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December 18, 1992

INTRODUCED BY: **RON SIMS**

PROPOSED NO. 92-864

ORDINANCE NO. **10685**

AN ORDINANCE providing for the issuance and public sale of limited tax levy general obligation bonds of the county in the aggregate principal amount of not to exceed \$108,400,000 for the purpose of providing part of the funds to acquire real and personal property for county purposes and construct capital improvements to county facilities, to reimburse the county for capital grants made to nonprofit arts organizations and previous acquisitions of real and personal property, to provide funds for arts and historic preservation capital projects and to refund certain outstanding limited tax levy general obligation bonds of the county; providing the date, form, terms and maturities of said bonds; providing for the disposition of the proceeds of sale; establishing funds for the receipt and expenditure of bond proceeds and for the payment of the bonds; and providing for the annual levy of taxes to pay the principal thereof and interest thereon.

TABLE OF CONTENTS

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

		<u>Page</u>
SECTION 1.	Definitions.....	2
SECTION 2.	Findings.....	5
SECTION 3.	Authorization of Improvements.....	6
SECTION 4.	Purpose, Authorization and Description of Bonds; Use of Depository.....	7
SECTION 5.	Optional Redemption of Bonds.....	11
SECTION 6.	Notice and Effect of Redemption.....	11
SECTION 7.	Form of Bonds.....	14
SECTION 8.	Execution of Bonds.....	18
SECTION 9.	Bond Registrar.....	19
SECTION 10.	Mutilated, Lost, or Destroyed Bonds.....	20
SECTION 11.	Covenants and Warranties.....	21
SECTION 12.	Application of Bond Proceeds--Solid Waste.....	22
SECTION 13.	Application of Bond Proceeds--Surface Water Management.....	23
SECTION 14.	Application of Bond Proceeds--Park Lands.....	23
SECTION 15.	Application of Bond Proceeds--Kingdome.....	23
SECTION 16.	Application of Bond Proceeds--One Percent for Art Fund.....	24
SECTION 17.	Application of Bond Proceeds--Capital Acquisitions and County Facilities Renovation Fund 1993.....	24
SECTION 18.	Application of Bond Proceeds--Arts and Historic Preservation Capital Fund.....	25
SECTION 19.	Application of Bond Proceeds--Refunding.....	25
SECTION 20.	Application of Bond Funds--General.....	29
SECTION 21.	Bond Redemption Fund.....	30
SECTION 22.	Pledge of Taxation and Credit.....	31
SECTION 23.	Tax-Exemption.....	31
SECTION 24.	Arbitrage Rebate.....	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 25. Sale of Bonds..... 33

SECTION 26. Delivery of Bonds..... 34

SECTION 27. Preliminary Official Statement Declaration.... 34

SECTION 28. Approval of Official Statement..... 35

SECTION 29. General Authorization..... 35

SECTION 30. Advance Refunding or Defeasance..... 35

SECTION 31. Open Market Purchase..... 36

SECTION 32. Contract; Severability..... 36

Attachments: Exhibit A - Capital Improvements
 Exhibit B - Letter of Representations
 Exhibit C - Notice of Bond Sale

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2
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4
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PREAMBLE:

The county council has received and reviewed plans for the acquisition, construction, and equipping of the following capital projects of the county:

- A. land acquisition and capital improvements to the facilities of the solid waste division;
- B. land acquisition and capital improvements to the facilities of the surface water management division;
- C. acquisition of real property for park lands;
- D. improvements to the Kingdome;
- E. improvements to the Courthouse and Administration Building; and
- F. arts and historic preservation projects.

The county council has previously reviewed and approved capital grants to the Seattle Children's Theatre and Pacific Northwest Ballet (Ordinance No. 10346) and capital expenditures for the

1 acquisition of certain real property south of the
2 Kingdome (Ordinance No. 10370), the Lafayette Building
3 (Ordinance No. 10092) and a police helicopter
4 (Ordinance No. 10314).

5 The county has previously issued its Limited Tax
6 General Obligation Bonds, 1987 in the aggregate
7 principal amount of \$49,390,000 of which \$28,685,000
8 can be called prior to maturity. The county has an
9 opportunity to refund those bonds and realize savings
10 to taxpayers.

11 It is deemed necessary and advisable that the county
12 now issue and sell not to exceed \$108,400,000 of its
13 limited tax levy general obligation bonds in a single
14 issue to acquire, construct, equip and install such
15 capital improvements, to reimburse the county for such
16 previous capital expenditures and to refund certain
17 outstanding bonds of the county.

18 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

19 SECTION 1. Definitions. The following words and terms as
20 used in this ordinance shall have the following meanings for all
21 purposes of this ordinance, unless some other meaning is plainly
22 intended.

23 A. "Acquired Obligations" means the investments now or
24 hereafter required by the county to effect the refunding of the
25 Refunded Bonds.

26 B. "Bond Fund" means the "1993 Series A Limited Tax Gen-
27 eral Obligation Bond Redemption Account" established pursuant to
28 Section 21 hereof.

29 C. "Bond Register" means the registration books main-
30 tained by the Bond Registrar for purposes of identifying owner-
31 ship of the Bonds.

32 D. "Bond Registrar" means the fiscal agency of the State
of Washington in either Seattle, Washington, or New York, New
York, for the purposes of registering and authenticating the
Bonds, maintaining the Bond Register, effecting the transfer of
ownership of the Bonds and paying interest on and principal of
the Bonds.

1 E. "Bond Year" means each one-year period (or shorter
2 period from the date of issue) that ends at the close of busi-
3 ness on December 31.

4 F. "Bonds" or "Bond" means all or a portion of the King
5 County, Washington, Limited Tax General Obligation Bonds
6 (Various Purpose), 1993 Series A, issued pursuant to this
7 ordinance.

8 G. "Chief Financial Officer" means the person serving as
9 the chief financial officer of the office of financial manage-
10 ment of King County or the county officer who succeeds to the
11 duties now delegated to that office.

12 H. "Code" means the Internal Revenue Code of 1986, as
13 amended. Any reference to a provision of the Code shall include
14 the applicable regulations of the Department of the Treasury
15 promulgated or proposed with respect to such provision.

16 I. "Computation Date" means the Installment Computation
17 Date or the Final Computation Date.

18 J. "County Finance Manager" means the manager of the
19 finance division of the King County office of financial manage-
20 ment or any other county officer who succeeds to the duties now
21 delegated to that office.

22 K. "DTC" means the Depository Trust Company, New York,
23 New York.

24 L. "Escrow Agent" means the financial institution chosen
25 pursuant to Section 19 hereof.

26 M. "Escrow Agreement" means the agreement between the
27 county and the Escrow Agent with respect to the defeasance of
28 the Refunded Bonds.

29 N. "Final Computation Date" means the date that the last
30 Bond is discharged. A Bond is discharged on the date that all
31 amounts due under the terms of the Bond are actually and uncon-
32

1 ditionally due if cash is available at the place of payment and
2 no interest accrues with respect to the Bonds after such date.

3 O. "Installment Computation Date" means the last day of
4 the fifth Bond Year and of each succeeding fifth Bond Year.

5 P. "Letter of Representations" shall mean that letter
6 substantially in the form of Exhibit B, attached hereto and
7 incorporated herein by this reference.

8 Q. "Nonpurpose Receipts" means, in general, any receipt
9 with respect to an investment allocated to the Bonds. The
10 following types of receipts are specifically included:

11 1. Actual Receipts. Any amount actually or
12 constructively received with respect to an investment. Actual
13 receipts may not be reduced by sales commissions, administrative
14 expenses or similar expenses.

15 2. Disposition Receipts. An amount determined by
16 treating an investment that ceases to be allocated to the Bonds
17 (other than by reason of a sale or retirement) as if sold for
18 fair market value on the date that the investment ceases to be
19 allocated to the Bonds.

20 3. Installment Date Receipts. The fair market value
21 (or, for fixed rate investments, present value) of all in-
22 vestments allocated to the Bonds at the close of business on any
23 Computation Date.

24 4. Imputed Receipts. Any receipts that are required
25 to be imputed and taken into account pursuant to Section
26 1.148-5T of the Temporary Income Tax Regulations or any
27 successor Temporary or Final Income Tax Regulations.

28 R. "Nonpurpose Payments" means, in general, any payment
29 with respect to an investment allocated to the Bonds. The
30 following types of payments are specifically included:

31 1. Direct Payments. The amounts of gross proceeds
32 of the Bonds directly used to purchase the investment. Direct

1 payments do not include brokerage commissions, administrative
2 expenses or similar expenses.

3 2. Constructive Payments. The fair market value (as
4 of the date of allocation to the Bonds) of any investment that
5 was not directly purchased with gross proceeds of the Bonds, but
6 which is allocated to the Bonds.

7 3. Payments of Rebatable Arbitrage. Any payment of
8 Rebatable Arbitrage if such payment is made no later than the
9 due date for such payment.

10 S. "Rebatable Arbitrage" means amount owed to the United
11 States of America under Section 148 of the Code.

12 T. "Refunded Bonds" means the Limited Tax General
13 Obligation Bonds, 1987 of the county dated July 1, 1987, as
14 authorized pursuant to Ordinance No. 8125 passed on June 22,
15 1987 and maturing on and after December 1, 1997.

16 SECTION 2. Findings. The King County council hereby makes
17 the following findings:

18 A. The following capital projects, all as more fully
19 described in Exhibit A hereto, will contribute to the health,
20 safety and welfare of the citizens of the county: land
21 acquisition and capital improvements to the facilities of the
22 solid waste division, surface water management division and
23 parks division; improvements to the Kingdome, and other county
24 facilities; and arts and historic preservation projects.

25 B. Significant debt service savings can be realized by
26 the county through the defeasance and early redemption of the
27 Refunded Bonds.

28 C. The issuance of a single series of limited tax levy
29 general obligation bonds to pay the costs of the projects
30 approved in Section 3 hereof, to reimburse the county for
31 previous capital expenditures, and to refund the Refunded Bonds,
32 payable from regular property taxes, will reduce the overall

1 costs of borrowing such funds and is in the best interests of
2 the county and its citizens.

3 SECTION 3. Authorization of Improvements. The county is
4 hereby authorized to acquire, construct, equip and make the
5 capital improvements as specified in Exhibit A hereto and
6 incorporated herein by reference. The costs of such projects
7 shall also include interest on any interim financing for such
8 projects pending receipt of Bond proceeds and to pay certain
9 costs and expenses incurred in issuing the Bonds.

10 The projects authorized herein shall include the costs of
11 sales tax, acquisition and contingency allowances, financing,
12 and any and all surveys, explorations, engineering and architec-
13 tural studies, drawings, designs and specifications incidental,
14 necessary or convenient to the improvements herein specified.
15 Such projects shall also include the purchase of all materials,
16 supplies, appliances, equipment and facilities, and the permits,
17 franchises, property and property rights necessary, incidental
18 or convenient to effect the improvements.

19 The improvements authorized herein may be modified where
20 deemed advisable or necessary in the judgment of the county
21 council, and implementation or completion of any authorized
22 improvement shall not be required if the county council deter-
23 mines that it has become inadvisable or impractical. If all of
24 the improvements either have been completed, or their completion
25 duly provided for, or their completion found to be inadvisable
26 or impractical, the county may apply any remaining proceeds of
27 the Bonds, or any portion thereof, to improvements of other
28 county facilities as the county council in its discretion may
29 determine. In the event that the proceeds of the sale of the
30 Bonds, plus any other moneys of the county legally available
31 therefor, are insufficient to accomplish all of the improvements
32 authorized in this section, the county shall use the available

1 funds for paying the cost of those improvements for which the
2 Bonds were authorized deemed by the county council most neces-
3 sary and to the best interest of the county.

