

April 15, 1985

Bob Greive

INTRODUCED BY: Gary Grant

PROPOSED NO. 85-77

ORDINANCE NO. 7182

AN ORDINANCE providing for the sale and issuance of limited tax levy general obligation bonds of the county in the principal amount of \$21,650,000 for the purpose of providing funds to pay costs of remodeling superior court facilities, to pay costs of acquiring the south block of the King County jail property, to acquire real property for, and to pay certain other expenses related to, a waterfront based park at Beaver Lake, to pay the costs of certain improvements to the Sammamish River Trail, Lake Desire-Petrovitsky Park and Hamlin Park, to pay part of the costs for planning, design, acquisition and development of the Green River Trail, and a trail connection between the Burke Gilman Trail and the Sammamish River Trail, to pay part of the costs of acquiring Surrey Downs School and its 12.5 acre site for the Bellevue Justice Court District and other county agencies, to pay part of the cost of constructing indoor pistol ranges at three police precinct stations, to pay short term obligations incurred in connection with the farmland preservation program and to pay short term notes issued in anticipation of the sale and issuance of the bonds; specifying the date, form, terms, maturities and redemption provisions of the bonds; providing for the annual levy of taxes to pay the principal of and interest on the bonds; and authorizing and directing the public sale of the bonds.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Definitions. Unless the context otherwise requires, the terms defined in this section shall, for all purposes of this ordinance and of any ordinance supplemental hereto, have the meanings specified; words importing the singular number include the plural number and vice versa:

A. "Bond Fund" means the King County Limited Tax General Obligation Bond Redemption Fund.

B. "Bond Register" means the registration book on which are maintained the names and addresses of the owners or nominees of the owners of the Bonds.

1 C. "Bond Registrar" means the Fiscal Agency or Fiscal  
2 Agencies.

3 D. "Bonds" means the \$21,650,000 principal amount of lim-  
4 ited tax levy general obligation bonds of the county, the sale  
5 and issuance of which are provided for in this ordinance.

6 E. "County" means King County, Washington.

7 F. "Council" means the county council of King County,  
8 Washington.

9 G. "Fiscal Agency" or "Fiscal Agencies" means either or  
0 both of the Fiscal Agencies of the State of Washington in  
1 Seattle, Washington, and New York, New York, which Fiscal Agen-  
2 cies are appointed from time to time by the State Finance Com-  
3 mittee of the State of Washington pursuant to Chapter 43.80  
4 RCW. The Fiscal Agencies of the State of Washington are also  
5 the Fiscal Agencies of the county.

6 H. "Laws" means the statutes of the State of Washington.

7 I. "Registered Owner" means the person named as the regis-  
8 tered owner of a Bond on the Bond Register.

9 SECTION 2. Authorization and Purpose of Bonds.

0 A. King County, Washington, shall sell and issue negotia-  
1 ble limited tax levy general obligation bonds in the principal  
2 amount of Twenty One Million Six Hundred Fifty Thousand Dollars  
3 (\$21,650,000) for the following purposes:

4 1. To reimburse the Current Expense Fund, with interest,  
5 for the costs of remodeling Superior Court facilities in the  
6 King County Courthouse building located in Seattle, Washington,  
7 which costs already have been paid with money temporarily with-  
8 drawn from the Current Expense Fund in anticipation of the sale  
9 and issuance of limited tax levy general obligation bonds, as  
0 provided by Ordinance No. 6377.

2. To pay the costs of acquiring the south block of the King County Jail property, including payment of the principal of and interest on the Limited Tax General Obligation Jail Bond Anticipation Notes, 1984, sold and issued by the county pursuant to Ordinance No. 6943, in anticipation of the sale and issuance of limited tax levy general obligation bonds.

3. To pay when due the principal of and interest on the short term promissory notes issued by the county in connection with the acquisition, as part of the county's Farmlands Preservation Program, of the development rights on, or fee simple title to, the properties identified by the following King County Agriculture Program Parcel Identification Numbers: AUG-202, AUG-207, AUG-209A, AUG-214, ASM-205, ALG-201, ALG-208A, ALG-208B, AUG-109A, AUG-115, ALG-116, ALG-212, AFP-105, AFP-110, AFP-112, AUG-109B, and AFP-104, the acquisition of which was directed by Ordinance Nos. 6853 and 6946.

4. To pay when due the principal of and interest on the King County, Washington, General Obligation Bond Anticipation Note, 1984, which was sold and issued by the county pursuant to Ordinance No. 7055 in anticipation of the sale and issuance of limited tax levy general obligation bonds.

5. To pay when due the principal of and interest on the King County, Washington, Limited Tax General Obligation Bond Anticipation Notes, 1985, which were sold and issued by the county in anticipation of the sale and issuance of limited tax levy general obligation bonds.

6. To pay part of the costs of acquiring Surrey Downs School and its 12.5 acre site for the Bellevue Justice Court District and other county agencies.

7. To pay part of the costs of construction and acquisition of up to three indoor pistol ranges on county property

adjacent to the Burien, Kenmore and Maple Valley county police precinct stations.

