day of August, 1977 and the first days of February and August of each year thereafter 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 General Obligation Bond Redemption Fund" for such payment in full.

Both principal of and interest on this bond are payable in lawful money of the United States of America at the office of the Comptroller 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 outstanding bonds of this issue in whole, or in part in inverse numerical order, on February 1, 1987 and any interest payment date thereafter at par plus accrued interest to the date of such

1 redemption.

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

8 or to the business successor, if any, of said firm (s) at  
9 (its) (their) main office(s). In addition, such redemption  
10 notice shall also be mailed to Moody's Investment Service,  
11 Inc. and Standard & Poor's Corporation at their main offices  
12 in the City of New York, New York, or to the business  
13 successors, if any, of said firms at their main offices.

14 Interest on any bonds called for redemption shall cease on  
15 such redemption date unless the same shall not be redeemed  
16 upon presentation made pursuant to such call.

17 This bond is one of a total issue of 3900 bonds of like  
18 date and tenor, except as to number, rate of interest and  
19 date of maturity, in the aggregate principal amount of  
20 \$19,500,000 issued for public hospital county purposes,  
21 pursuant to an election authorizing the same, in accordance  
22 and in strict compliance with all statutes of the State of  
23 Washington applicable thereto, with the Constitution of the  
24 State of Washington, with Ordinance No. 2831 passed August  
25 16, 1976, Ordinance No. 3021 passed December 27~~th~~, 1976  
26 and all other duly adopted ordinances and resolutions of  
27 King County.

28 King County hereby irrevocably covenants that it will  
29 levy taxes annually, without limitation as to rate or amount,  
30 upon all the taxable property within the County in amounts  
31 sufficient to pay the principal of and interest on the bonds  
32 of this issue as the same shall become due. The full faith,

1 credit and resources of King County are hereby irrevocably  
2 pledged for the annual levy and collection of such taxes and  
3 for the prompt payment of such principal and interest.

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

11 IN WITNESS WHEREOF, King County, State of Washington,  
12 has caused this bond to be signed by the facsimile signature  
13 of its County Executive to be attested by the Deputy Clerk  
14 of its County Council, the seal of the County be be imprinted  
15 hereon, and the interest coupons attached hereto to be  
16 signed with the facsimile signatures of those officials,  
17 this 1st day of February, 1977.

18 KING COUNTY, WASHINGTON

19  
20 By \_\_\_\_\_  
County Executive

21 ATTEST:

22  
23  
24 \_\_\_\_\_  
Deputy Clerk of the Council

25 King County Comptroller's Reference No. \_\_\_\_\_

26 The interest coupons attached to the Bonds shall be in  
27 substantially the following form:

28 Coupon No. \_\_\_\_\_

29 \$ \_\_\_\_\_

30 ON THE FIRST DAY OF (date)

31 King County, Washington, will pay to bearer at the office of  
32 the Comptroller of King County, in Seattle, Washington, or,

1 at the option of the holder, at the fiscal agencies of the  
 2 State of Washington in the cities of New York, New York, and  
 3 Seattle, Washington, the amount shown herein in lawful money  
 4 of the United States of America, that amount being the  
 5 semiannual interest due on that date on its "General Obligation Hospital Bond, 1977" dated February 1, 1977 and  
 6 numbered \_\_\_\_\_.

8 KING COUNTY, WASHINGTON

10 By \_\_\_\_\_  
 11 County Executive

11 ATTEST:

12  
 13 Deputy Clerk of the County Council

14 King County Comptroller's Reference No. \_\_\_\_\_

15 SECTION 4. The Bonds shall be signed on behalf of the  
 16 County by the facsimile signature of the County Executive, shall  
 17 be attested by the Clerk or Deputy Clerk of the County Council,  
 18 and shall have the seal of the County affixed thereto by imprinting  
 19 the same thereon. Each of the interest coupons attached thereto  
 20 shall be signed with the facsimile signatures of said officials.