4 SECTION 4. Purpose, Authorization and Description of
5 Bonds; Use of Depository.

6 A. Purpose and Authorization of Bonds. The county shall
7 now issue and sell not more than \$108,400,000 of the Bonds for
8 the purpose of providing the county with part of the funds
9 required to pay the cost of the projects authorized in Section 3
10 hereof, to make capital grants and reimburse the county for
11 previous capital expenditures and capital grants for the Seattle
12 Children's theater and the Pacific Northwest Ballet, the
13 acquisition of real property south of the Kingdome, the
14 Lafayette Building, and a police helicopter, and to refund the
15 Refunded Bonds.

16 B. Description. The Bonds shall be designated "Limited
17 Tax General Obligation Bonds (Various Purpose), 1993 Series A.
18 The Bonds shall be dated January 1, 1993, shall be in a
19 principal amount not exceeding \$108,400,000, shall be fully
20 registered as to both principal and interest, shall be in the
21 denomination of \$5,000 each or any integral multiple thereof
22 (but no Bond shall represent more than one maturity), shall be
23 numbered separately in such manner and with any additional
24 designation as the Bond Registrar deems necessary for purposes
25 of identification, and shall mature on December 1 in the years
26 and in the amounts established by motion of the county council
27 upon sale of the Bonds in accordance with Section 25 hereof.

28 The Bonds shall bear interest (computed on the basis of a
29 360-day year of twelve 30-day months) from their date or from
30 the most recent interest payment date for which interest has
31 been paid or duly provided for, whichever is later, payable on
32 June 1, 1993, and semiannually thereafter on the first days of

1 each succeeding June and December to the maturity or earlier
2 redemption of the Bonds, at the rate or rates bid by the suc-
3 cessful bidder at public sale and accepted by motion of the
4 county council.

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

7 C. Initial Immobilization of Bonds; Depository Provi-
8 sions. The Bonds initially shall be held in fully immobilized
9 form by DTC acting as depository pursuant to the terms and con-
10 ditions set forth in the Letter of Representations set forth in
11 Exhibit B hereto and by this reference incorporated herein. To
12 induce DTC to accept the Bonds as eligible for deposit at DTC,
13 the County Finance Manager is authorized to execute the Letter
14 of Representations, with such changes as hereafter may be
15 approved by him, and such approval shall be conclusively
16 presumed by the County Finance Manager's execution thereof.
17 Neither the county nor the Bond Registrar shall have any respon-
18 sibility or obligation to DTC participants or the persons for
19 whom they act as nominees with respect to the Bonds with respect
20 to the accuracy of any records maintained by DTC or any DTC
21 participant, the payment by DTC or any DTC participant of any
22 amount in respect of principal or redemption price of interest
23 on the Bonds, any notice which is permitted or required to be
24 given to Registered Owners under this ordinance (except such
25 notice as is required to be given by the county to the Bond
26 Registrar or to DTC), the selection by DTC or any DTC
27 participant of any person to receive payment in the event of a
28 partial redemption of the Bonds or any consent given or other
29 action taken by DTC as owner of the Bonds.

30 The Bonds initially shall be issued in denominations equal
31 to the aggregate principal amount of each maturity and initially
32 shall be registered in the name of CEDE & CO., as the nominee of

1 DTC. The Bonds so registered shall be held in fully immobilized
2 form by DTC as depository. For so long as any Bonds are held in
3 fully immobilized form, DTC, its successor or any substitute
4 depository appointed by the county, as applicable, shall be
5 deemed to be the Registered Owner for all purposes hereunder and
6 all references to Registered Owners, bondowners, bondholders,
7 owners or the like shall mean DTC or its nominees and shall not
8 mean the owners of any beneficial interests in the Bonds.
9 Registered ownership of such Bonds, or any portions thereof, may
10 not thereafter be transferred except:

11 1. To any successor of DTC or its nominee, if that
12 successor shall be qualified under any applicable laws to
13 provide the services proposed to be provided by it;

14 2. To any substitute depository appointed by the
15 county pursuant to this subsection or such substitute
16 depository's successor; or

17 3. To any person as herein provided if the Bonds are
18 no longer held in immobilized form.

19 Upon the resignation of DTC or its successor (or any sub-
20 stitute depository or its successor) from its functions as
21 depository, or a determination by the county that it is no
22 longer in the best interests of beneficial owners of the Bonds
23 to continue the system of book entry transfers through DTC or
24 its successor (or any substitute depository or its successor),
25 the county may appoint a substitute depository. Any such
26 substitute depository shall be qualified under any applicable
27 laws to provide the services proposed to be provided by it.

28 In the case of any transfer pursuant to clause (i) or (ii)
29 of the second paragraph of this subsection, the Bond Registrar,
30 upon receipt of all outstanding Bonds together with a written
31 request on behalf of the county, shall issue a single new Bond
32 for each maturity of Bonds then outstanding, registered in the

1 name of such successor or such substitute depository, or their
2 nominees, as the case may be, all as specified in such written
3 request of the county.

4 In the event that DTC or its successor (or substitute
5 depository or its successor) resigns from its functions as
6 depository, and no substitute depository can be obtained; or the
7 county determines that it is in the best interests of the
8 beneficial owners of the Bonds that they be able to obtain Bond
9 certificates, the ownership of Bonds may be transferred to any
10 person as herein provided, and the Bonds shall no longer be held
11 in fully immobilized form. The county shall deliver a written
12 request to the Bond Registrar, together with a supply of defini-
13 tive Bonds, to issue Bonds as herein provided in any authorized
14 denomination. Upon receipt of all then outstanding Bonds by the
15 Bond Registrar, together with a written request on behalf of the
16 county to the Bond Registrar, new Bonds shall be issued in such
17 denominations and registered in the names of such persons as are
18 requested in such a written request.

19 D. Place, Manner and Medium of Payment. Both principal
20 of and interest on the Bonds shall be payable in lawful money of
21 the United States of America. For so long as outstanding Bonds
22 are registered in the name of CEDE & Co., or its registered
23 assigns, as nominee of DTC, payments of principal of and inter-
24 est on the Bonds shall be made in next day funds on the date
25 such payment is due and payable at the place and in the manner
26 provided in the Letter of Representations.

27 In the event that Bonds are no longer immobilized by DTC,
28 interest on the Bonds shall be paid by checks or drafts mailed,
29 or by wire transfer, to owners of Bonds at the addresses for
30 such owners appearing on the Bond Register on the 15th day of
31 the calendar month preceding the interest payment date. Wire
32 transfer will be made only if so requested in writing and if the

1 owner owns at least one million dollars (\$1,000,000) par value
2 of the Bonds. Principal of the Bonds shall be payable at matur-
3 ity or on such dates as may be fixed for prior redemption upon
4 presentation and surrender of the Bonds by the owners at either
5 principal office of the Registrar in Seattle, Washington, or New
6 York, New York, at the option of such owners.

7 SECTION 5. Optional Redemption of Bonds. The county may
8 reserve the right to redeem outstanding Bonds prior to their
9 maturity on the dates and at the prices determined by motion of
10 the county council upon sale of the Bonds in accordance with
11 Section 25 hereof. Portions of the principal amount of any
12 Bond, in increments of \$5,000 or any integral multiple of
13 \$5,000, may be redeemed. If less than all of the principal
14 amount of any Bond is redeemed, upon surrender of such Bond at
15 the principal office of the Bond Registrar there shall be issued
16 to the registered owner, without charge therefor, for the then
17 unredeemed balance of the principal amount thereof, a new Bond
18 or Bonds, at the option of the registered owner, of like
19 maturity and interest rate in any denomination authorized by
20 this ordinance.

21 All Bonds purchased or redeemed under this section shall be
22 canceled by the Bond Registrar and shall not be reissued.

23 SECTION 6. Notice and Effect of Redemption. Unless waived
24 by the registered owner of Bonds to be redeemed or the nominee
25 of such owner, official notice of any such redemption shall be
26 given by the Bond Registrar on behalf of the county by mailing a
27 copy of an official redemption notice by certified or registered
28 mail, postage prepaid, not less than 30 nor more than 60 days
29 prior to the date fixed for redemption, to the registered owner
30 of the Bond or Bonds to be redeemed at the address shown on the
31 Bond Register or at such other address as is furnished in
32 writing by such registered owner to the Bond Registrar.

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All official notices of redemption shall be dated and shall state:

- A. the redemption date;
- B. the redemption price;
- C. if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;
- D. that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and
- E. the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be either of the principal offices of the Bond Registrar.

Such notice of redemption shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc. and Standard & Poor's Corporation at their offices in New York, New York, or their successors, and to such other persons and with such additional information as the County Finance Manager shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of the Bonds.

Prior to any redemption date, the county shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as afore-said, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the county shall default in the payment of the redemption price upon presentation) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption

1 in accordance with said notice, such Bonds shall be paid by the
2 Bond Registrar at the redemption price. Installments of interest
3 due on or prior to the redemption date shall be payable as
4 herein provided for payment of interest. Upon the payment of
5 the redemption price of Bonds being redeemed, each check or
6 other transfer of funds issued for such purpose shall bear the
7 CUSIP number identifying, by issue and maturity, the Bonds being
8 redeemed with the proceeds of such check or other transfer. Upon
9 surrender for any partial redemption of any Bond, there shall be
10 prepared for the registered owner a new Bond or Bonds of the
11 same maturity in the amount of unpaid principal.

12 In addition to the foregoing notice, further notice shall
13 be given by the Bond Registrar as set out below, but no defect
14 in said further notice nor any failure to give all or any por-
15 tion of such further notice shall in any manner defeat the
16 effectiveness of a call for redemption if notice thereof is
17 given as above prescribed.

18 1. Each further notice of redemption given hereunder
19 shall contain the information required above for an official
20 notice of redemption plus: the CUSIP numbers of all Bonds being
21 redeemed; the date of issue of the Bonds as originally issued;
22 the rate of interest borne by each Bond being redeemed; the
23 maturity date of each Bond being redeemed; and any other
24 descriptive information needed to identify accurately the Bonds
25 being redeemed.

26 2. Each further notice of redemption shall be sent at
27 least 35 days before the redemption date by registered or cer-
28 tified mail or overnight delivery service to all registered
29 securities depositories then in the business of holding substan-
30 tial amounts of obligations of types comprising the Bonds (such
31 depositories now being Depository Trust Company of New York, New
32 York, Midwest Securities Trust Company of Chicago, Illinois,

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Pacific Securities Depository Trust Company of San Francisco, California, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania).

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.

SECTION 7. Form of Bonds. The Bonds shall be in substantially the following form:

NO. _____ \$ _____

UNITED STATES OF AMERICA

STATE OF WASHINGTON

KING COUNTY

LIMITED TAX GENERAL OBLIGATION
BOND (VARIOUS PURPOSE), 1993 SERIES A

INTEREST RATE: MATURITY DATE: CUSIP NO.:

SEE REVERSE SIDE FOR
CERTAIN ADDITIONAL PROVISIONS

Registered Owner:

Principal Amount:

KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, the Principal Amount specified above and to pay interest thereon (computed on the basis of a 360-day year of 12 30-day months) from January 1, 1993, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on June 1, 1993, and semiannually thereafter on the first days of each succeeding June and December.