8. To pay part of the cost of property acquisition, master development planning, and park development of a waterfront based park located at Beaver Lake in King County, Washington.

9. To pay part of the costs of improvements to the Sammamish River Trail, including trail landscaping, safety improvements and the construction and installation of restrooms and concession stands.

10. To pay part of the costs of improvements to the Lake Desire-Petrovitsky Park, including design, site clearing, excavation, utilities, access road and athletic field development.

11. To pay part of the costs of planning, design, acquisition and development of a trail along the Green River as part of the Green River Trail.

12. To pay part of the costs of acquisition of property for a trail connection between the Burke/Gilman Trail and the Sammamish River Trail and of planning, design and development of portions of the acquired property.

13. To pay part of the costs of implementing portions of the master plan for the development of Hamlin Park, including site clearing and demolition of existing structures.

14. To pay incidental costs and costs related to the sale and issuance of the Bonds, including payments for fiscal and legal expenses, obtaining bond ratings, printing, engraving, advertising, and other similar activities and purposes. Such costs shall be allocated among the various purposes for which the Bonds are issued by the director of the office of finance of the county, in his discretion.

7182

B. The county reserves the right to amend this ordinance so as to provide different or additional purposes for which the proceeds from the sale of the Bonds may be used.

SECTION 3. Description of Bonds. The Bonds shall be designated "King County, Washington, Various Purpose Limited Tax General Obligation Bonds, 1985"; shall be dated May 1, 1985; shall be issued in fully registered form; shall be in the denomination of \$5,000 each or any integral multiple of \$5,000, provided no Bond shall represent more than one maturity; shall be numbered separately in such manner and with any additional designation as the Bond Registrar shall deem necessary for purposes of identification; and shall mature on December 1 in each of the years, in the principal amounts, as set forth below:

<u>Maturity Years</u>	<u>Principal Amounts</u>
1986	810,000
1987	885,000
1988	965,000
1989	1,050,000
1990	1,150,000
1991	1,250,000
1992	1,365,000
1993	1,490,000
1994	1,625,000
1995	1,775,000
1996	1,940,000
1997	555,000
1998	605,000
1999	660,000
2000	725,000
2001	795,000
2002	870,000
2003	950,000
2004	1,045,000
2005	1,140,000

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, whichever is later, payable on December 1, 1985, and semiannually thereafter on June 1 and December 1 of each year to the maturity or earlier redemption thereof, at such rate or rates as the council shall hereafter

establish by motion at the time of sale of the Bonds. If any Bond shall be duly presented for payment and not paid on such applicable date, then interest shall continue to accrue at the rate stated on such Bond until it is paid.

The Bonds shall be negotiable instruments to the extent provided by RCW 62A.8-105.

SECTION 4. Place, Manner and Medium of Payment. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be paid by check or draft mailed on or before the interest payment date, or by wire transfer on or before the interest payment date (if agreed to by the county), to the persons who are the Registered Owners on the 15th day of the month preceding the interest payment date at their addresses appearing on the Bond Register. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the Registered Owners at the principal offices of the Bond Registrar.

SECTION 5. Optional Redemption; Notice; Open Market Purchase; Cancellation.

A. Optional Redemption. The county reserves the right to redeem the Bonds maturing on or after December 1, 1996, beginning on December 1, 1995, as a whole at any time, or in part in inverse order of maturity (and by lot within a maturity in such manner as the Bond Registrar shall determine) on any interest payment date, at par plus accrued interest to the date fixed for redemption.

B. Partial Redemption. Any Bond in the principal amount of greater than \$5,000 may be partially redeemed in any integral multiple of \$5,000. In such event, upon surrender of such Bond at either of the principal offices of the Bond Registrar, a new Bond or Bonds (at the option of the Registered Owner)

shall be authenticated and delivered to the Registered Owner, without charge to the Registered Owner therefor, of the same maturity and interest rate and in the aggregate principal amount remaining unredeemed, in any denomination authorized by this ordinance.

C. Notice and Effect of Redemption. Notice of any such intended redemption shall be given not less than 30 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner of each Bond to be redeemed at the address appearing on the Bond Register. The requirements of this section shall be deemed to be complied with when notice is mailed as herein provided, whether or not it is actually received by the Registered Owner. In addition, such redemption notice shall be mailed within the same time period, postage prepaid, to Moody's Investor's Service, Inc., and Standard & Poor's Corporation at their offices in New York, New York, or their successors, but such mailing shall not be a condition precedent to the redemption of such Bonds.

If the county shall set aside sufficient money for the payment of all Bonds called for redemption on the date fixed for redemption, the Bonds so called shall cease to accrue interest after such redemption date, and all such Bonds shall be deemed not to be outstanding hereunder for any purpose, except that the Registered Owners thereof shall be entitled to receive payment of the redemption price and interest accrued on the principal of the Bonds to the redemption date from the money set aside for such purpose.

D. Open Market Purchase. The county reserves the right to purchase any or all of the Bonds on the open market at any time at par, plus accrued interest.

E. Cancellation of Bonds. All Bonds purchased or redeemed under this section shall be cancelled.

SECTION 6. County Debt Limit Not Exceeded. The county covenants that the Bonds are issued within the debt limitations applicable to the county.

