

May 9, 1991  
KCRID102.ORD

CM:clt

Introduced by: Bruce Laing

Proposed No.: 91 - 339

**9940**

ORDINANCE NO.

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AN ORDINANCE authorizing the issuance of King County Road Improvement District No. 102 bonds in the principal amount of \$1,894,400; providing the terms and form thereof; providing certain covenants relating to the payment thereof; and providing for the sale thereof and declaring an emergency.

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PREAMBLE:

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By Ordinance No. 7642, King County (the "county") established Road Improvement District No. 102 ("RID 102"), created the RID 102 Construction Fund and the RID 102 Bond Fund and ordered certain street improvements.

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Pursuant to Ordinance No. 8482, the county issued \$1,595,000 of RID 102 Bond Anticipation Notes (the "Notes") which matured on November 1, 1990, the payment of which Notes was secured by the Road Improvement Guaranty Fund (the "Guaranty Fund").

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Upon maturity of the Notes, the principal amount thereof and the interest due at maturity were paid by an interfund loan from the County Current Expense Fund (the "interfund loan").

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The aforesaid improvements have been completed and, pursuant to Ordinance No. 9794 passed January 22, 1991, the final assessment roll for RID 102 in the amount of \$1,934,264.90 was confirmed and, after due notice that the roll was in the hands of the county office of financial management, finance division for collection, assessments in the amount of \$39,834.21 have heretofore been paid.

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In order to provide permanent financing for the aforesaid improvements and to repay the interfund loan, it is necessary to issue and sell RID No. 102 bonds in the aggregate principal amount of \$1,894,400.

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BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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SECTION 1. Authorization of Bonds. For the purpose of paying part of the cost and expense of the street improvements ordered by Ordinance No. 7642 of the county, including repayment of the interfund loan made from the County current expense fund, the county shall issue and sell its King County Road Improvement District No. 102 Bonds in the aggregate principal amount of \$1,894,400 (the

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2 "Bonds"). The Bonds shall be dated June 1, 1991, shall be numbered  
3 from 1 through 379, inclusive, shall be in fully registered form,  
4 shall be in the denomination of \$5,000 each, except Bond No. 1 which  
5 shall be in the principal amount of \$4,400, shall mature June 1,  
6 2011, and shall bear interest from the date thereof at the rate  
7 hereafter established by resolution of the council (computed on the  
8 basis of a 360-day year and a 30-day month), payable June 1, 1992,  
9 and annually thereafter on each June 1, with full obligation of the  
10 county to pay interest until maturity and thereafter until such  
11 Bonds, both principal and interest are paid in full, or funds are  
12 available in the "King County Road Improvement District No. 102 Bond  
13 Fund" (the "Redemption Fund") to make such payment in full.

14 Both principal of and interest on the Bonds shall be payable in  
15 lawful money of the United States of America to the registered owner  
16 or owners thereof. Principal of the Bonds shall be payable upon  
17 presentation and surrender of the Bonds by the registered owner or  
18 nominee of such owner at the principal office of either of the  
19 fiscal agencies of the State of Washington in the cities of Seattle,  
20 Washington, and New York, New York (the "Bond Registrar"). Interest  
21 on the Bonds shall be paid by check or draft mailed to the  
22 registered owner thereof or nominee of such owner at the address  
23 appearing on the registry books of the Bond Registrar on the 15th  
24 day of the month preceding the interest payment date.

25 The Bonds are interchangeable for bonds of the same number,  
26 denomination, interest rate and maturity. Bonds may be transferred  
27 only if endorsed in the manner provided thereon and surrendered to  
28 the Bond Registrar. Such exchange or transfer shall be without cost  
29 to the owner or transferee. The Bond Registrar shall not be  
30 required to exchange or transfer any Bond during the 20-day period

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preceding any interest payment date or after any notice of redemption of such Bond has been mailed.

The county may deem the person in whose name each Bond is registered to be the absolute owner thereof for the purpose of receiving payment of the principal of and interest on such Bond and for any and all other purposes whatsoever.

SECTION 2. Redemption. The county has reserved the right to redeem the Bonds in whole, or in part in numerical order, on any interest payment date at the par amount thereof, plus accrued interest to the date of redemption.

Notice of any such intended redemption shall be given not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption by first class mail, postage prepaid, to the registered owner of any Bond to be redeemed at the address appearing on the registration books of the Bond Registrar. 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 owner of any Bond. Notice shall also be mailed to the initial purchaser of the Bonds, at its main office, or to its successor in business, if any, at its main office, but the mailing of this notice shall not be a condition precedent to the call of the Bonds for redemption.

Interest on any Bonds so called for redemption shall cease on the date fixed for redemption unless the Bond or Bonds so called are not paid in full upon presentation made pursuant to such call.