Both principal of and interest on this bond are payable in lawful money of the United States of America. While bonds are held on immobilized "book entry" system of registration, the principal of this bond is payable to the order of the Registered Owner in next day funds received by the Registered Owner on the maturity date of this bond, and the interest on this bond is payable to the order of the Registered Owner in next day funds received by the Registered Owner on each interest payment date. When Bonds are no longer held on an immobilized "book entry" registration system, the principal shall be paid to the Registered Owner or nominee of such owner upon presentation and

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surrender of this bond at either of the principal offices of the fiscal agency of the State of Washington in either Seattle, Washington or New York, New York (collectively the "Bond Registrar"), and the interest shall be paid by mailing a check or draft (on the date such interest is due) to the Registered Owner or nominee of such owner at the address shown on the registration books maintained by the Bond Registrar (the "Bond Register") as of the 15th day of the month prior to the interest payment date.

If so requested in writing by the Registered Owner of at least \$1,000,000 par value of the Bonds, interest will be paid by wire transfer.

Reference is hereby made to additional provisions of this bond set forth on the reverse side hereof and such additional provisions shall for all purposes have the same effect as if set forth in this space.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under King County Ordinance No. 10685 (the "Bond Ordinance") until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington and the Charter and ordinances of the County to exist, 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 and the bonds of this series does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the county may incur.

IN WITNESS WHEREOF, the County has caused this bond to be executed by the manual or facsimile signatures of the County Executive and the Clerk of the County Council, and the seal of the County to be impressed or imprinted hereon, as of this first day of January, 1993.

KING COUNTY, WASHINGTON

By _____
County Executive

ATTEST:

Clerk of the County Council

ADDITIONAL PROVISIONS

This bond is one of an authorized series of bonds of like date and tenor, except as to number, amount, rate of interest and date of maturity, in the aggregate principal amount of

1 \$ _____, and is issued to pay a portion of the costs to ac-
2 quire, construct, equip and make capital improvements to certain
3 County facilities and projects, reimburse the County for
4 previous expenditures and to refund certain outstanding bonds of
5 the County.

6 The bonds of this series are issued under and in accordance
7 with the provisions of the Constitution and applicable statutes
8 of the State of Washington, the County Charter and applicable
9 ordinances duly adopted by the County.

10 The County has reserved the right to redeem outstanding
11 bonds of this series maturing on or after _____ 1, 200__ in
12 whole on any date or in part on any interest payment date, on or
13 after _____ 1, 200__, maturities to be redeemed to be
14 selected by the county (and by lot within a maturity, in
15 increments of \$5,000, with the manner of selection to be as
16 chosen by the Bond Registrar) at par plus accrued interest to
17 the date of redemption.

18 Portions of the principal sum of this bond in installments
19 of \$5,000 or any integral multiple thereof also may be redeemed
20 in accordance with the provisions set forth above, and if less
21 than all of the principal sum hereof is to be redeemed, upon the
22 surrender of this bond at the principal offices of the Bond
23 Registrar there shall be issued to the Registered Owner, without
24 charge therefor, for the then unredeemed balance of the prin-
25 cipal sum hereof, at the option of the owner, a bond or bonds of
26 like maturity and interest rate in any of the denominations
27 authorized by the Bond Ordinance.

28 Notice of redemption, unless waived, is given by the Bond
29 Registrar by mailing an official redemption notice by certified
30 or registered mail, postage prepaid, not less than 30 days and
31 not more than 60 days prior to the date fixed for redemption, to
32 the Registered Owner of any bond to be redeemed at the address
33 appearing on the Bond Register. The requirements for such
34 notice shall be deemed to be complied with when notice is mailed
35 as herein provided, regardless of whether or not it is actually
36 received by the owner of any bond.

37 If such notice has been given and if the County has set
38 aside, on the date fixed for redemption, sufficient money for
39 the payment of all bonds called for redemption, the bonds so
40 called shall cease to accrue interest after such redemption
41 date, and all such bonds shall no longer be deemed to be
42 outstanding for any purpose, except that the Registered Owners
43 thereof shall be entitled to receive payment of the redemption
44 price and accrued interest to the redemption date from the money
45 set aside for such purpose.

46 The County hereby irrevocably covenants and agrees with the
47 owner of this bond that it will annually include in its budget
48 and levy taxes, within and as a part of the tax levy permitted
49 to counties without a vote of the electorate upon all the
50 property subject to taxation, in an amount sufficient, together
51 with all other moneys legally available therefor, to pay the
52 principal of and interest on this bond as the same shall become
53 due. The full faith, credit and resources of the County are

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hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

The pledge of tax levies for repayment of principal of and interest on the bonds may be discharged prior to maturity of the bonds by making provisions for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

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 MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors Act

(State)

Additional abbreviations may also be used though not listed above.

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Bond Ordinance and is one of the Limited Tax General Obligation Bonds (Various Purpose), 1993 Series A of King County, dated January 1, 1993.

WASHINGTON STATE FISCAL AGENCY, as
Bond Registrar

By _____
Authorized Officer

ASSIGNMENT

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

PLEASE INSERT SOCIAL SECURITY OR
TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

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

the within bond and does hereby irrevocably constitute and appoint _____ of _____, or its successor, as Bond Registrar to transfer said bond on the books kept for registration thereof with full power of substitution in the premises.

DATED: _____, 19__.

NOTE: 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.

SIGNATURE GUARANTEED:

SECTION 8. Execution of Bonds. The Bonds shall be executed on behalf of the county with the manual or facsimile signatures of the county executive and the clerk of the council, and shall have the seal of the county impressed or imprinted thereon.

In case either or both of the officers who shall have executed the Bonds shall cease to be an officer or officers of the county before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the county, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the county as though those who signed the same had continued to be such officers of the county. Any Bond also may be signed and attested on behalf of the county by such persons as at the actual date of execution of such Bond shall be the proper officers of the county although at the original date of such Bond any such person shall not have been such officer of the county.

1 Only such Bonds as shall bear thereon a Certificate of
2 Authentication in the form hereinbefore recited, manually
3 executed by the Bond Registrar, shall be valid or obligatory for
4 any purpose or entitled to the benefits of this ordinance. Such
5 Certificate of Authentication shall be conclusive evidence that
6 the Bonds so authenticated have been duly executed, authenti-
7 cated and delivered hereunder and are entitled to the benefits
8 of this ordinance.

9 SECTION 9. Bond Registrar. The Bond Registrar shall keep,
10 or cause to be kept, at its principal corporate trust office,
11 sufficient books for the registration and transfer of the Bonds
12 which shall at all times be open to inspection by the county.
13 Such Bond Register shall contain the name and mailing address of
14 the owner of each Bond or nominee of such owner and the
15 principal amount and number of Bonds held by each owner or
16 nominee.

17 The Bond Registrar is authorized, on behalf of the county,
18 to authenticate and deliver the Bonds transferred or exchanged
19 in accordance with the provisions of such Bonds and this
20 ordinance and to carry out all of the Bond Registrar's powers
21 and duties under this ordinance.

22 The Bond Registrar shall be responsible for its representa-
23 tions contained in the Certificate of Authentication on the
24 Bonds. The Bond Registrar may become the owner of Bonds with
25 the same rights it would have if it were not the Bond Registrar,
26 and to the extent permitted by law may act as depository for and
27 permit any of its officers or directors to act as a member of,
28 or in any other capacity with respect to, any committee formed
29 to protect the rights of Bond owners.

30 Upon surrender thereof to the Bond Registrar, the Bonds are
31 interchangeable for Bonds in any authorized denomination of an
32 equal aggregate principal amount and of the same interest rate

1 and maturity. Bonds may be transferred only if endorsed in the
2 manner provided thereon and surrendered to the Bond Registrar.
3 Upon such surrender, the Bond Registrar shall cancel the sur-
4 rendered Bond and shall authenticate and deliver, without charge
5 to the owner or transferee therefor, (other than taxes, if any,
6 payable on account of such transfer) a new Bond (or Bonds, at
7 the option of the new registered owner) of the same maturity and
8 interest rate and for the same aggregate principal amount, in
9 any authorized denomination, naming as registered owner the
10 person or persons listed as the assignee on the assignment form
11 appearing on the surrendered Bond, in exchange for such sur-
12 rendered and canceled Bond. The Bond Registrar shall not be
13 obligated to transfer or exchange any Bond during the fifteen
14 days preceding any interest payment, principal payment or
15 redemption date.

16 The county and the Bond Registrar, each in its discretion,
17 may deem and treat the registered owner of each Bond as the ab-
18 solute owner thereof for all purposes, and neither the county
19 nor the Bond Registrar shall be affected by any notice to the
20 contrary.

21 SECTION 10. Mutilated, Lost, or Destroyed Bonds. If any
22 Bond shall become mutilated, the Bond Registrar shall authenti-
23 cate and deliver a new Bond of like series, amount, date, inter-
24 est rate and tenor in exchange and substitution for the Bond so
25 mutilated, upon the owner's paying the expenses and charges of
26 the county and the Bond Registrar in connection therewith and
27 upon surrender to the Bond Registrar of the Bond so mutilated.
28 Every mutilated Bond so surrendered shall be canceled and
29 destroyed by the Bond Registrar.

30 In case the Bonds or any of them shall be lost, stolen or
31 destroyed, the Bond Registrar may authenticate and deliver a new
32 Bond or Bonds of like amount, date, and tenor to the registered

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owner thereof upon the owner's paying the expenses and charges of the county and the Bond Registrar in connection therewith and upon his/her filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bond or Bonds were actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the county and Bond Registrar with indemnity satisfactory to the Chief Financial Officer or County Finance Manager and the Bond Registrar.

SECTION 11. Covenants and Warranties. The county makes the following covenants and warranties:

A. The county has full legal right, power and authority to adopt this ordinance, to sell, issue and deliver the Bonds as provided herein, and to carry out and consummate all other transactions contemplated by this ordinance.

B. By all necessary official action prior to or concurrently herewith, the county has duly authorized and approved the execution and delivery of, and the performance by the county of its obligations contained in the Bonds and in this ordinance and the consummation by it of all other transactions necessary to effectuate this ordinance in connection with the issuance of the Bonds, and such authorizations and approvals are in full force and effect and have not been amended, modified or supplemented in any material respect.

C. This ordinance constitutes a legal, valid and binding obligation of the county.

D. The Bonds, when issued, sold, authenticated and delivered, will constitute the legal, valid and binding general obligations of the county.

E. Until all Bonds shall have been surrendered and canceled, the county will maintain a system of recording the ownership of each Bond that complies with the applicable provisions of the Code.

1 F. The adoption of this ordinance, and compliance on the
2 county's part with the provisions contained herein, will not
3 conflict with or constitute a breach of or default under any
4 constitutional provisions, law, administrative regulation,
5 judgment, decree, loan agreement, indenture, bond, note,
6 resolution, ordinance, motion, agreement or other instrument to
7 which the county is a party or to which the county or any of its
8 property or assets are otherwise subject, nor will any such
9 adoption, execution, delivery, sale, issuance or compliance
10 result in the creation or imposition of any lien, charge or
11 other security interest or encumbrance of any nature whatsoever
12 upon any of the property or assets of the county or under the
13 terms of any such law, regulation or instrument, except as may
14 be provided by the Bonds and this ordinance.