21 SECTION 5. A special fund of the County has been duly  
 22 created known as the "King County General Obligation Bond Redemp-  
 23 tion Fund", which fund shall be drawn upon for the purpose of  
 24 paying the principal of and interest on the Bonds and other  
 25 unlimited tax levy general obligation bonds of the County. The  
 26 accrued interest received from the sale of the Bonds shall be  
 27 deposited in such fund. The County hereby irrevocably covenants  
 28 that it will make annual levies of taxes without limitation as to  
 29 rate or amount upon all the property in the County subject to  
 30 taxation in an amount sufficient to pay the principal of and  
 31 interest on the Bonds and any other unlimited tax levy general  
 32 obligation bonds of the County payable out of such fund as such

1 principal and interest shall become due. All of such taxes so  
2 collected shall be paid into such Bond Redemption Fund, and none  
3 of the moneys in such Fund shall be used for any other purpose  
4 than the payment of the principal of and interest on unlimited  
5 tax levy general obligation bonds of the County. The full faith  
6 credit and resources of the County are hereby irrevocably pledged  
7 for the annual levy and collection of such taxes and the prompt  
8 payment of such principal and interest.

9       SECTION 6. The proceeds of sale of the bonds shall be  
10 deposited in the Harborview Medical Center Construction Fund in  
11 the office of the Comptroller of King County except that any  
12 accrued interest on the bonds received at the time of their  
13 delivery shall be paid into the King County General Obligation  
14 Bond Redemption Fund. Moneys in such Harborview Medical Center  
15 Construction Fund may be temporarily deposited in such insti-  
16 tutions or invested in such obligations as may be lawful for the  
17 investment of County moneys and may be temporarily advanced to  
18 the King County General Obligation Bond Redemption Fund in such  
19 amount as the King County Comptroller shall deem necessary to pay  
20 interest on the Bonds pending receipt of taxes levied therefor.

21       The proceeds of sale of the bonds and any interest  
22 received from the deposit or investment of such proceeds shall be  
23 applied and used solely for the acquisition and development of  
24 the Harborview Medical Center improvements set forth in Ordinance  
25 No. 2831 and all costs incident to such improvements and to the  
26 issuance of the bonds, and none of such proceeds shall be used  
27 for the replacement of equipment or for other than a county  
28 capital purpose.

29       SECTION 7. The Bonds shall be sold for cash at public  
30 sale upon sealed bids to be received at the office of the Clerk  
31 of the Council, Room 402, King County Courthouse, Seattle,  
32 Washington, until the hour of 10:00 a.m., Pacific Standard Time,

1 on February 7, 1977. The Deputy Clerk is hereby authorized and  
 2 directed to advertise the Bonds for sale in the manner required  
 3 by law and to give such additional notice as shall be deemed to  
 4 be in the best interests of the County.

5 The terms of such sale are set forth in the Notice of  
 6 Bond Sale and the Bid Form contained in the Proposal for Bonds  
 7 marked "Exhibit A" and attached hereto, the provisions thereof  
 8 and form of which are hereby approved and made a part of this  
 9 ordinance by this reference.

10 SECTION 8. The actual value of the taxable property in  
 11 the County as ascertained by the last preceding assessment for  
 12 County purposes is in excess of \$16,600,000,000. The principal  
 13 amount of outstanding voted general obligation bond indebtedness  
 14 of the County, including the principal amount of the Bonds, is  
 15 \$236,289,000 as of November 30, 1976. The principal amount of  
 16 outstanding nonvoted general obligation bond indebtedness of the  
 17 County, including the General Obligation Airport Improvement  
 18 Bonds sold on December 13, 1976, is \$34,911,000 as of November  
 19 30, 1976.

20 SECTION 9. Upon the sale of the Bonds, the proper  
 21 County officials are hereby authorized and directed to do every-  
 22 thing necessary for the prompt printing, execution and delivery  
 23 thereof and the appropriate use and application of the proceeds  
 24 of such sale.