SECTION 7. Security for Bonds.

A. Pledge of Full Faith and Credit. The Bonds are general obligations of the county. The county hereby pledges its full faith, credit and resources to the payment of the principal of and the interest on the Bonds and unconditionally promises to pay said principal and interest as the same shall become due. The county irrevocably covenants that it will include in its budget and make annual levies of taxes within and as a part of the tax levy permitted to the county without a vote of the people upon all property in the county subject to taxation in an amount sufficient, together with other money legally available and to be used for such purposes, to pay the principal of and interest on the Bonds as the same shall become due.

B. Deposits into and Payments from Bond Fund. The Bond Fund shall be drawn upon for the purpose of paying the principal of and interest on the Bonds. Taxes levied and collected for the payment of the principal of and interest on the Bonds, together with other money legally available and to be used for such purposes, shall be paid into the Bond Fund.

The county shall pay, on or before the date such payments are due from time to time, to the Bond Registrar, from money in the Bond Fund, sums sufficient to pay the principal of and/or interest coming due on Bonds then outstanding.

Principal of outstanding Bonds shall be considered as coming due, for purposes of this Section 7, on the date of maturity thereof. The amounts required to be deposited into the



Bond Fund and paid to the Bond Registrar for purposes of effecting the payment of Bonds are subject to reductions arising from the county's purchase or optional redemption of Bonds in the manner described in Section 5 hereof.

C. Additional Means for Payment of Bonds. The county may provide additional means for raising money for the payment of the principal of and interest on the Bonds and this ordinance shall not be deemed to provide an exclusive method for such payment.

SECTION 8. Enforcement of Rights. The Registered Owner of each of the Bonds or a trustee for the Registered Owners of any of the Bonds may by mandamus or other appropriate proceeding require the transfer and payment of money as directed in this ordinance.

SECTION 9. Form of Bonds. The Bonds shall be in substantially the following form:

(Form of Bond-Front)

Bond Number: \_\_\_\_\_ \$ \_\_\_\_\_

UNITED STATES OF AMERICA  
 STATE OF WASHINGTON  
 KING COUNTY, WASHINGTON, VARIOUS PURPOSE  
 LIMITED TAX GENERAL OBLIGATION BOND, 1985

Interest Rate: \_\_\_\_\_ Maturity Date: \_\_\_\_\_ CUSIP No.: \_\_\_\_\_

Registered Owner: \_\_\_\_\_ King County Issue No.: \_\_\_\_\_

Principal Amount: \_\_\_\_\_

KING COUNTY, WASHINGTON (the "County"), for value received, promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount identified above; and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-day months) from the date of this Bond, or from the most recent

date to which interest has been paid, whichever is later, at the Interest Rate per annum set forth above, payable on December 1, 1985 and semiannually thereafter on June 1 and December 1 of each year to the maturity or earlier redemption of this Bond. If this Bond is duly presented for payment and not paid on such applicable date, then interest shall continue to accrue at the Interest Rate set forth above until this Bond is paid.

Both principal of and interest on this Bond are payable in lawful money of the United States of America. Principal shall be paid to the Registered Owner or assigns only upon the presentation and surrender of this Bond at the principal office of the Fiscal Agency of the State of Washington in either Seattle, Washington, or New York, New York (collectively, the "Bond Registrar"). The Fiscal Agencies of the State of Washington are also the Fiscal Agencies of the County. Interest shall be paid by check or draft mailed (or, at the option of the County, by wire transfer) on or before the interest payment date to the person identified as the Registered Owner on the 15th day of the month preceding the interest payment date at the address shown for the Registered Owner on the registration books maintained by the Bond Registrar.

This Bond is a general obligation of the County. The full faith, credit and resources of the County have been and are pledged irrevocably to the payment of the principal of and the interest on this Bond, and the County unconditionally promises to pay that principal and interest as the same shall become due. The County has further covenanted that it will include in its budget and make annual levies of taxes within and as a part of the tax levy permitted to the County without a vote of the people upon all property in the County subject to taxation in

an amount sufficient, together with other money legally available and to be used for such purposes, to pay the principal of and interest on the Bonds as the same shall become due.

Reference is made to the additional provisions of this Bond set forth on the reverse side hereof and in Substitute Ordinance No. \_\_\_\_ of the County (the "Bond Ordinance"), and such provisions shall for all purposes have the same effect as if set forth on the front side hereof. The County unconditionally covenants that it will keep and perform all of the covenants of this Bond and the Bond Ordinance. Terms defined in the Bond Ordinance shall have the same meanings when used herein.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

It is certified that all acts, conditions and things required by the constitution and statutes of the State of Washington and the County charter and ordinances of the County to have happened, been done and performed precedent to and in the issuance of this Bond have happened, been done and performed, and that the issuance of this Bond does not violate any constitutional, statutory or other limitation upon the amount of indebtedness that the County may incur.

IN WITNESS WHEREOF, the County has caused this Bond to be executed with the facsimile signatures of the County Executive and the Clerk of the County Council and has caused a facsimile of the seal of the County Council to be reproduced hereon, all as of the first day of May, 1985.