15 G. The county finds and covenants that the Bonds are
16 issued within all statutory and constitutional debt limitations
17 applicable to the county.

18 H. None of the proceeds of the Bonds will be used for any
19 purpose other than as provided in this ordinance and the county
20 shall not suffer any amendment or supplement to this ordinance,
21 or any departure from the due performance of the obligations of
22 the county hereunder, which might materially adversely affect
23 the rights of the owners from time to time of the Bonds.

24 I. The county will make available for inspection by the
25 Bond owners, at the office of financial management, a copy of
26 the latest audit report of the state auditor on the county's
27 books and accounts and will also furnish a copy thereof, upon
28 request, to any Bond owner.

29 SECTION 12. Application of Bond Proceeds--Solid Waste.

30 There is hereby authorized and directed to be created in
31 the office of financial management of the county, the "Solid
32 Waste Construction Fund 1993" into which shall be deposited

1 approximately \$14,325,000 of Bond proceeds at the time of
2 delivery of the Bonds and which shall be used to pay a portion
3 of the costs of acquiring, constructing and equipping the
4 improvements to the solid waste division, as described in
5 Exhibit A hereto, to reimburse the utility for certain previous
6 expenditures with respect to such improvements, and to pay a
7 portion of the costs of issuing the Bonds. The Solid Waste
8 Construction Fund shall be a first tier fund managed by the
9 department of public works.

10 SECTION 13. Application of Bond Proceeds--Surface Water
11 Management. There has heretofore been created in the office of
12 financial management of the county, the "Surface Water
13 Management 1992-1997 CIP Fund" into which shall be deposited
14 approximately \$12,145,000 of Bond proceeds at the time of
15 delivery of the Bonds and which shall be used to pay a portion
16 of the costs of acquiring, constructing and equipping the
17 improvements to the surface water management division, as
18 described in Exhibit A hereto, and to pay a portion of the costs
19 of issuing the Bonds.

20 SECTION 14. Application of Bond Proceeds--Park Lands.
21 There is hereby authorized and directed to be created in the
22 office of financial management of the county, the "Park Lands
23 Acquisition Fund, 1993" into which shall be deposited
24 approximately \$13,023,000 of Bond proceeds at the time of
25 delivery of the Bonds and which shall be used to acquire real
26 property for parks and open space purposes, as described in
27 Exhibit A hereto, and to pay a portion of the costs of issuing
28 the Bonds. The Park Lands Acquisition Fund shall be a first
29 tier fund managed by the parks, planning and resources
30 department.

31 SECTION 15. Application of Bond Proceeds--Kingdome. There
32 is hereby authorized and directed to be created in the office of

1 financial management of the county, the "1993 Series A Kingdome
2 Fund," into which shall be deposited approximately \$10,318,000
3 of Bond proceeds at the time of delivery of the Bonds and which
4 shall be used to pay a portion of the costs of constructing and
5 acquiring improvements to the Kingdome, as described in
6 Exhibit A hereto, and to pay a portion of the costs of issuing
7 the Bonds. The 1993 Series A Kingdome Fund shall be a first
8 tier fund managed by the stadium administration department.

9 SECTION 16. Application of Bond Proceeds--One Percent for
10 Art Fund. There has heretofore been created in the office of
11 financial management of the county, the "One Percent for Art
12 Fund," into which shall be transferred from the funds herein
13 referenced, the amounts determined by the Chief Financial
14 Officer to be necessary to comply with the provisions of Section
15 4.40.040 of the county code. Amounts in such fund shall be used
16 for the purposes authorized by law for deposits in the One
17 Percent for Art Fund.

18 SECTION 17. Application of Bond Proceeds--Capital
19 Acquisitions and County Facilities Renovation Fund 1993. There
20 is hereby authorized and directed to be created in the office of
21 financial management of the county, the "Capital Acquisitions
22 and County Facilities Renovation Fund 1993," into which bond
23 proceeds shall be deposited to make capital improvements to
24 county facilities in the approximate amount of \$6,608,000, to
25 pay a portion of the costs of issuing the Bonds, and to provide
26 reimbursement to various funds for expenditures previously made
27 with respect to the following acquisitions approximately as
28 follows: property south of the Kingdome, \$9,439,000; the
29 Lafayette Building, \$1,551,000; police helicopter, \$1,242,000;
30 capital grants with respect to Seattle Children's Theater and
31 Pacific Northwest Ballet, \$3,506,000. The Capital Acquisitions
32 and County Facilities Renovation Fund 1993 shall be a first tier

1 fund managed by the office of financial management. Bond
2 proceeds shall not be expended on the Courthouse Improvement
3 project until the Council has approved a preliminary scope of
4 work.

5 SECTION 18. Application of Bond Proceeds--Arts and
6 Historic Preservation Capital Fund. There is hereby authorized
7 and directed to be created in the office of financial management
8 of the county, the "Arts and Historic Preservation Capital
9 Fund," into which shall be deposited approximately \$3,000,000 of
10 Bond proceeds at the time of delivery of Bonds and which shall
11 be used for arts and historic preservation capital projects, as
12 described in Exhibit A hereto, and to pay a portion of the costs
13 of issuing the Bonds. The Arts and Historic Preservation
14 Capital Fund shall be a first tier fund managed by the office of
15 financial management.

16 SECTION 19. Application of Bond Proceeds-Refunding.

17 A. There is hereby created in the office of
18 financial management of the county an account known as the "1993
19 Advance Refunding Account" which Account is to be drawn upon for
20 the sole purpose of paying the principal of and interest on the
21 Refunded Bonds and of paying costs related to the refunding of
22 such bonds.

23 The proceeds of sale of the Bonds in the approximate amount
24 of \$31,075,000 shall be credited to such 1993 Advance Refunding
25 Account.

26 Money in the 1993 Advance Refunding Account shall be used
27 immediately upon receipt thereof to defease the Refunded Bonds
28 and discharge the other obligations of the county under
29 Ordinance No. 8125, passed June 22, 1987, with respect to the
30 Refunded Bonds, by providing for the payment of the principal of
31 and interest thereon as hereinafter set forth in this section.
32 The county shall defease the Refunded Bonds and discharge such

1 obligations by the use of money in the 1993 Advance Refunding
2 Account to purchase certain noncallable "Government Obligations"
3 as such obligations are defined in Chapter 39.53 RCW as now or
4 hereafter amended (which obligations so purchased, are herein
5 called "Acquired Obligations"), bearing such interest and
6 maturing as to principal and interest in such amounts and at
7 such times which, together with any necessary beginning cash
8 balance will provide for the payment of:

9 1. the interest that will become due and payable on or
10 before December 1, 1997, on the Refunded Bonds; and

11 2. the redemption price payable on December 1, 1997, for
12 the principal of the Refunded Bonds.

13 Such Acquired Obligations shall be purchased at a yield not
14 greater than the yield permitted by the Internal Revenue Code of
15 1986, as amended, and applicable regulations thereunder relating
16 to acquired obligations in connection with current refunding
17 bond issues.

18 Such Acquired Obligations and any necessary beginning cash
19 balance shall be irrevocably deposited with a banking
20 institution chosen by the Chief Financial Officer (hereinafter
21 called the "Escrow Agent"). Any amounts described in
22 subparagraphs 1. and 2. of this section which are not provided
23 for in full by such beginning cash balance and the purchase and
24 deposit of Acquired Obligations described in this section shall
25 be provided for by the irrevocable deposit of the necessary
26 amount out of the proceeds of sale of the Bonds or any other
27 monies of the county legally available therefor with the
28 aforesaid Escrow Agent. The proceeds of the Bonds remaining in
29 the 1993 Advance Refunding Account after acquisition of the
30 Acquired Obligations and provision for the necessary beginning
31 cash balance shall be utilized to pay expenses of the
32 acquisition and safekeeping of the Acquired Obligations and

1 expenses of the issuance of the Bonds. The county may, from
2 time to time, transfer, or cause to be transferred, from the
3 1993 Advance Refunding Account any monies not thereafter
4 required for the purposes set forth in 1. and 2. of this section
5 or for the payment of expenses. The county reserves the right
6 to substitute other non-callable securities for the Acquired
7 Obligations in the event it may do so pursuant to Section 148 of
8 the federal Internal Revenue Code of 1986, as amended, and
9 applicable regulations thereunder, upon compliance with the
10 following conditions:

11 x. Such substitution is accomplished pursuant to a
12 motion of the county council, which may be adopted either prior
13 to or subsequent to the delivery of the Refunding Bonds.

14 y. The securities to be substituted are direct,
15 noncallable obligations of, or obligations the principal of and
16 interest on which are unconditionally guaranteed by, the United
17 States of America and bank certificates of deposit secured by
18 such obligations.

19 z. Such securities bear such interest and mature at
20 such times and in such amounts as to fully replace the Acquired
21 Obligations for which they are substituted, and to provide,
22 together with Acquired Obligations and cash remaining, for the
23 payment of the amounts specified in items 1. and 2. of this
24 section.

25 B. The county shall irrevocably set aside sufficient
26 funds out of the proceeds of Acquired Obligations purchased from
27 proceeds of the Bonds, together with any necessary beginning
28 cash balance, to pay interest on the Refunded Bonds through
29 December 1, 1997, and to redeem the Refunded Bonds maturing
30 after that date, in accordance with the provisions of Section 2
31 of Ordinance No. 8125 of the county authorizing the redemption
32 and retirement of the Refunded Bonds.

1 The county hereby calls for redemption on December 1, 1997,
2 the Refunded Bonds in accordance with the provisions of said
3 Ordinance No. 8125 of the county, authorizing the redemption and
4 retirement of the Refunded Bonds prior to their fixed
5 maturities.

6 Said defeasance and call for redemption of the Refunded
7 Bonds shall be irrevocable after the final establishment of the
8 escrow account and delivery of the Acquired Obligations to the
9 Escrow Agent, except as provided herein for the substitution of
10 securities.

11 The Escrow Agent is hereby authorized and directed to
12 provide for the giving of notice of the redemption of the
13 Refunded Bonds in accordance with Section 3 of Ordinance
14 No. 8125. The chief financial officer of the county is
15 authorized and requested to provide whatever assistance is
16 necessary to accomplish such redemption and the giving of notice
17 therefor. The costs of publication of such notice shall be an
18 expense of the county.

19 The Escrow Agent is hereby authorized and directed to pay
20 to the county, or, at the direction of the Chief Financial
21 Officer, to the fiscal agency or agencies of the State of
22 Washington, sums sufficient to pay, when due, the payments
23 specified in subparagraphs 1. and 2. above. All such sums shall
24 be paid from the Acquired Obligations deposited with said Escrow
25 Agent pursuant to this section of this ordinance, and the income
26 therefrom and proceeds thereof. All such sums so paid shall be
27 credited to the 1993 Advance Refunding Account. All monies and
28 Acquired Obligations deposited with the Escrow Agent and any
29 income therefrom shall be held, invested and applied in
30 accordance with the provisions of this ordinance and with the
31 laws of the State of Washington for the benefit of the county
32 and holders of the Refunded Bonds.

