

KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

October 10, 2000

Ordinance 13963

Proposed No. 2000-0369.2

Sponsors Nickels

1 AN ORDINANCE providing for the issuance and public sale
2 of \$29,130,000 principal amount of unlimited tax general
3 obligation bonds of the county for the purpose of providing
4 part of the funds to make capital improvements to county
5 facilities as authorized by county ordinance and approved by
6 the qualified electors of the county at the September 19,
7 2000 election; providing for the date, form, terms and
8 maturities of said bonds; providing for the public sale of the
9 bonds and the disposition of the proceeds of sale;
10 establishing funds for the receipt and expenditure of bond
11 proceeds and for the payment of the bonds; and providing
12 for the annual levy of taxes to pay the principal thereof and
13 interest thereon.

14
15
16 PREAMBLE:
17

18 At an election held in King County, Washington (the “county”), on September 19,
19 2000; the number and proportion of the qualified electors of the county required
20 by law for the adoption thereof voted in favor of a proposition authorizing the
21 issuance of unlimited tax general obligation bonds of the county in the aggregate
22 principal amount of \$193,130,000 to provide funds to pay part of the cost of
23 acquiring, constructing, equipping and making certain capital improvements to
24 the facilities of the county, as authorized by Ordinance 13896 of the county
25 council, passed on July 10, 2000.

26
27 The council now deems it necessary and advisable that the county issue and sell
28 \$29,130,000 of such bonds so authorized to provide part of the funds necessary to
29 acquire, construct, equip and make said capital improvements.

30
31 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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

35 “Arbitrage and Tax Certification” means the certificate executed by the finance
36 director pertaining to the calculation and payment of any Rebate Amount with respect to
37 the Bonds.

38 “Bond Fund” means the bond redemption account authorized to be established for
39 the Bonds pursuant to Section 11 hereof.

40 “Bond Register” means the registration books maintained by the Bond Registrar
41 for purposes of identifying ownership of the Bonds.

42 “Bond Registrar” means the fiscal agency of the State of Washington in either
43 Seattle, Washington, or New York, New York, for the purposes of registering and
44 authenticating the Bonds, maintaining the Bond Register, effecting the transfer of
45 ownership of the Bonds and paying interest on and principal of the Bonds.

46 “Bonds” means the King County, Washington, Unlimited Tax General Obligation
47 Bonds, authorized to be issued pursuant to this ordinance.

48 “Code” means the federal Internal Revenue Code of 1986, as amended, together
49 with corresponding and applicable final, temporary or proposed regulations and revenue
50 rulings issued or amended with respect thereto by the United States Treasury Department
51 or the Internal Revenue Service, to the extent applicable to the Bonds.

52 “Commission” means the Securities and Exchange Commission.

53 “DTC” means The Depository Trust Company, New York, New York.

54 “Election Ordinance” means Ordinance 13896 of the county passed by the county
55 council on July 10, 2000, and approved by the required number and proportion of electors
56 of the county at an election held on September 19, 2000.

57 “Finance Director” means the finance director of the county or any other county
58 officer who succeeds to the duties now delegated to that office or the designee of the
59 finance director.

60 “MSRB” means the Municipal Securities Rulemaking Board or any successor to
61 its functions.

62 "NRMSIR" means a nationally recognized municipal securities information
63 repository.

64 "Rebate Amount" means the amount, if any, determined to be payable with
65 respect to the Bonds by the county to the United States of America in accordance with
66 Section 148(f) of the Code.

67 "Rule" means the Commission's Rule 15c2-12 under the Securities and Exchange
68 Act of 1934, as the same may be amended from time to time.

69 "Sale Motion" means the motion of the council approving a bid for the Bonds, in
70 accordance with Section 15 hereof.

71 "SID" means a state information depository for the State of Washington (if one is
72 created).

73 SECTION 2. Purpose and Authorization of Bonds. The county shall now issue
74 and sell \$29,130,000 principal amount of the \$193,130,000 unlimited tax general
75 obligation bonds authorized by the qualified electors of the county at a special election
76 held on September 19, 2000, for the purpose of providing part of the funds to pay the cost
77 of acquiring, constructing, equipping and making certain capital improvements to
78 facilities of the county, as authorized by the Election Ordinance. The Bonds shall be
79 designated the "King County, Washington, Unlimited Tax General Obligation Bonds,"
80 and shall be issued and sold as provided in Section 15 hereof.