25 INTRODUCED AND READ for the first time this 20th day of  
 26 December, 1976.

27 PASSED this 27th day of December, 1976.

28

29

30

31

32

Attest:

Dorothy B. Deane  
 Deputy Clerk of the Council  
 Page Nine

APPROVED this 28th day of December, 1976.

KING COUNTY COUNCIL  
 KING COUNTY, WASHINGTON

By

Dave Mason  
 Chairman

[Signature]  
 King County Executive

1 NOTICE OF SALE  
2 AND  
3 PROPOSAL FOR BONDS  
4  
5  
6  
7  
8  
9

10 \* \* \*

11  
12  
13  
14 \$ 1 9 , 5 0 0 , 0 0 0  
15

16 KING COUNTY, WASHINGTON  
17

18 GENERAL OBLIGATION HOSPITAL BONDS, 1977  
19

20 SEALED BIDS WILL BE RECEIVED UNTIL 10:00 A.M.

21 PACIFIC STANDARD TIME

22 FEBRUARY 7, 1977

23 AT ROOM 402, KING COUNTY COURTHOUSE

24 SEATTLE, WASHINGTON 98104  
25

26 \* \* \*  
27  
28  
29

30 EXHIBIT "A"  
31  
32

1 NOTICE OF BOND SALE  
2 KING COUNTY, WASHINGTON

3 \$19,500,000

4 GENERAL OBLIGATION HOSPITAL BONDS, 1977  
5

6 NOTICE IS HEREBY GIVEN that sealed bids will be received  
7 by the County Council of King County, Washington, at the office  
8 of the Deputy Clerk of the County Council, Room 402 King County  
9 Courthouse, Seattle, Washington, until the hour of 10 a.m.,  
10 Pacific Standard Time on the 7th day of February, 1977, for the  
purchase of all or none of \$19,500,000 General Obligation Hospital  
Bonds of King County, at which time and place such bids will be  
publicly opened, read and evaluated.

11 All of said bonds will be dated February 1, 1977, will  
12 be in the denomination of \$5,000 each, will be payable both  
13 principal and interest in lawful money of the United States at  
14 the office of the Comptroller of King County in Seattle, Wash-  
15 ington or, at the option of the holder, at the fiscal agencies of  
16 the State of Washington in the cities of New York, New York and  
Seattle, Washington, and will be in coupon form with interest  
payable semiannually on the first days of February and August of  
each year. The bonds will be numbered from 1 up consecutively  
and will mature on February 1 of the following years in the  
following amounts:

17	<u>Year</u>	<u>Amount</u>
18	1979	\$ 625,000
19	1980	655,000
20	1981	690,000
21	1982	725,000
22	1983	765,000
23	1984	805,000
24	1985	845,000
25	1986	890,000
26	1987	940,000
27	1988	990,000
	1989	1,040,000
	1990	1,095,000
	1991	1,150,000
	1992	1,210,000
	1993	1,275,000
	1994	1,340,000
	1995	1,410,000
	1996	1,485,000
	1997	1,565,000

28 King County has reserved the right to redeem the bonds  
29 of this issue in whole, or in part in inverse numerical order, on  
February 1, 1987 and any interest payment date thereafter at par,  
plus accrued interest to the date of redemption.

30 The unlimited tax levy general obligation bonds will be  
31 secured by an annual levy of taxes without limitation as to rate  
32 or amount upon all the taxable property within the County subject  
to taxation in an amount sufficient to pay the principal of and  
interest on the bonds as they become due.

1 Bidders shall submit bids on blank forms furnished by  
2 the County, and each bid shall conform to the following require-  
ments:

- 3 1) No coupon interest rate may exceed 8% and each  
4 installment of interest shall be evidenced by a single  
coupon.
- 5 2) One or more coupon rates of interest may be fixed  
6 for the bonds but such rate or rates must be in mul-  
tuples of 1/8 and/or 1/10 of 1%.
- 7 3) A single coupon interest rate must be fixed for all  
8 bonds maturing on the same date.
- 9 4) Coupon interest rates specified for bonds maturing  
10 on February 1, 1989 and thereafter shall be not less  
than the coupon interest rate specified for the pre-  
ceding maturity year.
- 11 5) The spread between the highest and lowest coupon  
12 rates shall not exceed 2%.
- 13 6) Each bid shall provide for payment of accrued  
14 interest to date of delivery and shall specify either  
15 (a) the lowest rate or rates of interest and premium  
above par at which the bidder will purchase said bonds,  
or (b) the lowest rate or rates of interest at which  
the bidder will purchase said bonds at par.
- 16 7) Each bid shall state the total interest cost, total  
17 premium, the net interest cost to the County and the  
18 net effective interest rate thereunder, but such  
statements shall not be considered a part of the bid.
- 19 8) Each bid shall be sealed and shall be accompanied  
20 by a good faith deposit of \$975,000 evidenced by a  
21 certified or bank cashier's check made payable to the  
22 Comptroller of King County, Washington, which check  
23 shall be security for the performance of such bid and  
24 shall be held for liquidated damages in case the suc-  
25 cessful bidder fails to take up and pay for the bonds  
26 within forty days, if tendered for delivery, after the  
acceptance thereof. Interest will not be allowed to  
the purchaser on such good faith deposit. The good  
faith checks of all bidders except that of the success-  
ful bidder will be returned as soon as possible after  
the bids have been opened and evaluated. The award of  
such bonds, if any, will be made not later than 12:00  
noon Pacific Standard Time on the date when the bids  
are opened.

27 The bonds will be awarded to the bidder offering to  
28 purchase all of the same at the lowest net interest cost, subject  
to the right of the County to reject any or all bids submitted  
and to waive any irregularities that may appear in any bid.

29 The bonds will be delivered to the purchaser in the  
30 cities of Seattle, Washington, New York, New York, Chicago,  
31 Illinois or San Francisco, California at the expense of the  
County. Settlement in full shall be made at the time of delivery  
32 and shall be in Federal Funds available upon the date and at the  
place of delivery.

1 If, prior to the delivery of the bonds, the income  
2 receivable by the holders thereof shall be taxable by the terms  
3 of any federal income tax law, the successful bidder may at his  
4 option be relieved of his obligation to purchase the bonds, and  
5 in such case the deposit accompanying his bid will be returned.

6 The County will pay the cost of printing these bonds,  
7 and will furnish without cost to the purchaser thereof the  
8 unqualified approving opinion of Preston, Thorgrimson, Ellis,  
9 Holman & Fletcher approving the legality of the issuance of the  
10 same, which opinion will be reproduced on each bond.

11 A nonlitigation certificate in the usual form will be  
12 included in the closing documents.

13 Further information regarding the details of such bonds  
14 and the ordinance fixing their purposes, covenants and terms,  
15 together with financial data with reference to the County, will  
16 be found in an official statement which may be obtained upon  
17 request made to the undersigned, Deputy Clerk of the County  
18 Council, King County Courthouse, Seattle, Washington 98104 or  
19 made to Wm. P. Harper & Son & Co., Government and Special Services  
20 Division, 1504 Third Avenue, Seattle, Washington 98101, financial  
21 consultants.

22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
Deputy Clerk of the County Council  
King County, Washington



1 shall be considered an advance part payment thereon and shall  
2 be retained as and for liquidated damages in case we fail to take  
up and pay for said bonds at the price agreed upon under the  
terms of this bid.

3  
4 The following information is submitted in accordance  
with the requirements of the Notice of Sale but is not a part of  
this bid.

Total Coupon Interest \$	_____
Less Premium	_____
Net Interest Cost	_____
Net Effective Interest Rate	_____

5  
6  
7  
8  
9  
10 Respectfully submitted this 7th day of February, 1977.


11  
12  
13  
14  
15  
16  
17  
18  
19 Good faith check returned  
and receipt thereof acknowledged.

20  
21 (Signed) \_\_\_\_\_

22  
23 (For) \_\_\_\_\_

24  
25  
26  
27  
28  
29  
30  
31  
32