1 The county will take such actions as are found necessary to
2 see that all necessary and proper fees, compensation and
3 expenses of the Escrow Agent for refunding the Refunded Bonds
4 shall be paid when due. The proper officers and agents of the
5 county are directed to obtain from the Refunding Agent an
6 agreement setting forth the duties, obligations and
7 responsibilities of the Escrow Agent in connection with the
8 redemption and retirement of the Refunded Bonds as provided
9 herein and stating that such provisions for the payment of the
10 fees, compensation and expenses of such Refunding Agent are
11 satisfactory to it.

12 In order to carry out the purposes of the preceding section
13 of this ordinance and this section, the Chief Financial Officer
14 is authorized and directed to execute and deliver to the Escrow
15 Agent, a copy of such agreement when the provisions thereof have
16 been fixed and determined.

17 SECTION 20. Application of Bond Funds--General. The exact
18 amounts to be deposited in accordance with Sections 12 through
19 18 above shall be determined by the Chief Financial Officer upon
20 the sale of the Bonds. The amounts so deposited may be used to
21 repay interim borrowing used to pay the costs of the
22 improvements authorized in Section 3 hereof.

23 Moneys deposited in the funds and accounts established in
24 Sections 12 through 19 above shall be invested as permitted by
25 law for the sole benefit of the respective funds. Irrespective
26 of the general provisions of Ordinance No. 7112 and K.C. 4.10,
27 the county current expense funds shall not receive any earnings
28 attributable to such funds. Moneys other than Bond proceeds may
29 be deposited in the funds and accounts established under
30 Sections 12 through 19 above; provided, that Bond proceeds and
31 earnings thereon shall be accounted for separately for purposes
32 of the calculations required to be made under Section 24 hereof.

1 For purposes of such calculations, Bond proceeds shall be deemed
2 to have been expended first.

3 SECTION 21. Bond Redemption Fund. There has heretofore
4 been created in the office of financial management of the county
5 a special fund to be drawn upon for the purpose of paying the
6 principal of and interest on the limited tax general obligation
7 bonds of the county. There is hereby created within said fund a
8 special account of the county to be known as the "1993 Series A
9 Limited Tax General Obligation Bond Redemption Account" (the
10 "Bond Fund"). The accrued interest on the Bonds and any
11 proceeds which represent less than the maximum discount
12 permitted in the Official Notice of Bond Sale shall be deposited
13 in the Bond Fund at the time of delivery of the Bonds and shall
14 be applied to the payment of interest on the Bonds. Any premium
15 received upon the sale of the Bonds shall be deposited into the
16 Bond Fund and applied to the payment of principal of or interest
17 on the Bonds. The taxes hereafter levied for the purpose of
18 paying principal of and interest on the Bonds and other funds to
19 be used to pay the Bonds shall be deposited in the Bond Fund no
20 later than the date such funds are required for the payment of
21 principal of and interest on the Bonds; provided, that if the
22 payment of principal of and interest on the Bonds is required
23 prior to the receipt of such levied taxes, the County may make
24 an interfund loan to the Bond Fund pending actual receipt of
25 such taxes. The Bond Fund shall be drawn upon for the purpose
26 of paying the principal of and interest on the Bonds. Moneys in
27 the Bond Fund not needed to pay the interest or principal next
28 coming due may temporarily be deposited in such institutions or
29 invested in such obligations as may be lawful for the investment
30 of county moneys. The Bond Fund shall be a second tier fund in
31 accordance with Ordinance No. 7112 and K.C. 4.10.
32

1 SECTION 22. Pledge of Taxation and Credit. The county
2 hereby irrevocably covenants and agrees for as long as any of
3 the Bonds are outstanding and unpaid, that each year it will
4 include in its budget and levy an ad valorem tax upon all the
5 property within the county subject to taxation in an amount
6 which will be sufficient, together with all other revenues and
7 moneys of the county legally available for such purposes, to pay
8 the principal of and interest on the Bonds as the same shall
9 become due. All of such taxes so collected and any other moneys
10 to be used for such purposes shall be paid into the Bond Fund.

11 The county hereby irrevocably pledges that the annual tax
12 provided for herein to be levied for the payment of such
13 principal and interest shall be within and as a part of the tax
14 levy permitted to counties without a vote of the people, and
15 that a sufficient portion of each annual levy to be levied and
16 collected by the county prior to the full payment of the
17 principal of and interest on the Bonds will be and is hereby
18 irrevocably set aside, pledged and appropriated for the payment
19 of the principal of and interest on the Bonds.

20 The full faith, credit and resources of the county are
21 hereby irrevocably pledged for the annual levy and collection of
22 said taxes and for the prompt payment of the principal of and
23 interest on the Bonds as the same shall become due.

24 SECTION 23. Tax-Exemption. The county shall comply with
25 the provisions of this section unless, in the written opinion of
26 nationally-recognized bond counsel to the county, such com-
27 pliance is not required in order to maintain the exemption of
28 the interest on the Bonds from federal income taxation.

29 The county hereby covenants that it will not make any use
30 of the proceeds from the sale of the Bonds or any other funds of
31 the county which may be deemed to be proceeds of such Bonds
32 pursuant to Section 148 of the Code and the applicable

1 regulations thereunder which will cause the Bonds to be
2 "arbitrage bonds" within the meaning of said Section and said
3 regulations. The county will comply with the applicable
4 requirements of Section 148 of the Code (or any successor
5 provision thereof applicable to the Bonds) and the applicable
6 regulations thereunder throughout the term of the Bonds.

7 The county further covenants that it will not take any
8 action or permit any action to be taken that would cause the
9 Bonds to constitute "private activity bonds" under Section 141
10 of the Code.

11 SECTION 24. Arbitrage Rebate.

12 A. General Rule. The county will pay to the United
13 States of America in accordance with the provisions of this
14 section at least 90 percent of the Rebatable Arbitrage with
15 respect to the Bonds as of each Installment Computation Date,
16 100 percent of the Rebatable Arbitrage with respect to the Bonds
17 as of the Final Computation Date and any income attributable to
18 such Rebatable Arbitrage, unless the county otherwise meets the
19 arbitrage rebate requirements of the United States of America.

20 B. Computation of Rebatable Arbitrage. The Rebatable
21 Arbitrage with respect to the Bonds computed in accordance with
22 the Arbitrage Accounting and Rebate Computation Certificate and,
23 as of each Computation Date, will be the excess of:

24 1. The future value of all Nonpurpose Receipts with
25 respect to the Bonds; over

26 2. The future value of all Nonpurpose Payments with
27 respect to the Bonds.

28 The future value will be computed as of each Computation Date.

29 C. Payment Procedure.

30 1. The payment of Rebatable Arbitrage due as of each
31 Installment Computation Date will be paid no later than the date
32 that is 60 days after the Installment Computation Date.

1 2. The payment of Rebatable Arbitrage due as of the
2 Final Computation Date will be paid no later than the latest of

3 (a) the date that is 60 days after the Final
4 Computation Date,

5 (b) the date that is 8 months after the date of
6 issuance of the Bonds, or

7 (c) the date 60 days after the earlier of (x)
8 the date that the Issuer no longer expects to spend gross
9 proceeds of the Bonds within 6 months of the date of issuance of
10 the Bonds or (y) 12 months after the date of issuance of the
11 Bonds.

12 3. Each payment of Rebatable Arbitrage will be made
13 to the Internal Revenue Service Center, Philadelphia,
14 Pennsylvania 19225 and will be accompanied by IRS Form 8038-T.

15 D. Other Methodology. Notwithstanding this Section 23,
16 payments of Rebatable Arbitrage will be made in accordance with
17 instructions provided by bond counsel to the county if necessary
18 to maintain the federal income tax exemption for interest
19 payments made on the Bonds.

20 SECTION 25. Sale of Bonds. The Bonds shall be sold at
21 public sale, substantially in accordance with the terms and con-
22 ditions of the Official Notice of Bond Sale attached hereto as
23 Exhibit C. The Chief Financial Officer is hereby authorized to
24 establish a maturity schedule and redemption provisions in the
25 Official Notice of Bond Sale so long as the aggregate principal
26 amount of the Bonds does not exceed \$108,400,000 and the final
27 maturity date is no later than December 1, 2012. Bids must be
28 on an all or none basis. The clerk of the county council is
29 directed to cause an abridged Notice of Bond Sale to be
30 published at least once in a financial newspaper or journal of
31 general circulation throughout the United States and to provide
32 such other notice as he/she may deem advisable.

1 The Chief Financial Officer is hereby authorized to
2 withdraw Bonds from sale (and to revise the Official Notice of
3 Bond Sale accordingly) in the principal amount corresponding to
4 the amount allocated to refund the Refunded Bonds if the amount
5 of net present value savings to be derived from such refunding
6 would, in such officer's judgment due to market conditions, be
7 less than required in the county's best interest to proceed with
8 such refunding at this time.

9 The final amount of the Bonds, their maturity schedule,
10 their interest rate, and their redemption provisions will be
11 established by motion of the county council at the time that
12 bids are received and the sale approved.

13 SECTION 26. Delivery of Bonds. Following the sale of the
14 Bonds, the county shall cause definitive Bonds to be prepared,
15 executed and delivered, which Bonds shall be typewritten,
16 lithographed or printed with engraved or lithographed borders.

17 If definitive Bonds are not ready for delivery by the date
18 established for closing, then the County Finance Manager, upon
19 the approval of the purchasers, may cause to be issued and deli-
20 vered to the purchasers one or more temporary Bonds with
21 appropriate omissions, changes and additions. Any temporary
22 Bond or Bonds shall be entitled and subject to the same benefits
23 and provisions of this ordinance with respect to the payment,
24 security and obligation thereof as definitive Bonds authorized
25 thereby. Such temporary Bond or Bonds shall be exchangeable
26 without cost to the owners thereof for definitive Bonds when the
27 latter are ready for delivery.

28 SECTION 27. Preliminary Official Statement Declaration.
29 The county has been provided with copies of a preliminary offi-
30 cial statement (the "Preliminary Official Statement"), prepared
31 in connection with the sale of the Bonds. For the sole purpose
32 of the Bond purchaser's compliance with Securities and Exchange

1 Commission Rule 15c2-12(b)(1), the county "deems final" that
2 Preliminary Official Statement as of its date, except for the
3 omission of information on offering prices, interest rates,
4 selling compensation, delivery dates, any other terms or
5 provisions required by the county to be specified in a com-
6 petitive bid, ratings, other terms of the Bonds dependent on
7 such matters and the identity of the Bond purchaser.

8 SECTION 28. Approval of Official Statement. The county
9 executive or the Chief Financial Officer is hereby authorized
10 and directed to review and approve on behalf of the county an
11 official statement with respect to the Bonds to be prepared
12 prior to the sale thereof.

13 SECTION 29. General Authorization. The appropriate county
14 officials, agents and representatives are hereby authorized and
15 directed to do everything necessary for the prompt sale,
16 issuance, execution and delivery of the Bonds, and for the
17 proper use and application of the proceeds of the sale thereof.

18 SECTION 30. Advance Refunding or Defeasance. The county
19 may issue advance refunding bonds pursuant to the laws of the
20 State of Washington or use money available from any other lawful
21 source to pay when due the principal of and interest on the
22 Bonds, or any portion thereof included in a refunding or
23 defeasance plan, and to redeem and retire, refund or defease all
24 such then-outstanding Bonds and to pay the costs of the
25 refunding or defeasance.