81 The Bonds shall be fully registered as to both principal and interest, shall be in the
82 denomination of \$5,000 each or any integral multiple thereof (but no Bond shall represent
83 more than one maturity), shall be numbered separately in such manner and with any
84 additional designation as the Bond Registrar deems necessary for purposes of

85 identification, and shall be dated as of such date and shall mature on the dates, in the
86 years and the amounts established as provided in Section 15 hereof.

87 The Bonds shall bear interest (computed on the basis of a 360-day year of twelve
88 30-day months) from their date or from the most recent interest payment date for which
89 interest has been paid or duly provided for, whichever is later, payable on semiannual
90 interest payment dates to be established as provided in Section 15 hereof, at the rate or
91 rates bid by the successful bidder at public sale and accepted by the Sale Motion.

92 SECTION 3. Registration, Exchange and Payments.

93 A. Bond Registrar/Bond Register. The county hereby adopts the
94 system of registration specified and approved by the Washington State Finance
95 Committee, which utilizes the fiscal agencies of the State of Washington in Seattle,
96 Washington, and New York, New York, as registrar, authenticating agent, paying agent
97 and transfer agent (collectively, the "Bond Registrar"). The Bond Registrar shall keep, or
98 cause to be kept, at its principal corporate trust office, sufficient books for the registration
99 and transfer of the Bonds, which shall at all times be open to inspection by the county.
100 The Bond Registrar is authorized, on behalf of the county, to authenticate and deliver the
101 Bonds transferred or exchanged in accordance with the provisions of such Bonds and this
102 ordinance and to carry out all of the Bond Registrar's powers and duties under this
103 ordinance.

104 The Bond Registrar shall be responsible for its representations contained in the
105 Certificate of Authentication on the Bonds. The Bond Registrar may become the
106 Registered Owner of Bonds with the same rights it would have if it were not the Bond
107 Registrar, and to the extent permitted by law may act as depositary for and permit any of

108 its officers or directors to act as a member of, or in any other capacity with respect to, any
109 committee formed to protect the rights of Registered Owners.

110 B. Registered Ownership. The county and the Bond Registrar, each
111 in its discretion, may deem and treat the Registered Owner of each Bond as the absolute
112 owner thereof for all purposes, and neither the county nor the Bond Registrar shall be
113 affected by any notice to the contrary. Payment of any such Bond shall be made only as
114 described in Section 3.G hereof, but such registration may be transferred as herein
115 provided. All such payments made as described in Section 3.G shall be valid and shall
116 satisfy and discharge the liability of the county upon such Bond to the extent of the
117 amount or amounts so paid. The county and the Bond Registrar shall be entitled to treat
118 the person in whose name any Bond is registered as the absolute owner thereof for all
119 purposes of this ordinance and any applicable laws, notwithstanding any notice to the
120 contrary received by the Bond Registrar or the county.

121 C. DTC Acceptance/Letters of Representations. The Bonds initially
122 issued shall be held in fully immobilized form by DTC acting as depository. To induce
123 DTC to accept the Bonds as eligible for deposit at DTC, the county has heretofore
124 executed and delivered to DTC a Blanket Issuer Letter of Representations.

125 Neither the county nor the Bond Registrar will have any responsibility or
126 obligation to DTC participants or the persons for whom they act as nominees with respect
127 to the Bonds in respect of the accuracy of any records maintained by DTC or any DTC
128 participant, the payment by DTC or any DTC participant of any amount in respect of the
129 principal of or interest on the Bonds, any notice which is permitted or required to be
130 given to Registered Owners under this ordinance (except such notices as shall be required

131 to be given by the county to the Bond Registrar or to DTC), or any consent given or other
132 action taken by DTC as the Registered Owner. For so long as any Bonds are held in fully
133 immobilized form hereunder, DTC or its successor depository shall be deemed to be the
134 Registered Owner for all purposes hereunder, and all references herein to the Registered
135 Owners shall mean DTC or its nominee and shall not mean the owners of any beneficial
136 interest in the Bonds.