7182

KING COUNTY, WASHINGTON  
By [Facsimile Signature]  
COUNTY EXECUTIVE

[FACSIMILE SEAL]

By [Facsimile Signature]  
CLERK OF THE COUNTY COUNCIL

DATE OF AUTHENTICATION: \_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This Bond is one of the King County, Washington, Various Purpose Limited Tax General Obligation Bonds, dated May 1, 1985, described in the Bond Ordinance.

WASHINGTON STATE FISCAL AGENCY  
Bond Registrar

By \_\_\_\_\_  
Authorized Officer

(Form of Bond-Reverse)

ADDITIONAL PROVISIONS

This Bond is one of a duly authorized series of bonds designated "King County, Washington, Various Purpose Limited Tax General Obligation Bonds, 1985" (the "Bonds"), aggregating \$21,650,000 in principal amount, maturing annually on December 1 in the years 1986 through 2005, inclusive, of like date, tenor and effect, except as to number, maturity date, interest rate, denomination and redemption provisions. The Bonds are issued in fully registered form in the denomination of \$5,000 each or any integral multiple thereof.

This Bond may be transferred by the Registered Owner hereof or by his/hers/its duly authorized agent, but only in the manner and subject to the limitations set forth in the Bond Ordinance, and only upon the due completion of the assignment form appearing hereon and upon the surrender of this Bond to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver

to the new Registered Owner, without charge, a new Bond (or Bonds, at the option of the new Registered Owner) of the same maturity and interest rate and for the same aggregate principal amount and in any authorized denomination. This Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same maturity and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to transfer or exchange any Bond during the 15 days preceding any principal or interest payment, or redemption, date.

Bonds maturing on or after December 1, 1996, are subject to optional redemption prior to maturity by the County beginning December 1, 1995, as a whole at any time, or in part in inverse order of maturity (and by lot within a maturity in the manner determined by the Bond Registrar) on any interest payment date, at par, plus accrued interest to the date fixed for redemption.

Any Bond in the principal amount of greater than \$5,000 may be partially redeemed in any integral multiple of \$5,000. In such event, upon surrender of such Bond, a new Bond or Bonds (at the option of the Registered Owner) of the same maturity and interest rate, in the aggregate principal amount remaining unredeemed, and in any authorized denomination shall be authenticated and delivered to the Registered Owner, without charge.

Notice of any such intended redemption shall be given not less than 30 nor more than 60 days prior to the date fixed for redemption, by first-class mail, postage prepaid, to the Registered Owner of each Bond to be redeemed, at the address appearing on the registration books for the Bonds maintained by the Bond Registrar on the date notice is mailed. The requirements of the Bond Ordinance shall be deemed to be complied with when notice is mailed as herein provided, whether or not it is

actually received by the Registered Owner. If such notice has been given and if the County has set aside sufficient money for the payment of all Bonds called for redemption on the date fixed for redemption, this Bond will cease to accrue interest after such redemption date, and this Bond shall no longer be deemed to be outstanding.

This Bond and the other Bonds of the same series are issued pursuant to and in full compliance with the constitution and statutes of the State of Washington, the charter and ordinances of the County; and pursuant to proceedings duly adopted by the County, including the Bond Ordinance. The Bonds are issued for the purpose of providing funds to pay costs of improving and acquiring county court facilities, to pay costs of acquiring property for the County jail, to pay costs of acquisition, construction and development of additions and improvements to County parks and trails, to pay costs of construction of indoor pistol ranges, to pay short term obligations incurred in connection with the County's farmland preservation program and to pay notes issued in anticipation of the sale and issuance of the Bonds.

The covenants contained herein and in the Bond Ordinance, except the pledge of the full faith, credit and resources of the County to the payment of this Bond, may be discharged by making provision, at any time, for the payment of the principal of and interest on this Bond in the manner provided in the Bond Ordinance.

The County and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for all purposes, and neither the County nor the Bond Registrar shall be affected by any notice to the contrary.

7182

CERTIFICATE AS TO LEGAL OPINION

I certify that the following is a true copy of the legal opinion of Skellenger Ginsberg & Bender as to the Bonds, the original of which was manually executed, dated and delivered on the date of delivery of and payment for the Bonds and is on file in the office of the director of the office of finance of King County.

(Facsimile signature)

\_\_\_\_\_  
Director of the Office of Finance

[Legal Opinion]

ASSIGNMENT

For value received, the undersigned sell(s), assign(s) and transfer(s) unto: \_\_\_\_\_

(name, address and social security or other identifying number of assignee) the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ to transfer the same on the registration books for the Bond maintained by the Bond Registrar of King County, Washington, with full power of substitution in the premises.

Dated: \_\_\_\_\_.

\_\_\_\_\_  
Registered Owner(s)

NOTE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed: \_\_\_\_\_

SECTION 10. Execution of Bonds. The Bonds shall be executed on behalf of the county by the facsimile signatures of the county executive and the clerk of the council.

A facsimile of the official seal of the county shall be imprinted or otherwise reproduced on the Bonds, which facsimile is hereby adopted as the seal of the county for such Bonds.