26 In the event that money and/or noncallable "Government
27 Obligations," as such obligations are defined in chapter 39.53
28 RCW, as now or hereafter amended, maturing at such time or times
29 and bearing interest to be earned thereon in amounts (together
30 with such money, if necessary) sufficient to redeem and retire,
31 refund or defease part or all of the Bonds in accordance with
32 their terms, are set aside in a special account of the county to

1 effect such redemption and retirement, and such moneys and the
2 principal of and interest on such Government Obligations are
3 irrevocably set aside and pledged for such purpose, then no
4 further payments need be made into the Bond Fund for the
5 payment of the principal of an interest on the Bonds so
6 provided for, and such Bonds shall cease to be entitled to any
7 lien, benefit or security of this ordinance except the right to
8 receive the moneys so set aside and pledged, and such Bonds
9 shall be deemed not to be outstanding hereunder.

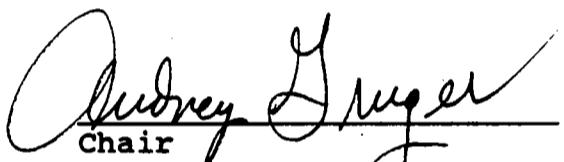
10 SECTION 31. Open Market Purchase. The county reserves
11 the right to purchase any or all of the Bonds on the open
12 market at any time at any price.

1 SECTION 32. Contract; Severability. The covenants
 2 contained in this ordinance shall constitute a contract between
 3 the county and the Owners of each and every Bond. If any one
 4 or more of the covenants or agreements provided in this
 5 ordinance to be performed on the part of the county shall be
 6 declared by any court of competent jurisdiction to be contrary
 7 to law, then such covenant or covenants, agreement or
 8 agreements, shall be null and void and shall be deemed
 9 separable from the remaining covenants and agreements of this
 10 ordinance and shall in no way affect the vailidity of the other
 11 provisions of this ordinance or of the Bonds.


12 INTRODUCED AND READ for the first time this 30th day
 13 of November, 1992

14 PASSED this 21st day of December, 1992.

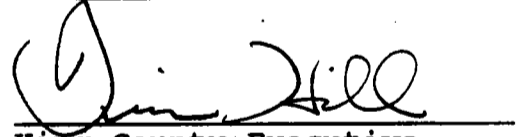
15 KING COUNTY COUNCIL
 16 KING COUNTY, WASHINGTON

17 
 18 Chair

19 ATTEST:

20 
 21 Clerk of the Council

22 APPROVED this 30th day of December, 1992

23 
 24 King County Executive

25 Attachments: Exhibit A - Capital Improvements
 26 Exhibit B - Letter of Representations
 27 Exhibit C - Notice of Bond Sale

28

EXHIBIT A

CAPITAL IMPROVEMENTS

1
2
3
4 1. Provide full or partial financing for land acquisition
5 and capital improvements to the facilities of the solid waste
6 division.

7 a. FACTORIA TRANSFER STATION (003161). Site,
8 design, and construct a 2,000 ton-per-day transfer station to
9 serve the Factoria Area. Existing facility in the service area
10 is operating beyond both its designed tonnage and customer
11 capacity. A new or expanded facility is needed to provide a
12 satisfactory level of service and provide expanded recycling
opportunities, including a roofed recycling area. This project
also evaluates the addition of moderate risk waste handling in
response to a request from the Management Coordination Committee
of the Local Hazardous Waste Management Plan. Estimated cost:
\$9,746,000.

13 b. FIRST NORTHEAST TRANSFER STATION NOISE BARRIER
14 (003164). The Project will provide a solid wall along or near
15 the north property line of the transfer station to minimize
noise disturbance to the neighbors caused by the transfer
station operations. The wall will also provide a visual screen.
Estimated cost: \$279,377.

16 c. ALGONA TRANSFER STATION WATER MAIN AND FIRE
17 HYDRANT (003165). The Project will provide for the construction
18 of a new eight-inch water main extension and installation of up
to two new hydrants at the Algona Transfer Station. Estimated
cost: \$47,297.

19 d. FIRST NORTHEAST EXPANSION - MASTER FACILITY PLAN
20 (013090). This CIP will explore the technical feasibility of
21 expanding services at the First Northeast Transfer Station,
including availability of adjacent property, alternative
22 conceptual layouts, and budget impacts. In addition, a
recommended implementation schedule for accomplishing needed
23 improvements, e.g., future CIP projects, can be developed from
the results of the Master Facility Plan. Estimated cost:
24 \$222,000.

25 e. BOW LAKE - MASTER FACILITY PLAN (013089). This
26 CIP will explore the technical feasibility of expanding services
at the Bow Lake Transfer Station, including availability of
27 adjacent property, alternative conceptual layouts, and budget
impacts. In addition, a recommended implementation schedule for
28 accomplishing needed improvements, e.g., future CIP projects,
can be developed from the results of the Master Facility Plan.
Estimated cost: \$222,000.

29 f. ENUMCLAW TRANSFER STATION (003163). Site and
30 construct a new 200-ton-per-day facility. This project will
31 include the acquisition of real property for development site,
buffer areas, and Southeast 440th Street, reconstruction of 0.56
32 mile of Southeast 440th Street, construction of new utility
services, construction of a new transfer/recycling station

EXHIBIT A

CAPITAL IMPROVEMENTS

1
2
3
4 1. Provide full or partial financing for land acquisition
5 and capital improvements to the facilities of the solid waste
6 division.

7 a. FACTORIA TRANSFER STATION (003161). Site,
8 design, and construct a 2,000 ton-per-day transfer station to
9 serve the Factoria Area. Existing facility in the service area
10 is operating beyond both its designed tonnage and customer
11 capacity. A new or expanded facility is needed to provide a
12 satisfactory level of service and provide expanded recycling
opportunities, including a roofed recycling area. This project
also evaluates the addition of moderate risk waste handling in
response to a request from the Management Coordination Committee
of the Local Hazardous Waste Management Plan. Estimated cost:
\$9,746,000.

13 b. FIRST NORTHEAST TRANSFER STATION NOISE BARRIER
14 (003164). The Project will provide a solid wall along or near
15 the north property line of the transfer station to minimize
noise disturbance to the neighbors caused by the transfer
station operations. The wall will also provide a visual screen.
Estimated cost: \$279,377.

16 c. ALGONA TRANSFER STATION WATER MAIN AND FIRE
17 HYDRANT (003165). The Project will provide for the construction
18 of a new eight-inch water main extension and installation of up
to two new hydrants at the Algona Transfer Station. Estimated
cost: \$47,297.

19 d. FIRST NORTHEAST EXPANSION - MASTER FACILITY PLAN
20 (013090). This CIP will explore the technical feasibility of
21 expanding services at the First Northeast Transfer Station,
22 including availability of adjacent property, alternative
conceptual layouts, and budget impacts. In addition, a
23 recommended implementation schedule for accomplishing needed
improvements, e.g., future CIP projects, can be developed from
24 the results of the Master Facility Plan. Estimated cost:
\$222,000.

25 e. BOW LAKE - MASTER FACILITY PLAN (013089). This
26 CIP will explore the technical feasibility of expanding services
at the Bow Lake Transfer Station, including availability of
27 adjacent property, alternative conceptual layouts, and budget
impacts. In addition, a recommended implementation schedule for
28 accomplishing needed improvements, e.g., future CIP projects,
can be developed from the results of the Master Facility Plan.
Estimated cost: \$222,000.

29 f. ENUMCLAW TRANSFER STATION (003163). Site and
30 construct a new 200-ton-per-day facility. This project will
31 include the acquisition of real property for development site,
buffer areas, and Southeast 440th Street, reconstruction of 0.56
32 mile of Southeast 440th Street, construction of new utility
services, construction of a new transfer/recycling station

1 building, separate partially-roofed recyclable collection area,
2 scale house facility and a public facility building. Estimated
3 additional cost: \$3,815,750.

4 2. Provide full or partial financing for land acquisition
5 and capital improvements to surface water management facilities.

6 a. BEAR CREEK BASIN

7 (1) RUTHERFORD CREEK TRIBUTARY. Project will
8 reduce channel erosion and enhance salmonid habitat by
9 controlling stream flow and stabilizing stream banks. Estimated
10 cost: \$288,800.

11 (2) RUTHERFORD STREAM IMPROVEMENTS. Project
12 will control stream flows, reduce channel erosion, and enhance
13 salmonid habitat. Estimated cost: \$133,500.

14 (3) SAHALEE WAY DRAINAGE. Project will address
15 flooding problems at Sahalee Way and SR202. Project will also
16 fund 1 or 2 unidentified projects. Estimated cost: \$73,700.

17 (4) COTTAGE LAKE CREEK HABITAT IMPROVEMENT.
18 Project will identify areas along the stream where modifications
19 are needed to encourage the return of salmonids. Habitat will
20 be enhanced by revegetation of eroded streambanks, construction
21 of pools for fish habitat in steep reaches, replacement of fish
22 ladder, and measures to keep livestock out of the stream
23 channel. Estimated cost: \$794,244.

24 (5) LOWER BEAR CREEK HABITAT IMPROVEMENTS.
25 Project will increase habitat diversity, reduce stream bank
26 erosion, and create a vegetated buffer to improve water quality.
27 Estimated cost: \$309,406.

28 (6) EVANS CREEK EROSION CONTROL TRIBUTARY 0111C.
29 Project will construct a tightline to convey stream flows down
30 the ravine to reduce erosive flows on downstream properties.
31 Estimated cost: \$475,465.

32 (7) EVANS CREEK EROSION CONTROL TRIBUTARY 0111D.
Project will reduce erosion and landslide problems by
construction of a tightline to convey water from Sahalee Plateau
down steep a ravine. Estimated cost: \$544,140.

(8) EVANS CREEK EROSION CONTROL TRIBUTARY 0111B.
Project will reduce erosion, landslide problems and improve
habitat and water quality by construction of a tightline to
convey water from Sahalee Plateau down a steep ravine.
Estimated cost: \$535,245.

(9) COVINGTON MDP: Kentwood High School/Retrofit
(OH1535). This project is the redesign and construction
(retrofit) of an existing stormwater detention facility on the
Kentwood High School property to provide extended detention and
biofiltration facilities. Estimated cost: \$451,390.

(10) COVINGTON MDP: Mattson Junior High School
retrofit (OK1535). This project is the redesign and

1 construction (retrofit) of an existing stormwater detention
2 facility on the Mattson Junior High School property to provide
3 extended detention and biofiltration facilities. Estimated
4 cost: \$451,390.

4 (11) COVINGTON MDP: Emerald Downs Subdivision
5 Retrofit (OJ1535). This project is the redesign and
6 construction (retrofit) of an existing stormwater detention
7 facility on the Emerald Downs subdivision to provide extended
8 detention and biofiltration. Estimated cost: \$308,860.

7 (12) EVANS CREEK EROSION CONTROL TRIBUTARY 0111.
8 Project will reduce major erosion of steep and unstable slopes
9 by construction of a tightline to convey water from Timberline
10 Development down a steep ravine. Estimated cost: \$533,390.

10 (13) STRUVE CREEK FISH PASSAGE IMPROVEMENT.
11 Project will improve passage for upstream bound salmon by
12 development of boulder cascade habitat, removal of blockages,
13 and creation of backwaters. Estimated cost: \$174,800.