137 D. Use of Depository.

138 (1) The Bonds shall be registered initially in the name of
139 "Cede & Co.," as nominee of DTC, with one Bond maturing on each of the maturity
140 dates for the Bonds in a denomination corresponding to the total principal therein
141 designated to mature on such date. Registered ownership of such immobilized Bonds, or
142 any portions thereof, may not thereafter be transferred except (i) to any successor of DTC
143 or its nominee, provided that any such successor shall be qualified under any applicable
144 laws to provide the service proposed to be provided by it; (ii) to any substitute depository
145 appointed by the county council pursuant to subsection (2) below or such substitute
146 depository's successor; or (iii) to any person as provided in subsection (4) below.

147 (2) Upon the resignation of DTC or its successor (or any
148 substitute depository or its successor) from its functions as depository or a determination
149 by the county council to discontinue the system of book entry transfers through DTC or
150 its successor (or any substitute depository or its successor), the county council may
151 hereafter appoint a substitute depository. Any such substitute depository shall be
152 qualified under any applicable laws to provided the services proposed to be provided by
153 it.

154 (3) In the case of any transfer pursuant to clause (i) or (ii) of
155 subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds,
156 together with a written request on behalf of the county council, issue a single new Bond
157 for each maturity of such Bonds then outstanding, registered in the name of such
158 successor or such substitute depository, or their nominees, as the case may be, all as
159 specified in such written request of the county council.

160 (4) In the event that (i) DTC or its successor (or substitute
161 depository or its successor) resigns from its functions as depository, and no substitute
162 depository can be obtained, or (ii) the county council determines that it is in the best
163 interest of the beneficial owners of any of the Bonds that they be able to obtain such
164 Bonds in the form of bond certificates, the ownership of Bonds may then be transferred to
165 any person or entity as herein provided, and the Bonds shall no longer be held in fully
166 immobilized form. The county council shall deliver a written request to the Bond
167 Registrar, together with a supply of definitive Bonds, to issue Bonds as herein provided
168 in any authorized denomination. Upon receipt of all then outstanding Bonds by the Bond
169 Registrar together with a written request on behalf of the county council to the Bond
170 Registrar, new Bonds shall be issued in such denominations and registered in the names
171 of such persons as are requested in such written request.

172 E. Transfer or Exchange of Registered Ownership; Change in
173 Denominations. The registered ownership of any Bond may be transferred or exchanged,
174 but no transfer of any Bond shall be valid unless it is surrendered to the Bond Registrar
175 with the assignment form appearing on such Bond duly executed by the Registered
176 Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the

177 Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered
178 Bond and shall authenticate and deliver, without charge to the Registered Owner or
179 transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of
180 the same date, maturity and interest rate and for the same aggregate principal amount in
181 any authorized denomination, naming as Registered Owner the person or persons listed
182 as the assignee on the assignment form appearing on the surrendered Bond, in exchange
183 for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond
184 Registrar and exchanged, without charge, for an equal aggregate principal amount of
185 Bonds of the same date, maturity and interest rate, in any authorized denomination. The
186 Bond Registrar shall not be obligated to transfer or exchange any Bond during a period
187 beginning at the opening of business on the 15th day of the month next preceding any
188 interest payment date and ending at the close of business on such interest payment date,
189 or, in the case of any proposed redemption of the Bonds, after the mailing of notice of the
190 call of such Bonds for redemption.

191 F. Registration Covenant. The county covenants that, until all Bonds
192 have been surrendered and canceled, it will maintain a system for recording the
193 ownership of each Bond that complies with the provisions of Section 149 of the Code.

194 G. Place and Medium of Payment. Both principal of and interest on
195 the Bonds shall be payable in lawful money of the United States of America. For so long
196 as all Bonds are in fully immobilized form, payments of principal and interest thereon
197 shall be made as provided in accordance with the operational arrangements of DTC
198 referred to in the Letter of Representations. In the event that the Bonds are no longer in
199 fully immobilized form, interest on the Bonds shall be paid by check or draft mailed to

200 the Registered Owners at the addresses for such Registered Owners appearing on the
201 Bond Register on the 15th day of the month preceding the interest payment date, and
202 principal of the Bonds shall be payable upon presentation and surrender of such Bonds by
203 the Registered Owners at the principal office of the Bond Registrar.

204 SECTION 4. Redemption of Bonds; Open Market Purchases. The county may
205 reserve the right to redeem outstanding Bonds prior to their maturity on the dates and at
206 the prices established in the Notice of Sale and ratified and confirmed by the Sale
207 Motion. Portions of the principal amount of any Bond, in increments of \$5,000 or any
208 integral multiple of \$5,000, may be redeemed.