In the event any officer who shall have signed or whose facsimile signatures appear on any of the Bonds shall cease to

be such officer before said Bonds shall have been actually authenticated or issued, such Bonds may nevertheless be authenticated and issued and, upon such authentication and issue, shall be as binding upon the county, as though said person had not ceased to be such officer. Any Bond may be signed on behalf of the county by such officer who, at the actual date of execution of such Bond shall be the proper officer of the county, although on the date borne by such Bond such officer might not have held such office.

SECTION 11. Authentication and Delivery of Bonds by Bond Registrar. The Bond Registrar is authorized and directed, on behalf of the county, to authenticate and deliver Bonds initially issued or transferred or exchanged in accordance with the provisions of such Bonds and this ordinance.

Only such Bonds as shall bear thereon a certificate of authentication manually executed by an authorized representative of the Bond Registrar shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such certificate of authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

The Bond Registrar shall be responsible for its representations contained in the certificate of authentication on the Bonds.

SECTION 12. Registration.

A. Bond Register. The Bonds shall be issued only in registered form as to both principal and interest. The Bond Registrar shall keep, or cause to be kept, at its principal corporate trust offices, the Bond Register.



B. Registered Ownership. The county and the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes, and neither the county nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 4 hereof, but such registration may be transferred as herein provided. All such payments made as described in Section 4 shall be valid and effectual to satisfy and discharge the liability of the county upon such Bond to the extent of the sum or sums so paid.

C. Transfer or Exchange of Registered Ownership. Any Bond may be transferred or exchanged, but no transfer of any Bond shall be valid unless it is surrendered to the Bond Registrar, with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent, in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds, at the option of the new Registered Owner), naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, of the same maturity and interest rate and for the same aggregate principal amount, in any authorized denomination, in exchange for such surrendered and cancelled Bond. The Bond Registrar shall not be obligated to transfer or exchange any Bond during the fifteen days preceding any interest payment, principal payment or redemption date.

D. Bond Registrar's Ownership of Bonds. The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to

the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Registered Owners of the Bonds.

E. Registration Covenant. The county covenants that, until all Bonds shall have been surrendered and canceled, it will maintain a system of recording the ownership of each Bond that complies with the provisions of Section 103(j) of the United States Internal Revenue Code of 1954, as amended, and applicable regulations promulgated thereunder.

SECTION 13. Lost, Stolen or Destroyed Bonds. If any Bond becomes mutilated, lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new Bond of the same interest rate and maturity and of like tenor and effect in substitution therefor, all in accordance with Law. If such mutilated, lost, stolen or destroyed Bond has matured, the county may, at its option, pay the same without the surrender thereof. However, no such substitution or payment shall be made unless and until the applicant shall furnish (1) evidence satisfactory to the Bond Registrar of the destruction or loss of the original Bond and of the ownership thereof and (2) such additional security, indemnity or evidence as may be required by the county. No substitute Bond shall be furnished unless the applicant shall reimburse the county and the Bond Registrar for their respective expenses in the furnishing thereof. Any such substitute Bond so furnished shall be equally and proportionately entitled to the security of this ordinance with all other Bonds issued hereunder.

SECTION 14. Defeasance. In the event the county shall issue advance refunding bonds, or have money available from any other lawful source, to pay the principal of and interest on

the Bonds or such portion thereof included in the refunding plan as the same become due and payable and to refund all such then outstanding Bonds and to pay the costs of refunding, and shall have irrevocably set aside in a special fund for and pledged to such payment and refunding, money and/or direct obligations of the United States of America or other legal investments sufficient in amount, together with known earned income from the investment thereof, to make such payments and to accomplish the refunding as scheduled (hereinafter called the "trust account"), and shall irrevocably make provision for redemption or payment of such Bonds, then in that case all right and interest of the Registered Owners of the Bonds to be so retired or refunded (hereinafter collectively called the "defeased Bonds") in the covenants of this ordinance and in the funds and accounts obligated to the payment of such Bonds shall thereafter cease and become void. Such Registered Owners shall thereafter have the right to receive payment of the principal of and interest on the defeased Bonds from the trust account and, in the event the funds in the trust account are not available for such payment, shall have the right to receive payment of the principal of and interest on the defeased Bonds from the funds and accounts obligated to the payment of such Bonds. Anything herein to the contrary notwithstanding, the pledge of the full faith, credit and resources of the county to the payment of the Bonds shall remain in full force and effect after the establishing and full funding of such trust account. Subject to the rights of the Registered Owners of Bonds, the county may then apply any money in any other fund or account established for the payment or redemption of the defeased Bonds to any lawful purposes as it shall determine.

SECTION 15. Sale of Bonds. The Bonds shall be sold at public sale to the bidder offering to purchase them at the lowest true interest cost to the county at such price as shall be determined at the time of sale by the council, plus accrued interest to the date of delivery, on all the terms and conditions set out in the official notice of sale. The true interest cost will be determined by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments from the payment dates to the date of the Bonds and to the price bid, without regard to interest accrued to the date of delivery.