13 b. SOOS CREEK BASIN

13 (1) SOUTHEAST 320TH TIGHTLINE (5414). Project
14 will correct significant erosion problems and protect fish
15 habitat and the Green River Hatchery from serious sedimentation
16 problems. Estimated cost: \$701,066.

16 (2) LITTLE SOOS CREEK CHANNEL (5416). Project
17 will reduce near-annual flooding of four houses in the lower
18 basin and mitigate habitat damage. Estimated cost: \$506,317.

18 (3) SOOSETTE CREEK CHANNEL STABILIZATION.
19 Project will correct sedimentation problems to the Green River
20 Hatchery. Estimated cost: \$613,735.

20 (4) COMBINED SOOS SMALL CIP. Project will
21 protect and maintain fish habitat. Estimated cost: \$734,000.

22 (5) S.I.R. TIGHTLINE (5429). Project will
23 reduce flows, correct flooding and sedimentation, and reduce
24 hazards in the ravine. Estimated cost: \$471,001.

24 (6) LAKE LUCERNE OUTLET IMPROVEMENTS (2661).
25 Project will protect and enhance habitat in a Regionally
26 Significant Resource Area and will correct flooding of S.E.
27 222nd Pl. and adjacent houses. Estimated cost: \$257,895.

27 (7) LAKE WILDERNESS CHANNEL IMPROVEMENTS (2660).
28 Project will improve fish passage in a Regionally Significant
29 Resource Area. Estimated cost: \$452,360.

29 (8) S.E. 256TH SOOS CREEK FISH PASSAGE (5481).
30 Project will improve fish passage by removing debris
31 obstructions and by fencing and revegetating stream banks.
32 Estimated cost: \$239,276.

1
2 c. MISCELLANEOUS PROJECTS

3 (1) MADSEN CREEK HILLSIDE IMPROVEMENTS. Project
4 will relocate gas and sewer lines to reduce landslides and
erosion in the ravine. Estimated cost: \$544,000.

5 (2) FAIRWOOD REGIONAL POND. Project will
6 increase detention capacity in existing Fairwood Regional pond
and retrofit outlet of Candlewood Ridge regional pond.
Estimated cost: \$369,400.

7 (3) MCALEER CREEK BYPASS PIPELINE. Project will
8 reconstruct channel and possibly a bypass pipe and diversion
structure on McAleer Creek. Estimated cost: \$901,100.

9 (4) FOURLAKES IMPROVEMENTS. Project will fund
10 repairs to existing structures to prevent flooding and possible
11 damage to fish habitat and spawning areas. Estimated cost:
\$182,000.

12 (5) PEASLEY CANYON DRAINAGE IMPROVEMENTS.
13 Project will improve channel to reduce erosion and flooding
14 problems in Peasley Canyon, and correct localized flooding near
Lake Dolloff. Estimated cost: \$236,000.

15 (6) SOUTH 96TH DRAINAGE IMPROVEMENTS. Project
16 will enlarge existing ponding areas, construct an overflow
system and structure to reduce local and downstream flooding.
Estimated cost: \$625,000.

17 d. ISSAQUAH CREEK BASIN

18 (1) TIBBETS CREEK. Project will reduce flooding
19 along Tibbets Creek by a combination of berming, culvert
20 replacement, channel relocation, and some channel excavation.
Estimated cost: \$277,220.

21 3. Provide full or partial financing for land acquisition
22 for park lands.

23 4. Provide full or partial financing for improvements to
the Kingdome.

24 5. Provide full or partial financing for improvements to
25 the county facilities including, but not limited to, Courthouse
26 improvements, Administration Building elevator upgrade, System
Services relocation, and Courthouse HVAC upgrade.

27 6. Provide full or partial financing for arts and
28 historic preservation capital projects including approximately
29 \$500,000 for Historic Preservation Revolving Loan Program,
30 approximately \$500,000 for Small Arts Capital Projects,
31 approximately \$1,250,000 for Arts Capital Projects, and
32 approximately \$750,000 for the Enumclaw High School Performing
Arts Center remodeling project. However, any loans made must
comply with applicable federal tax laws and regulations. In the
event that the Enumclaw High School District is not able to pass
a bond issue for their share of the Enumclaw High School
Performing Arts Center projected by October 1, 1994, the bond

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7 increase detention capacity in existing Fairwood Regional pond
8 and retrofit outlet of Candlewood Ridge regional pond.
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11 reconstruct channel and possibly a bypass pipe and diversion
12 structure on McAleer Creek. Estimated cost: \$901,100.

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15 damage to fish habitat and spawning areas. Estimated cost:
16 \$182,000.

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20 Lake Dolloff. Estimated cost: \$236,000.

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28 replacement, channel relocation, and some channel excavation.
29 Estimated cost: \$277,220.

30 3. Provide full or partial financing for land acquisition
31 for park lands.

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5. Provide full or partial financing for improvements to
the county facilities including, but not limited to, Courthouse
improvements, Administration Building elevator upgrade, System
Services relocation, and Courthouse HVAC upgrade.

6. Provide full or partial financing for arts and
historic preservation capital projects including approximately
\$500,000 for Historic Preservation Revolving Loan Program,
approximately \$500,000 for Small Arts Capital Projects,
approximately \$1,250,000 for Arts Capital Projects, and
approximately \$750,000 for the Enumclaw High School Performing
Arts Center remodeling project. However, any loans made must
comply with applicable federal tax laws and regulations. In the
event that the Enumclaw High School District is not able to pass
a bond issue for their share of the Enumclaw High School
Performing Arts Center projected by October 1, 1994, the bond

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funds allocated to this project shall be added to Small Arts Capital Projects.

EXHIBIT B

Letter of Representations

_____, 199__

The Depository Trust Company
55 Water Street, 49th Floor
New York, New York 10041

Attention: General Counsel's Office

Re: King County, Washington
Limited Tax General Obligation Bonds (Various
Purpose), 1993 Series A - \$ _____

The purpose of this letter is to set out certain matters relating to the issuance by King County, Washington (the "County") of the above-referenced bonds (collectively, the "Bonds"). Seattle-First National Bank and The Bank of New York (collectively, the "Registrar") are acting as registrar and authenticating and paying agent with respect to the Bonds, pursuant to Ordinance No. _____ of the County (the "Bond Ordinance"). _____ is distributing the Bonds through The Depository Trust Company ("DTC").

To induce DTC to accept the Bonds as eligible for deposit at DTC and to act in accordance with its Rules with respect to the Bonds, the County and the Registrar make the following representations to DTC:

1. Subsequent to closing on the Bonds on _____, 199__, there shall be deposited with DTC one Bond certificate in registered form registered in the name of DTC's nominee, CEDE & Co., for each stated maturity of the Bonds in the face amounts set forth on Schedule A hereto, the total of which represents 100% of the principal of the Bonds.

2. In the event of any solicitation of consents from and voting by holders of the Bonds, the County or Registrar shall establish a record date for such purposes and give DTC notice of such record date not less than 15 calendar days in advance of such record due to the extent possible.

3. In the event of a redemption or any other similar transaction resulting in retirement of all Bonds outstanding or a reduction in aggregate principal of Bonds outstanding ("full or partial redemption") or an advance refunding of all or part of the Bonds outstanding, the Registrar or the County shall give DTC notice of such event not less than 30 days nor more than 60 days prior to the redemption date or, in the case of an advance refunding, the date the proceeds are deposited in escrow.

4. In the event of a partial redemption or an advance refunding of part of the Bonds outstanding, the Registrar or the County shall send DTC a notice specifying: (1) the amount of redemption or refunding; (2) in the case of a refunding, the

1 maturity date(s) established under the refunding; and (3) the
2 date such notice is to be mailed to Bondholders or published
3 (the "Publication Date"). Such notice shall be sent to DTC by a
4 secure means (e.g., legible facsimile transmission, registered
5 or certified mail, overnight express delivery) in a timely
6 manner designated to assure that such notice is in DTC's
7 possession no later than the close of business on the business
8 day before the Publication Date. The Registrar or the County
9 will forward such notice either in a separate secure
10 transmission for each CUSIP number or in a secure transmission
11 for multiple CUSIP numbers which include a manifest or list of
12 each CUSIP submitted in that transmission. (The Registrar or
13 the County sending such notice shall have a method to verify
14 subsequently the use of such means and timeliness of the
15 notice.) The Publication Date shall be not less than 30 days
16 nor more than 60 days prior to the redemption date, or, in the
17 case of advance refunding, the date the proceeds are deposited
18 in escrow.

11 5. In the event of an invitation to tender the Bonds,
12 notice to Bondholders by the County or Registrar, specifying the
13 terms of the tender and the date such notice is to be mailed to
14 Bondholders or published ("the Publication Date") shall be sent
15 to DTC by a secure means (e.g., legible facsimile transmission,
16 registered or certified mail, overnight express delivery) in a
17 timely manner designed to assure that such notice is in DTC's
18 possession no later than the close of business on the business
19 day before the Publication Date. (The County or Registrar
20 sending such notice shall have a method to verify subsequently
21 the use of such means and timeliness of the notice.)

18 6. All notices and payment advices sent to DTC shall
19 contain the CUSIP number of the Bonds.

19 7. Notices to DTC by facsimile transmission shall be sent
20 to DTC's Call Notification Department at (516) 227-4039 or (516)
21 227-4190. The Registrar shall confirm DTC's receipt of such
22 facsimile transmission by telephoning the Call Notification
23 Department at (516) 227-4070. Notices to DTC by mail or by
24 other means shall be sent to:

23 The Depository Trust Company
24 Call Notification Department
25 Muni Reorganization Manager
26 711 Stewart Avenue
27 Garden City, New York 11530

26 8. Interest payments shall be received by CEDE & Co., as
27 nominee of DTC, or its registered assigns, in next-day funds on
28 each payment date (or the equivalent in accordance with existing
29 arrangements between the County, the Registrar and DTC). Such
30 payments shall be made payable to the order of "CEDE & Co."

30 9. Payments of principal of the Bonds shall be received
31 by CEDE & Co., as nominee of DTC, or its registered assigns, in
32 next-day funds on each payment date. Principal payments shall
be made payable to the order of "CEDE & Co.," and shall be
addressed as follows:

1 The Depository Trust Company
2 Muni Redemption Department
3 55 Water Street - 50th Floor
4 New York, New York 10041
5 Attention: Collection Supervisor

6 10. DTC may direct the Registrar or the County to use any
7 other telephone number for facsimile transmission, address, or
8 department of DTC as the number, address or department to which
9 payments of interest or principal or notices may be sent.

10 11. In the event of a redemption, acceleration or any
11 other similar transaction (e.g., tenders made and accepted in
12 response to the County's or Registrar's invitation)
13 necessitating a reduction in aggregate principal amount of Bonds
14 outstanding or an advance refunding of part of the Bonds
15 outstanding, DTC, in its discretion, (a) may request the County
16 or the Registrar to issue and authenticate a new Bond
17 certificate, or (b) shall make an appropriate notation on the
18 Bond certificate indicating the date and amounts of such
19 reduction in principal, except in the case of final maturity, in
20 which case the certificate must be presented to the Registrar
21 prior to payment.