209 If less than all of the Bonds subject to optional redemption are called for
210 redemption, the county shall choose the maturities to be redeemed. If less than a whole of
211 a maturity is called for redemption, the Bonds to be redeemed shall be chosen by lot by
212 the Bond Registrar or, so long as the Bonds are registered in the name of CEDE & CO. or
213 its registered assign, the Bonds to be redeemed shall be chosen by lot by DTC.

214 If less than all of the principal amount of any Bond is redeemed, upon surrender
215 of such Bond at the principal office of the Bond Registrar there shall be issued to the
216 registered owner, without charge therefor, for the then unredeemed balance of the
217 principal amount thereof, a new Bond or Bonds, at the option of the registered owner, of
218 like maturity and interest rate in any denomination authorized by this ordinance.

219 The county reserves the right to purchase any or all of the Bonds on the open
220 market at any time at any price.

221 SECTION 5. Notice and Effect of Redemption.

222 A. Notice of Redemption. Written notice of any redemption of Bonds shall
223 be given by the Bond Registrar on behalf of the county by first class mail, postage
224 prepaid, not less than 30 days nor more than 60 days before the redemption date to the
225 registered owners of Bonds that are to be redeemed at their last addresses shown on the
226 Bond Register. So long as the Bonds are in book-entry form, notice of redemption shall
227 be given as provided in the Letter of Representations. The Bond Registrar shall provide
228 additional notice of redemption (at least 30 days) to each NRMSIR and SID, if any, in
229 accordance with the ongoing disclosure provisions to be adopted by the Sale Motion.

230 The requirements of this section shall be deemed complied with when notice is
231 mailed, whether or not it is actually received by the owner.

232 Each notice of redemption shall contain the following information: (1) the
233 redemption date, (2) the redemption price, (3) if less than all outstanding Bonds are to be
234 redeemed, the identification (and, in the case of partial redemption, the principal
235 amounts) of the Bonds to be redeemed, (4) that on the redemption date the redemption
236 price will become due and payable upon each Bond or portion called for redemption, and
237 that interest shall cease to accrue from the redemption date, (5) that the Bonds are to be
238 surrendered for payment at the principal office of the Bond Registrar, (6) the CUSIP
239 numbers of all Bonds being redeemed, (7) the dated date of the Bonds, (8) the rate of
240 interest for each Bond being redeemed, (9) the date of the notice, and (10) any other
241 information needed to identify the Bonds being redeemed.

242 Upon the payment of the redemption price of Bonds being redeemed, each check
243 or other transfer of funds issued for such purpose shall bear the CUSIP number

244 identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such
245 check or other transfer.

246 B. Effect of Redemption. Unless the county has revoked a notice of
247 redemption, the county shall transfer to the Bond Registrar amounts that, in addition to
248 other money, if any, held by the Bond Registrar, will be sufficient to redeem, on the
249 redemption date, all the Bonds to be redeemed. From the redemption date interest on
250 each Bond to be redeemed shall cease to accrue.

251 C. Amendment of Notice Provisions. The foregoing notice provisions of this
252 section, including but not limited to the information to be included in redemption notices
253 and the persons designated to receive notices, may be amended by additions, deletions
254 and changes in order to maintain compliance with duly promulgated regulations and
255 recommendations regarding notices of redemption of municipal securities.

278 payable on _____ 1, 20__, and semiannually thereafter on the first days of each
279 succeeding _____ and _____.

280

281 Both principal of and interest on this bond are payable in lawful money of the
282 United States of America. While bonds are held on immobilized “book entry” system of
283 registration, the principal of this bond is payable to the order of the Registered Owner in
284 same day funds received by the Registered Owner on the maturity date of this bond, and
285 the interest on this bond is payable to the order of the Registered Owner in same day
286 funds received by the Registered Owner on each interest payment date. When Bonds are
287 no longer held in an immobilized “book entry” registration system, the principal shall be
288 paid to the Registered Owner or nominee of such owner upon presentation and surrender
289 of this bond at either of the principal offices of the fiscal agency of the State of
290 Washington in either Seattle, Washington or New York, New York (collectively the
291 “Bond Registrar”), and the interest shall be paid by mailing a check or draft (on the date
292 such interest is due) to the Registered Owner or nominee of such owner at the address
293 shown on the registration books maintained by the Bond Registrar (the “Bond Register”)
294 as of the 15th day of the month prior to the interest payment date; provided, however that
295 if so requested in writing by the Registered Owner of at least \$1,000,000 par value of the
296 Bonds, interest will be paid by wire transfer.