Sealed bids will be received at the office of the clerk of the council, Room 403, King County Courthouse, Seattle, Washington, until 10:00 a.m., Seattle time, on such date as the county executive, with the concurrence of the chairman of the council, shall hereafter determine. All bids submitted shall be publicly opened, read, considered and acted upon by the council at an open public meeting to be held on the same date beginning at 9:30 a.m.

The county reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

All bids submitted for the purchase of the Bonds shall be on the form which will be furnished by the county. Such bids shall be accompanied by a cashier's or certified check, as a good faith deposit, made payable to the order of the director of the office of finance of King County, Washington, in the amount of One Million Dollars (\$1,000,000). The good faith check of the successful bidder shall be security for the performance of its bid and shall be held as liquidated damages in case the successful bidder fails to accept and pay for the

Bonds if the Bonds are tendered for delivery within forty-five days after the bid is accepted.

The good faith checks of any unsuccessful bidders shall be returned after the county has accepted a bid for the sale of the Bonds. The county may invest the good faith deposit of the successful bidder pending the payment for the Bonds. The successful bidder shall not be credited for the earnings on such investment.

The clerk of the council is authorized and directed to cause to be prepared an official notice of sale of the Bonds in substantially the form set forth in Exhibit A attached hereto and to publish said notice or an abridgement thereof in such publications at such times as she may deem desirable.

The director of the office of finance of the county is authorized and directed to prepare and circulate an official statement and bid form for the sale of the Bonds. He is authorized and directed to review and approve on behalf of the county the official statement and bid form with such changes, if any, he deems appropriate.

The proper county officials are further authorized and directed to take such other actions to publicize or facilitate the sale as may be desirable or necessary, including, but not limited to, securing a rating on the Bonds from one or more of the established rating services.

SECTION 16. Delivery of Bonds; Temporary Bonds. The proper county officials are authorized and directed to execute all documents and to do everything necessary for (A) the preparation and delivery of a transcript of proceedings pertaining to the Bonds, and (B) the printing, execution and delivery of the Bonds, in definitive form, to the purchaser thereof, each without unreasonable delay.

If definitive Bonds are not ready for delivery by the date of closing agreed to by the director of the office of finance of the county and the purchaser of the Bonds, he, upon the approval of the purchaser, may cause to be issued and delivered to the purchaser one or more temporary Bonds with appropriate omissions, changes and additions. Any temporary Bond or Bonds shall be entitled and subject to the same benefits and provisions of this ordinance with respect to the payment, security and obligation thereof as definitive Bonds authorized hereby. Such temporary Bond or Bonds shall be exchangeable without cost to the Registered Owner thereof for definitive Bonds when the latter are ready for delivery.

SECTION 17. Disposition of Bond Proceeds.

A. Accrued interest and any premium on the Bonds received from the purchasers thereof shall be deposited in the Bond Fund.

B. The balance of the Bond proceeds shall be deposited and used as follows:

1. \$558,400 of the Bond proceeds shall be deposited in the Building Modernization and Construction Fund and then transferred to the Current Expense Fund for the purposes specified in subsection 2.A.1.

2. \$3,463,800 of the Bond proceeds shall be deposited and used as follows:

a. Approximately \$3,227,700 of the proceeds, which is the amount estimated to be sufficient, together with other money in the Limited Tax General Obligation Jail Bond Anticipation Note Fund, 1984, and together with income from the investment thereof, to pay the principal of and interest on the Limited Tax General Obligation Jail Bond Anticipation Note, 1984, shall be deposited in said Note Fund. Such proceeds and income from the investment thereof shall be used to pay the

principal of and interest on said Note within thirty days after the date of issuance of the Bonds.

b. The rest of this portion of the Bond proceeds shall be deposited in the Jail Renovation and Construction Fund. Such proceeds and income from the investment thereof shall be used for the other purposes specified in subsection 2.A.2.

3. Up to \$3,680,000 of the Bond proceeds, which is the amount estimated, together with known earned income thereon, to be sufficient to accomplish the purposes specified in subsection 2.A.3 shall be deposited in the Farmlands and Open Space Acquisition Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsection 2.A.3.

4. Up to \$634,000 of the Bond proceeds, which is the amount estimated to be sufficient, together with other money in the King County General Obligation Bond Anticipation Note Fund, 1984, and together with income from the investment thereof, to pay the principal of and interest on the King County, Washington, General Obligation Bond Anticipation Note, 1984, shall be deposited in said Note Fund. Such proceeds and income from the investment thereof shall be used within thirty days after the date of issuance of the Bonds for the purposes specified in subsection 2.A.4.

5. Up to \$5,825,000 of the Bond proceeds, which is the amount estimated to be sufficient, together with other money in the King County Bond Anticipation Note Fund, 1985, and together with income from the investment thereof, to pay the principal of and interest on the King County, Washington, Limited Tax General Obligation Bond Anticipation Notes, 1985, shall be deposited in said Note Fund. Such proceeds and income from the

investment thereof shall be used for the purposes specified in subsection 2.A.5.

6. \$600,000 of the Bond proceeds shall be deposited in the Building Modernization and Construction Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsection 2.A.6.

7. \$800,000 of the Bond proceeds shall be deposited in the Building Modernization and Construction Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsection 2.A.7.