22 12. In the event the County determines pursuant to the
23 Bond Ordinances that beneficial owners of the Bonds should be
24 able to obtain certificated Bonds, the County or the Registrar
25 shall notify DTC of the availability of Bond certificates and
26 shall issue, transfer and exchange Bond certificates in
27 appropriate amounts as required by DTC and others.

28 13. DTC may determine to discontinue providing its service
29 as securities depository with respect to the Bonds at any time
30 by giving reasonable notice to the County and the Registrar (at
31 which time DTC will confirm with the County and the Registrar
32 the aggregate principal amount of Bonds outstanding) and
33 discharge its responsibilities with respect thereto under
34 applicable law. Under such circumstances, whenever DTC requests
35 the County and the Registrar to do so, the Registrar and the
36 County will cooperate with DTC in taking appropriate action to
37 make available one or more separate certificates evidencing the
38 Bonds to any DTC Participant having Bonds credited to its DTC
39 account.

40 14. Nothing herein shall be deemed to require the
41 Registrar to advance funds on behalf of the County.

42 Very truly yours,

SEATTLE-FIRST NATIONAL BANK
THE BANK OF NEW YORK,
collectively, as Registrar

By SEATTLE-FIRST NATIONAL BANK

By: _____
Title: _____

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KING COUNTY, WASHINGTON

By: _____
Finance Manager

ACCEPTED:

THE DEPOSITORY TRUST COMPANY

By: _____
Authorized Officer

10685

SCHEDULE A

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Principal Amount Maturity Date Interest Rate

1 EXHIBIT C

2 OFFICIAL NOTICE OF BOND SALE

3 KING COUNTY, WASHINGTON

4 \$ _____ LIMITED TAX GENERAL OBLIGATION
 5 BONDS (VARIOUS PURPOSE), 1993 SERIES A

6
 7 Sealed Bids will be received by the Clerk of the Council of King
 8 County, Washington (the "County"), at his office in Room 403,
 9 King County Courthouse, Seattle, Washington, until 10:00 a.m.,
 10 _____ Time, on such day as may be established by the County
 Finance Manager and communicated through Munifacts News Service
 not less than 24 hours prior to the time bids are to be
 received, for the purchase of the following Bonds (the "Bonds"):

11 \$ _____ Limited Tax General Obligation Bonds
 12 (Various Purpose), 1993 Series A

13 All bids received with respect to the Bonds will be publicly
 14 opened, read and considered by the County Council beginning at
 15 10:00 a.m. Awards shall be made thereafter at the same meeting
 in the Council Chambers in the King County Courthouse on the
 same date that bids are opened.

16 DESCRIPTION OF BONDS

17 The Bonds will be dated January 1, 1993; will be in the
 18 denomination of \$5,000 or any integral multiple thereof within a
 19 single maturity; will be numbered separately and in the manner
 and with any additional designation as the Bond Registrar
 20 (collectively the fiscal agencies of the State of Washington in
 Seattle, Washington, and New York, New York) deems necessary for
 purposes of identification; and will bear interest at such rate
 or rates as the County Council shall fix at the time of sale.
 21 Interest on the Bonds will be payable on June 1, 1993 and
 22 semiannually thereafter on each June 1 and December 1.

23 The Bonds will mature on December 1 in years and amounts as
 follows:

24	<u>Maturity</u>	<u>Principal</u>	<u>Maturity</u>	<u>Principal</u>
25	<u>Years</u>	<u>Amounts</u>	<u>Years</u>	<u>Amounts</u>

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IMMOBILIZATION OF THE BONDS

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The Bonds shall be issued initially in the form of separate, single, authenticated, fully registered Bonds in the amount of each stated maturity of the Bonds, shall be registered in the name of CEDE & CO., as nominee for Depository Trust Company of New York, New York ("DTC"), and shall be held in fully immobilized form by DTC as depository pursuant to a Letter of Representation to be entered into by the County and the Bond Registrar and received and accepted by DTC. Reference is made to the Preliminary Official Statement for more details of the immobilization.

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OPTIONS OF REDEMPTION

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Bonds maturing through _____ 1, 200__, inclusive, are not subject to redemption prior to their stated maturity dates. The County has reserved the right and option to redeem Bonds maturing on or after _____ 1, 200__, beginning on _____ 1, 200__, as a whole at any time or in part on any interest payment date, with the maturities to be redeemed to be selected by the County (and by lot within a maturity in such manner as the Bond Registrar shall determine) at par plus accrued interest to date fixed for redemption.

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Any Bond in the principal amount of greater than \$5,000 may be redeemed partially in any integral multiple of \$5,000. In such event, upon surrender of that Bond at either of the principal offices of the Bond Registrar, a new Bond or Bonds, at the option of the registered owner, of the same interest rate and maturity in the aggregate principal amount remaining unredeemed, shall be issued to the registered owner in the denomination of \$5,000 or any integral multiple thereof, and shall be authenticated and delivered to such registered owner without charge.

The County further has reserved the right and option to purchase any or all of the Bonds in the open market at any time and at any price.

SECURITY

The County irrevocably has pledged to include in its budgets and to levy taxes annually that counties are permitted to levy without a vote of the people, on all of the taxable property within the County subject to taxation, in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the Bonds, and the full faith, credit and resources of the County have been pledged irrevocably for the annual levy and collection of those taxes and the prompt payment of that principal and interest.

BIDDING INFORMATION

Bids must be submitted on the official bid forms that are contained in the Preliminary Official Statement, or on photocopies or facsimiles of such forms.

1 Bidders are invited to submit bids for the purchase of the
2 Bonds fixing the interest rate or rates that these Bonds will
3 bear. The bids shall specify the lowest rate or rates of
4 interest, together with premium, if any at which the bidder will
5 purchase the Bonds. No bid will be considered for the Bonds for
6 less than an amount equal to 98.5 percent of par plus accrued
7 interest or for less than the entire offering of Bonds. The
8 purchaser must pay accrued interest, if any, to the date of
9 delivery of the Bonds purchased by it.

10 Interest rates bid shall be in multiples of 1/8 or 1/20 of
11 1%, or both. No more than one rate of interest may be fixed for
12 any one maturity. The maximum differential between the lowest
13 and highest interest rates named in any bid shall not exceed 3
14 percentage points.

15 For the purpose of comparing bids only, the interest rates
16 bid being controlling, each bid shall state the true interest
17 cost of the bid determined in the manner hereinafter stated. The
18 true interest cost will be determined by doubling the semiannual
19 interest rate (compounded semiannually) necessary to discount
20 the debt service payments from the payment dates to the date of
21 the Bonds and to the price bid, without regard to interest
22 accrued to the date of delivery of the Bonds.

23 To enable the County to comply with the requirements of the
24 Internal Revenue Code of 1986, as amended, with respect to the
25 determination of yield on the Bonds, the winning bidder shall
26 provide the reoffering price for a substantial portion of the
27 Bonds no less than five days prior to the closing on the Bonds.

28 BID DEPOSIT

29 All bids shall be sealed and accompanied by a good faith
30 deposit. The good faith deposit shall be in the amount of
31 \$_____, and shall be in cash or certified or cashier's
32 check made payable to the King County Finance Manager. Each
33 good faith deposit shall be returned promptly if the bid is not
34 accepted. The good faith deposit of the successful bidder shall
35 be retained by the County, shall be applied to the purchase
36 price of the Bonds on the delivery of such Bonds to the
37 successful bidder. Pending delivery of the Bonds, the good
38 faith deposits may be invested for the sole benefit of the
39 County. If the Bonds are ready for delivery and the successful
40 bidder fails to complete the purchase of such Bonds within 40
41 days following the acceptance of its bid, the good faith deposit
42 shall be forfeited to the County, and, in that event, the County
43 Council may accept the next best bid or call for additional
44 proposals.

45 AWARD

46 The Bonds will be sold to the bidder making a bid
47 conforming to the terms of the offering and which, on the basis
48 of the lowest true interest cost, is the best bid. If there are
49 two or more equal bids and those bids are the best bids
50 received, the County Council shall determine by lot which bid
51 will be accepted. The County reserves the right to reject any
52 or all bids submitted and to waive any formality in the bidding

1 or bidding process, and, if all bids for an offering are
2 rejected, that Bond Offering may be readvertised for sale in the
3 manner provided by law. Any bid presented after the time
4 specified for the receipt of bids will not be received, and any
bid not accompanied by the required good faith deposit at the
time of opening that bid will not be read or considered.

5 DELIVERY

6 The Bonds will be delivered on behalf of the successful
7 bidders to DTC in New York, New York, within forty days after
8 the sale date immediately upon the receipt by the County of the
purchase price in immediately available federal funds in
9 Seattle, Washington. Delivery is expected to be on or about

10 CUSIP numbers will be typed or printed on the Bonds, if
11 requested in the bid of the successful bidder, but neither fail-
12 ure to print CUSIP numbers on any Bond nor error with respect
13 thereto shall constitute cause for a failure or refusal by the
14 purchaser to accept delivery of and pay for the Bonds in accor-
15 dance with its bid. All expenses in relation to the typing or
printing of CUSIP numbers on the Bonds shall be paid by the
County, but the fee of the CUSIP Service Bureau for the assign-
ment of those numbers shall be responsibility of and shall be
paid by the purchaser.

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

21 The Bonds will be furnished by the County and will be sold
22 with the approving legal opinion of Preston Thorgrimson Shidler
23 Gates & Ellis, bond counsel of Seattle, Washington. The
24 approving legal opinions relative to the issuance of the Bonds
25 shall be printed on each Bond, if the Bonds are printed, or
26 accompanying the Bonds, if the Bonds are typed, all at the
27 expense of the County. Executed counterparts of bond counsel
28 opinions will be provided to the managing underwriter in
29 Seattle, Washington, at the time of the delivery of the Bonds.
30 Bond counsel opinions shall express no opinion concerning the
31 completeness or accuracy of any Official Statement, offering
32 circular or any other sales material issued or used in
connection with the Bonds. A no-litigation certificate will be
included in the closing papers of each series of Bonds.

OFFICIAL STATEMENT AND OTHER INFORMATION

30 A copy of the County's Preliminary Official Statement,
31 dated _____, 1992, may be obtained by contacting the
32 County Finance Manager or County's financial advisor, the
addresses and telephone numbers of which are listed below. The
Preliminary Official Statement is in a form deemed final by the
County for the purpose of SEC Rule 15c2-12(b)(1), but is subject

1 to revision, amendment and completion in a final Official State-
2 ment, which the County will deliver, at the expense of the
3 County, to the managing underwriter not later than seven
4 business days after the County's acceptance of the managing
underwriter's proposal. No less than 700 copies of the final
Official Statement will be delivered.

5 By submitting the successful proposal, the managing under-
6 writer agrees to file, or cause to be filed, within one business
7 day following the receipt from the County, the final Official
8 Statement with a nationally recognized municipal securities
information repository designated by the Securities and Exchange
Commission.

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

15 The Preliminary Official Statement (with the Official
16 Notice of Bond Sale and the Official Bid Forms) and further
17 information regarding the details of the Bonds may be received
18 upon request to the County Finance Manager or to Seattle
Northwest Securities Corporation, Pacific First Centre,
Suite 4300, 1420 Fifth Avenue, Seattle, Washington 98101
(telephone: (206) 628-2882), the County's financial advisor.

19 DATED at Seattle, Washington, this ____ day of _____,
20 199__.

21 Gerald A. Peterson, Clerk of the King County Council
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