297

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

300 amount of \$29,130,000, and is issued to pay a portion of the cost of acquiring,
301 constructing, equipping and making capital improvements to certain County facilities.
302

303 The bonds of this issue are issued under and in accordance with the provisions of
304 the Constitution and applicable statutes of the State of Washington, the County Charter
305 and applicable ordinances duly adopted by the County, including Ordinance _____ of
306 the County and Motion No. _____ of the County Council (together, the "Bond
307 Ordinance"). Capitalized terms used in this bond and not defined herein shall have the
308 meanings given such terms in the Bond Ordinance.
309

310 The Bonds are subject to optional and mandatory redemption as provided in the
311 Bond Ordinance.
312

313 The County has irrevocably covenanted that it will levy taxes annually upon all
314 taxable property within the County without limitation as to rate or amount and in amounts
315 sufficient, with other money legally available therefor, to pay the principal of and interest
316 on this bond as the same shall become due. The full faith, credit and resources of the
317 County are hereby irrevocably pledged for the annual levy and collection of such taxes
318 and the prompt payment of such principal and interest.
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320 The pledge of tax levies for repayment of principal of and interest on the bonds
321 may be discharged prior to maturity of the bonds by making provisions for the payment
322 thereof on the terms and conditions set forth in the Bond Ordinance.

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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 issue 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 _____ day of _____, _____.

KING COUNTY, WASHINGTON

By _____
County Executive

ATTEST:

Clerk of the Council

384 ASSIGNMENT

385

386 FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers

387 unto

388

389 PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION

390 NUMBER OF TRANSFEREE

391

392

393

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

395

396 the within bond and does hereby irrevocably constitute and appoint _____

397 _____, or its successor, as Bond Registrar to transfer said bond on the

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

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400 DATED: _____, _____.

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NOTE: The signature on this Assignment
must correspond with the name of the
registered owner as it appears upon the face

407 of the within bond in every particular,
408 without alteration or enlargement or any
409 change whatever.

410
411 SIGNATURE GUARANTEED:
412

413
414 _____
415

416 SECTION 7. Execution of Bonds. The Bonds shall be executed on behalf of the
417 county with the manual or facsimile signatures of the county executive and the clerk of
418 the county council, and shall have the seal of the county impressed or imprinted thereon.

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

428 Only such Bonds as shall bear thereon a Certificate of Authentication in the form
429 hereinbefore recited, manually executed by the Bond Registrar, shall be valid or

430 obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate
431 of Authentication shall be conclusive evidence that the Bonds so authenticated have been
432 duly executed, authenticated and delivered hereunder and are entitled to the benefits of
433 this ordinance.

434 SECTION 8. Mutilated, Lost, or Destroyed Bonds. If any Bond shall become
435 mutilated, the Bond Registrar shall authenticate and deliver a new Bond of like amount,
436 date, interest rate and tenor in exchange and substitution for the Bond so mutilated, upon
437 the owner's paying the expenses and charges of the county and the Bond Registrar in
438 connection therewith and upon surrender to the Bond Registrar of the Bond so mutilated.
439 Every mutilated Bond so surrendered shall be canceled and destroyed by the Bond
440 Registrar.

441 In case the Bonds or any of them shall be lost, stolen or destroyed, the Bond
442 Registrar may authenticate and deliver a new Bond or Bonds of like amount, date, and
443 tenor to the registered owner thereof upon the owner's paying the expenses and charges
444 of the county and the Bond Registrar in connection therewith and upon his/her filing with
445 the Bond Registrar evidence satisfactory to the Bond Registrar that such Bond or Bonds
446 were actually lost, stolen or destroyed and of his/her ownership thereof, and upon
447 furnishing the county and Bond Registrar with indemnity satisfactory to the finance
448 director and the Bond Registrar.

449 SECTION 9. Covenants and Warranties. The county makes the following
450 covenants and warranties:

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

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

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

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

464 E. Until all Bonds shall have been surrendered and canceled, the county will
465 maintain or cause to be maintained a system of registration of the Bonds that complies
466 with the applicable provisions of the Code.