8. \$2,400,700 of the Bond proceeds shall be deposited in the Parks, Recreation and Open Space Capital Improvement Project Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsection 2.A.8.

9. \$430,000 of the Bond proceeds shall be deposited in the Parks, Recreation and Open Space Capital Improvement Project Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsection 2.A.9.

10. \$1,000,000 of the Bond proceeds shall be deposited in the Parks, Recreation and Open Space Capital Improvement Project Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsection 2.A.10.

11. \$1,200,000 of the Bond proceeds shall be deposited in the Parks, Recreation and Open Space Capital Improvement Project Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsection 2.A.11.



12. \$500,000 of the Bond proceeds shall be deposited in the Parks, Recreation and Open Space Capital Improvement Project Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsection 2.A.12.

13. The rest of the Bond proceeds and any proceeds not required for the purposes specified in subsections 2.A.3, 2.A.4 and 2.A.5 shall be deposited in the Parks Facilities Rehabilitation Fund. Such proceeds and income from the investment thereof shall be used for the purposes specified in subsections 2.A.13 and 2.A.14.

C. Any Bond proceeds remaining after carrying out the purposes specified in subsection 2.A may be expended for other duly authorized and proper purposes of the county or may be deposited in the Bond Fund.

SECTION 18. Non-Arbitrage Covenant. The county covenants that it will spend the proceeds of the Bonds with due diligence to the completion of the purposes specified herein and will make no use of the proceeds of the Bonds or of its other money at any time or take any other action during the term of the Bonds which will cause the Bonds to be arbitrage bonds within the meaning of Section 103(c) of the United States Internal Revenue Code of 1954, as amended, and applicable regulations promulgated thereunder.

SECTION 19. Contract -- Savings Clause. The covenants contained in this ordinance and in the Bonds shall constitute a contract between the county and the Registered Owner of each and every Bond. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the county shall be declared by any court of competent jurisdiction and final appeal (if any appeal be taken) to be

contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds.

INTRODUCED AND READ for the first time this 19th day of February, 1985.

PASSED this 15th day of April, 1985.

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

Gary Grant  
Chairman

ATTEST:

Dorothy M. Owens  
Clerk of the Council

APPROVED this 19th day of APRIL, 1985.

Randy Reed  
King County Executive

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EXHIBIT A

NOTICE OF BOND SALE  
\$21,650,000  
KING COUNTY, WASHINGTON

VARIOUS PURPOSE LIMITED TAX GENERAL OBLIGATION BONDS, 1985

NOTICE IS HEREBY GIVEN that sealed bids will be received by King County, Washington, at the office of the clerk of the county council, Room 403, King County Courthouse, Seattle, Washington, until the hour of 10:00 a.m., Seattle time, on \_\_\_\_\_, 1985, for the purchase of all or none of the \$21,650,000 principal amount "King County, Washington, Various Purpose Limited Tax General Obligation Bonds, 1985" of King County (the "Bonds"), at which time such bids will be publicly opened, read, considered and acted upon by the county council.

Description of Bonds. The Bonds will be dated May 1, 1985, will be issued in denominations of \$5,000 or any integral multiple of \$5,000, provided no Bond shall represent more than one maturity; will bear interest at such rate or rates as the county council shall fix at the time of sale payable on December 1, 1985, and semiannually thereafter on the first days of each succeeding June and December and will mature in the following amounts on December 1 of the following years:

<u>Maturity Years</u>	<u>Principal Amounts</u>
1986	810,000
1987	885,000
1988	965,000
1989	1,050,000
1990	1,150,000
1991	1,250,000
1992	1,365,000
1993	1,490,000
1994	1,625,000
1995	1,775,000
1996	1,940,000
1997	555,000
1998	605,000

7182

1999	660,000
2000	725,000
2001	795,000
2002	870,000
2003	950,000
2004	1,045,000
2005	1,140,000

Optional Right of Redemption. The county has reserved the right to redeem the outstanding Bonds maturing on and after December 1, 1996, beginning on December 1, 1995, as a whole at any time or in part in inverse order of maturity (and by lot within a maturity in such manner as the Bond Registrar shall determine) on any interest payment date at par plus accrued interest to the date fixed for redemption.

Purpose. The Bonds are issued for the purpose of providing funds to pay costs of improving and acquiring county court facilities, to pay costs of acquiring property for the King County jail, to pay costs of acquisition, construction and development of additions and improvements to county parks and trails, to pay costs of construction of indoor pistol ranges, to pay short term obligations incurred in connection with the county's farmland preservation program and to pay notes issued in anticipation of the sale and issuance of the Bonds.

Security. The Bonds are general obligations of the county and will contain a pledge of the county's full faith, credit and resources and its unconditional promise to pay principal and interest when due. The county will further covenant to include in its budget and make annual levies of taxes, within and as a part of the tax levy permitted to the county without a vote of the people upon all property in the county subject to taxation in an amount sufficient to pay principal and interest when due.