SECTION 3. Road Improvement District 102 Bond Fund. There has heretofore been created a King County Road Improvement District 102 Bond Fund (the "Redemption Fund") pursuant to Ordinance No. 7642 of the county. The county has levied assessments in the total amount of \$1,934,264.90, of which \$39,834.21 was paid into the Redemption

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Fund prior to passage of this ordinance. Not less than \$1,894,400 remains payable into said Fund in twenty (20) equal annual installments together with interest and penalties thereon in accordance with Ordinance No. 9794 of the county. Both principal of and interest on the Bonds are payable solely out of the Redemption Fund and the King County Road Improvement Guaranty Fund heretofore created by Resolution No. 13558.

SECTION 4. Tax Code Covenant. The county covenants that it will apply the principal proceeds of the Bonds to the payment of the costs of the improvements and to repay the interfund loan, as described in Section 1 of this ordinance, and that it will make no use of the proceeds of the Bonds at any time during the term of the Bonds nor take any action or refrain from any action as may be necessary to comply with the United States Internal Revenue Code of 1986, and applicable regulations promulgated thereunder, which would cause the interest on the Bonds to become taxable under Sections 103, 141, 148 or 149 of said Code.

SECTION 5. Form of the Bonds. The Bonds shall be printed, lithographed, or typewritten on good bond paper in substantially the following form:

UNITED STATES OF AMERICA  
KING COUNTY, WASHINGTON  
ROAD IMPROVEMENT DISTRICT NO. 102 BOND

NO. \_\_\_\_\_ \$ \_\_\_\_\_

Sections 36.88.240 of the Revised Code of Washington provides, in part, as follows:

The owner of any bond . . . issued under the provisions of [chapter 36.88 RCW] shall not have any claim therefor against the county by which the same is issued, except for payment from the special assessments made for the improvement for which said bond . . . was issued and except as against the improvement guaranty fund of such county, and the county shall not be liable to any owner of such bond

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. . . for any loss to the guaranty fund occurring in the lawful operation thereof by the county. The remedy of the owner of a bond, . . . in case of nonpayment shall be confined to the enforcement of any assessments made in such road improvement district and to the guaranty fund.

INTEREST RATE	MATURITY DATE	CUSIP NO.
SEE REVERSE SIDE FOR CERTAIN DEFINITIONS		

REGISTERED OWNER:  
  
PRINCIPAL AMOUNT:

DOLLARS

King County, Washington, (the "County") for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date set forth above the Principal Amount indicated above and to pay interest thereon from the date of this bond or the most recent date to which interest has been paid or duly provided for at the above Interest Rate, payable on June 1, 1992, and annually thereafter on the first day of June, to and including its Maturity Date and thereafter until this bond with interest is paid in full, or funds are available in the "King County Road Improvement District No. 102 Bond Fund" for payment in full. Both principal of and interest on this bond are payable in lawful money of the United States of America. Principal shall be payable upon presentation and surrender of this certificate by the Registered Owner or assigns of such owner at the principal office of either of the fiscal agencies of the State of Washington in the cities of Seattle, Washington, and New York, New York (the "Bond Registrar"). Interest is payable by check or draft mailed to the Registered Owner hereof or assigns of such owner at the address appearing on the registry books of the Bond Registrar on the 15th day of the month preceding the interest payment date.

This bond is one of an issue of \$1,894,400 of bonds of like date, tenor and effect, except as to number, denomination, and interest rate and is issued by the County pursuant to Ordinance No. \_\_\_\_\_ (the "Bond Ordinance") for the purpose of providing funds to pay part of the costs of certain street improvements ordered by Ordinance No. 7642 of the County and is issued in full compliance with the ordinances and resolutions of the County and the laws and Constitution of the State of Washington.

The County has reserved the right to redeem the bonds of this issue in whole, or in part in numerical order, on any interest payment date at the par amount thereof, plus accrued interest to the date of redemption.

Notice of any such intended redemption shall be given not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption by first class mail, postage prepaid, to the registered owner of this bond at the address appearing on the registration books of the Bond Registrar. The requirements of the preceding sentence shall be deemed to be complied with when notice is mailed as herein provided, whether or not it is actually received by the owner of this bond. Notice shall also be mailed to

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\_\_\_\_\_, at its main office in Seattle, Washington, or to its successor in business, if any, at its main office, but the mailing of this notice shall not be a condition precedent to the call of this bond for redemption.

Interest on this bond so called for redemption shall cease on the date fixed for redemption unless such bond so called is not paid in full upon presentation made pursuant to such call.