467 F. The adoption of this ordinance, and compliance on the county's part with the
468 provisions contained herein, will not conflict with or constitute a breach of or default
469 under any constitutional provisions, law, administrative regulation, judgment, decree,
470 loan agreement, indenture, bond, note, resolution, ordinance, motion, agreement or other
471 instrument to which the county is a party or to which the county or any of its property or
472 assets are otherwise subject.

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

475 H. None of the proceeds of the Bonds will be used for any purpose other than as
476 provided in this ordinance, and the county shall not suffer any amendment or supplement
477 to this ordinance, or any departure from the due performance of the obligations of the
478 county hereunder, that might materially adversely affect the rights of the owners from
479 time to time of the Bonds.

480 SECTION 10. Application of the Bond Proceeds. There is hereby authorized to
481 be established a special fund of the county designated as the "Harborview Medical
482 Center/Medical Examiner Improvement 2000 Fund," and within such fund there is
483 hereby authorized to be established the "Harborview Medical Center/Medical Examiner
484 Improvement 2000 Proceeds Subfund." This subfund shall be a first tier fund managed
485 by the Department of Construction and Facilities Management. Proceeds of the sale of
486 the Bonds shall be deposited into the Subfund and applied to pay costs of the
487 Improvements authorized by the Election Ordinance and costs of issuance of the Bonds.
488 None of such funds shall be used for the replacement of equipment or for any other than a
489 capital purpose. If construction is managed by an agency designated by the county, such
490 designation shall be made by agreement approved by the county council before any bond
491 proceeds are disbursed.

492 Funds deposited in the funds and accounts established as provided in this section
493 shall be invested as permitted by law for the sole benefit of the respective funds.

494 Irrespective of the general provisions of Ordinance 7112 and K.C. 4.10, the county
495 current expense fund shall not receive any earnings attributable to such funds. Money

496 other than proceeds of the Bonds may be deposited in the funds and accounts into which
497 Bond proceeds are deposited; provided, however, that proceeds of the Bonds and
498 earnings thereon shall be accounted for separately for purposes of the calculations
499 required to be made under Section 15 hereof. For purposes of such calculations, Bond
500 proceeds shall be deemed to have been expended first.

501 SECTION 11. Bond Redemption Fund. There has heretofore been created in the
502 office of the finance director a special fund to be drawn upon for the purpose of paying
503 the principal of and interest on the unlimited tax general obligation bonds of the county.
504 There is hereby authorized to be created within said fund for the Bonds a special account
505 of the county to be known as the “Unlimited Tax General Obligation Bond Redemption
506 Account, [applicable year]” (the “Bond Fund”).

507 The accrued interest on the Bonds and any proceeds that represent less than the
508 maximum discount permitted in the Official Notice of Bond Sale shall be deposited in the
509 Bond Fund at the time of delivery of the Bonds and shall be applied to the payment of
510 interest on the Bonds.

511 The taxes hereafter levied for the purpose of paying principal of and interest on
512 the Bonds and other funds to be used to pay the Bonds shall be deposited in the Bond
513 Fund no later than the date such funds are required for the payment of principal of and
514 interest on such Bonds; provided, however, that if the payment of principal of and interest
515 on any Bonds is required prior to the receipt of such levied taxes, the county may make
516 an interfund loan to the Bond Fund pending actual receipt of such taxes. The Bond Fund
517 shall be drawn upon for the purpose of paying the principal of and interest on the Bonds.
518 Money in the Bond Fund not needed to pay the interest or principal next coming due may

519 temporarily be deposited in such institutions or invested in such obligations as may be
520 lawful for the investment of county funds. The Bond Fund shall be a second tier fund in
521 accordance with Ordinance 7112 and K.C. 4.10.

522 SECTION 12. Pledge of Taxation and Credit. The county hereby irrevocably
523 covenants and agrees for so long as any of the Bonds are outstanding and unpaid, that
524 unless the principal of and interest on the Bonds are paid from other sources, it will make
525 annual levies of taxes without limitation as to rate or amount upon all property within the
526 county subject to taxation in amounts sufficient to pay such principal and interest as the
527 same shall become due and will pay the same into the Bond Fund. The full faith, credit
528 and resources of the county are hereby irrevocably pledged for the annual levy and
529 collection of such taxes and for the prompt payment of the principal of and interest on the
530 Bonds as the same shall become due.