Bidding Detail. Bids may specify any number of interest rates in multiples of one-eighth or one-twentieth of one

1 percent (1/8 or 1/20 of 1%), or both. No more than one rate  
2 shall be specified for the Bonds maturing in any one year. The  
3 interest rate specified for the Bonds of any maturity on and  
4 after December 1, 1997, shall not be less than the interest  
5 rate specified for the preceding maturity year. The difference  
6 between the highest and lowest rates of interest shall not  
7 exceed 3%. No bid for less than 100% of the par value of the  
8 Bonds and accrued interest to the date of delivery will be  
9 considered.

0 All bids submitted for the Bonds shall be on the form  
1 furnished by the county and shall be sealed in an envelope  
2 accompanied by a certified or cashier's check, as a good faith  
3 deposit, in the amount of \$1,000,000, payable to the order of  
4 the director of the office of finance of King County,  
5 Washington.

6 The Bonds will be sold to the bidder making a bid con-  
7 forming to the terms of the offering, and which, on the basis  
8 of the lowest true interest cost, determined in the manner next  
9 hereinafter stated, is the best bid. The true interest cost  
0 will be determined by doubling the semiannual interest rate  
1 (compounded semiannually) necessary to discount the debt ser-  
2 vice payments from the payment dates to the date of the Bonds  
3 and to the price bid, without regard to interest accrued to the  
4 date of delivery. Interest cost calculations shall be made on  
5 the basis of the principal payment schedule hereinbefore set  
6 forth.

7 The county reserves the right to reject any or all bids  
8 and to waive any irregularity or informality in any bid.

9 When the Bonds have been awarded to the successful  
0 bidder, the good faith checks of the unsuccessful bidders will  
1 be returned. The good faith check of the successful bidder

shall be security for the performance of its bid and shall be retained by the county as liquidated damages should such bidder fail to accept and pay for the Bonds in accordance with the terms of its bid, if the Bonds are tendered for delivery within forty-five days after the bid is accepted.

The county reserves the right to invest the good faith deposit of the successful bidder pending payment for the Bonds. The successful bidder shall not be credited for the earnings on such investment.

Delivery of Bonds. Printed Bonds will be furnished by the county and delivered at its expense to the purchaser or its agents in New York, New York, Chicago, Illinois, San Francisco, California, or Seattle, Washington, or at such other place, at the expense of the purchaser, as the county and the purchaser may mutually agreed upon. Payment of the purchase price plus accrued interest to the date of delivery, less the principal amount of the good faith deposit, shall be made in federal funds available on the date and at the place of delivery.

If definitive Bonds are not ready for delivery by the agreed date of closing, the county, with consent of the purchaser, may cause to be issued and delivered to the purchaser one or more temporary Bonds with appropriate omissions, changes and additions. Any temporary Bond or Bonds shall be entitled and subject to the same benefits and provisions of the bond ordinance with respect to the payment, security and obligation thereof as definitive Bonds. Such temporary Bond or Bonds shall be exchangeable without cost to the Registered Owner thereof for definitive Bonds when the latter are ready for delivery.

It is understood that if, prior to the delivery of the Bonds, the interest received by the holders thereof shall

become taxable, directly or indirectly, by the terms of any federal income tax law, or if legislation which would have the same effect if adopted into law is enacted by either house of Congress, the successful bidder may, at its option, be relieved of its obligations to purchase the Bonds, and in such event, the deposit accompanying its bid will be returned, without interest.

CUSIP Numbers. It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses for printing CUSIP numbers on the Bonds shall be paid for by the issuer, but the CUSIP Service Bureau charge for assignment of those numbers shall be the responsibility of and shall be paid for by the purchaser.

Legal Opinion. The county will furnish to the purchaser and have printed on the Bonds the opinion of Skellenger Ginsberg & Bender, bond counsel of Seattle, Washington, approving the legality of the issuance of the Bonds.

Bond counsel have not been retained to participate in the preparation or review of the official statement or other offering material relating to the Bonds.

Closing Documents. As a condition to the purchaser's obligation to accept delivery of and pay for the Bonds, the purchaser will be furnished the following, dated as of the date of closing:

1. A certificate of the director of the office of finance on behalf of the county certifying that (a) as of the date of the official statement furnished concerning the Bonds, said official statement did not contain an untrue statement of

a material fact or omit to state a material fact required to be stated where necessary to make statements, in light of the circumstances under which they were made, not misleading; and, (b) to his knowledge, since the date of the official statement, there has been no material adverse change in the financial condition or affairs of the county other than as disclosed in or contemplated in the official statement.

2. The certificate of a deputy prosecuting attorney of the county to the effect that there is no litigation pending, or to his or her knowledge threatened, to restrain or enjoin the sale, issuance, execution, or delivery of the Bonds or in any manner questioning the proceedings or authority under which the Bonds are issued or the validity or binding obligation of the Bonds.

3. Not to exceed 500 copies of the Official Statement at the county's expense.

Additional Information. Additional information and a reasonable number of copies of the official statement (with bid form included) may be obtained from the undersigned clerk of the county council, King County Courthouse, Room 403, Seattle, Washington 98104, and from Harper, McLean & Company, 500 Union Street, Suite 730, Seattle, Washington 98111, financial advisor to the county.

KING COUNTY COUNCIL

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Clerk of the Council

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