Both principal of and interest on the bonds of this issue are payable solely out of King County Road Improvement District No. 102 Bond Fund created by Ordinance No. 7642 of the County out of assessments levied in Road Improvement District No. 102 and are secured by the King County Road Improvement Guaranty Fund created by Resolution No. 13558 of the County.

It is hereby certified that all acts, conditions and things required by the Constitution and laws of the State of Washington and ordinances and resolutions of the County to be done, to happen or to be performed as conditions precedent to the issuance of this bond have been done, have happened and have been performed.

This bond is transferable only upon the registry books of the Bond Registrar by surrender of this certificate to the Bond Registrar, duly assigned and executed as indicated on the reverse side hereof. The Bond Registrar shall not be required to exchange or transfer this bond during the 20-day period preceding any interest payment date or after any notice of redemption of this bond has been mailed.

IN WITNESS WHEREOF, the County has caused this bond to be signed by the manual or facsimile signature of the County Executive and attested by the manual or facsimile signature of the Clerk of the Council and its corporate seal to be impressed or a facsimile imprinted hereon this 1st day of June, 1991.

KING COUNTY OF WASHINGTON

By \_\_\_\_\_ (facsimile signature)  
County Executive

Attest:

\_\_\_\_\_  
(facsimile signature)  
Clerk of the Council

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Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This bond is one of the fully registered King County, Washington, Road Improvement District No. 102 Bonds described in the within mentioned Bond Ordinance.

WASHINGTON STATE FISCAL AGENCY  
Bond Registrar

By \_\_\_\_\_ (manual)  
Authorized Officer

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The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

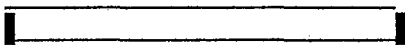
- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF (GIFT) (TRANSFER) MIN ACT \_\_\_\_\_ Custodian \_\_\_\_\_  
(Custodian) (Minor)  
under \_\_\_\_\_ Uniform (Gifts)  
(State)  
(Transfers) to Minors Act

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_



Please insert Social Security or Taxpayer Identification Number of Transferee

\_\_\_\_\_  
(Please print or typewrite name and address, including zip code of Transferee)

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the within bond and does hereby irrevocably constitute and appoint  
\_\_\_\_\_  
or its successor, as Bond Registrar, to transfer said bond on the

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books kept for registration thereof with full power of substitution in the premises.

DATED: \_\_\_\_\_

SIGNATURE GUARANTEED:

\_\_\_\_\_

The signature on this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SECTION 7. Execution of Bonds. The Bonds shall be signed on behalf of the county with the facsimile or manual signature of the county executive, shall be attested with the facsimile or manual signature of the clerk of the council and shall have the corporate seal of the county impressed or a facsimile thereof imprinted thereon.

No Bond shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance unless it shall bear thereon a certificate of authentication in the form hereinbefore recited, manually executed by the Bond Registrar. 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.

In case either of the officers who shall have executed the Bonds or any Bond which may be hereafter issued in substitution for any Bond shall cease to be such officer or officers of the county before the Bond so signed shall have been authenticated or delivered by the Bond Registrar or issued by the county, such Bond may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be binding upon the county as though those who signed the same had continued to be such officers



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2 of the county. The Bonds or any substitute Bond may also be signed  
3 and attested on behalf of the county by such persons as at the  
4 actual date of execution of such Bond shall be the proper officers  
5 of the county although at the original date of such Bond any such  
6 person shall not have been such officer of the county.

7       SECTION 8. Lost or Destroyed Bonds. In case any Bond shall be  
8 lost, stolen or destroyed, the Bond Registrar may authenticate and  
9 deliver a new Bond of like amount, date, principal amount, maturity,  
10 interest rate, tenor and effect to the registered owner or nominee  
11 thereof upon payment to the county for the expenses and charges in  
12 connection therewith and upon its filing with the Bond Registrar  
13 evidence satisfactory to said Bond Registrar that such Bond was  
14 actually lost, stolen or destroyed and of its ownership thereof, and  
15 upon furnishing the county with indemnity satisfactory to them both.

16       SECTION 9. Bond Registrar. The fiscal agencies of the State  
17 of Washington in the cities of Seattle, Washington, and New York,  
18 New York (the "Bond Registrar") shall keep, or cause to be kept,  
19 sufficient books for the registration and transfer of the Bonds.  
20 The Bond Registrar is authorized, on behalf of the county to deliver  
21 a substitute bond or bonds in authorized denominations for any Bonds  
22 transferred or exchanged in accordance with the provisions of such  
23 Bonds and this ordinance and to carry out all of the Bond  
24 Registrar's powers and duties under this ordinance.

25       SECTION 10. Application and Use of Bond Proceeds. The pro-  
26 ceeds received from the sale of the Bonds shall be deposited and  
27 applied as follows:

- 28           1. To the Redemption Fund shall be deposited the accrued  
29 interest, and such proceeds shall be applied to payment of the  
30 interest coming due on the Bonds on June 1, 1992;

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2           2.    To the County Current Expense Fund shall be deposited  
3           the amount necessary to repay the \$1,595,000 principal of the  
4           Road Improvement District No. 102 Bond Anticipation Notes which  
5           matured on November 1, 1990, together with interest due at  
6           maturity on such Notes, and to pay interest on such interfund  
7           loan from November 1, 1990, through the date of delivery of the  
8           Bonds.

9           3.    To the Construction Fund shall be deposited the  
10          balance, if any, of the principal proceeds of the Bonds and  
11          shall be used promptly to pay remaining costs and expenses of  
12          the improvements made in RID 102 and to pay the costs of  
13          issuance of the Bonds.

14          Pending the expenditure of the Bond proceeds, the county may  
15          temporarily invest such proceeds in any investments permitted by the  
16          laws of the State of Washington. The investment earnings shall be  
17          retained in the respective Fund and expended for the purpose of such  
18          Fund.

19          From and after the deposit of Bond proceeds in the Construction  
20          Fund or the Redemption Fund, expenditures from each such Fund shall  
21          be deemed to have been expended as follows: First, earnings from  
22          investment of Bond proceeds; second, all proceeds of the Bonds; and  
23          third, any other money then on deposit or thereafter deposited in  
24          the respective Fund. Moneys deposited in the County Current Expense  
25          Fund will be commingled with other moneys of the county and shall be  
26          deemed to be expended on the date of such deposit.

27          SECTION 11. Sale of the Bonds. The manager of the finance  
28          division of the office of financial management is hereby authorized  
29          and directed to approve notices of sale and an official bid form  
30          consistent with this ordinance and to solicit proposals for purchase

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of the Bonds in such manner as he deems appropriate and in the best interests of the county.

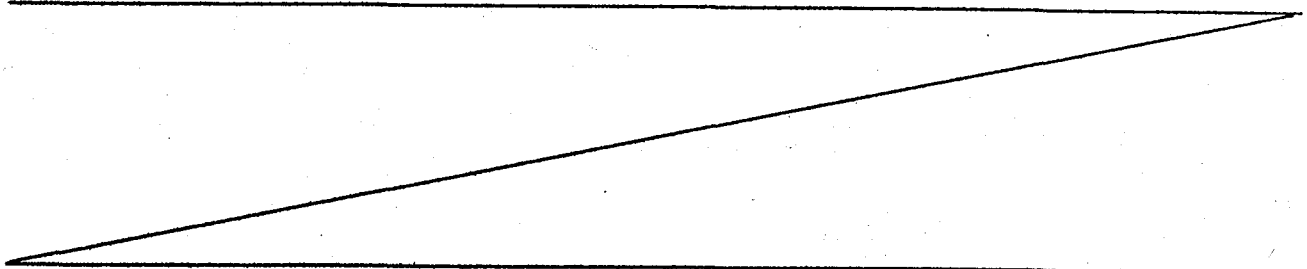
The county council shall approve and accept on behalf of the county the one of such proposals at such price and such fixed interest rate as shall result in the lowest net effective interest cost to the county.

Provided that:

If the council shall deem it to be in the best interests of the county, it may reject all proposals and cause new proposals to be solicited with such new Bond date, maturity schedule and redemption provisions and, otherwise, with such terms, consistent with this ordinance, as the council shall establish by resolution.

SECTION 12. Authorization to County Officials. The proper county officials are hereby authorized to enter into such agreements, to execute such instruments, to cause Bonds to be printed, to approve an official statement or other disclosure document, to provide certifications, and to take all actions they deem reasonable, necessary and proper to issuance of the Bonds and application of the Bond proceeds in conformance with the provisions of this ordinance.

SECTION 13. Severability. Should any section, subsection, paragraph, sentence, clause or phrase of this ordinance be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance.



1            SECTION 14. Effective Date. This ordinance shall take  
2 effect ten days after signature by the county executive as  
3 provided by King County Charter.

4            SECTION 15. The county finds as a fact and declares that  
5 an emergency exists and that this ordinance is necessary for  
6 the immediate preservation of public peace, health or safety or  
7 for the support of county government and its existing public  
8 institutions.

9            INTRODUCED AND READ for the first time this 6<sup>th</sup> day  
10 of May, 1991.

11            PASSED this 13<sup>th</sup> day of May, 1991.

12            KING COUNTY COUNCIL  
13            KING COUNTY, WASHINGTON

14            Lois North  
15            Chair

16            ATTEST:

17            Guadalupe Peltre  
18            Clerk of the Council

19            APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

20            \_\_\_\_\_  
21            King County Executive