531 SECTION 13. Tax-Exemption. The county shall comply with the provisions of
532 this section unless, in the written opinion of nationally recognized bond counsel to the
533 county, such compliance is not required in order to maintain the exemption of the interest
534 on the Bonds from federal income taxation.

535 The county hereby covenants that it will not make any use of the proceeds from
536 the sale of the Bonds or any other funds of the county that may be deemed to be proceeds
537 of such Bonds pursuant to Section 148 of the Code and the applicable regulations
538 thereunder that will cause the Bonds to be "arbitrage bonds" within the meaning of said
539 section and said regulations. The county will comply with the applicable requirements of
540 Section 148 of the Code (or any successor provision thereof applicable to the Bonds) and
541 the applicable regulations thereunder throughout the term of the Bonds.

542 The county further covenants that it will not take any action or permit any action
543 to be taken that would cause the Bonds to constitute “private activity bonds” under
544 Section 141 of the Code.

545 SECTION 14. Arbitrage Rebate. The county will pay the Rebate Amount, if
546 any, to the United States of America at the times and in the amounts necessary to meet
547 the requirements of the Code to maintain the federal income tax exemption for interest
548 payments on the Bonds, in accordance with the Arbitrage and Tax Certification.

549 SECTION 15. Public Sale of Bonds. The Bonds shall be sold by competitive bid
550 at a public sale. Bids for the purchase of the Bonds shall be at the county’s purchasing
551 office, Room 610, King County Administration Building, 500 Fourth Avenue, Seattle,
552 Washington, at 9:00 a.m., or at such other time and place as the finance director shall
553 direct, on such date and by such means as the finance director shall direct.

554 Upon the date and time established for the receipt of bids for the Bonds, the
555 finance director or his designee shall open the bids, shall cause the bids to be
556 mathematically verified and shall report to the county council regarding the bids
557 received. Such bids shall then be considered and acted upon by the county council in an
558 open public meeting. The county council reserves the right to reject any and all bids for
559 the Bonds. The county council by the Sale Motion shall approve the sale of the Bonds
560 and establish the date, interest rates, maturity schedule and redemption provisions of the
561 Bonds.

562 The finance director is hereby authorized and directed to prepare an Official
563 Notice of Bond Sale for the Bonds, which notice shall be filed with the clerk of the
564 council and shall be ratified and confirmed by the Sale Motion. The finance director is

565 hereby authorized to establish the date, principal amount, interest payment dates, maturity
566 schedule and redemption provisions for the Bonds in such Official Notice of Bond Sale
567 so long as the aggregate principal amount of the Bonds does not exceed \$29,130,000.
568 The official notice of sale or an abridged form thereof shall be published in such
569 newspapers or financial journals as may be deemed desirable or appropriate by the
570 financial advisors to the county.

571 SECTION 16. Delivery of Bonds. Following the sale of the Bonds, the county
572 shall cause definitive Bonds to be prepared, executed and delivered, which Bonds shall
573 be typewritten, lithographed or printed with engraved or lithographed borders, or in such
574 other form acceptable to DTC as initial depository for the Bonds.

575 If definitive Bonds are not ready for delivery by the date established for their
576 delivery to the initial purchasers thereof, then the finance director, upon the approval of
577 the purchasers, may cause to be issued and delivered to the purchasers one or more
578 temporary Bonds with appropriate omissions, changes and additions. Any temporary
579 Bond or Bonds shall be entitled and subject to the same benefits and provisions of this
580 ordinance with respect to the payment, security and obligation thereof as definitive Bonds
581 authorized thereby. Such temporary Bond or Bonds shall be exchangeable without cost
582 to the owners thereof for definitive Bonds when the latter are ready for delivery.

583 SECTION 17. Preliminary and Final Official Statement. The county hereby
584 authorizes and directs the finance director: (i) to review and approve the information
585 contained in the preliminary official statement (the "Preliminary Official Statement")
586 prepared in connection with the sale of the Bonds; and (ii) for the sole purpose of the
587 Bond purchasers' compliance with Securities and Exchange Commission

588 Rule 15c2-12(b)(1), to “deem final” that Preliminary Official Statement as of its date,
589 except for the omission of information on offering prices, interest rates, selling
590 compensation, delivery dates, any other terms or provisions required by the county to be
591 specified in a competitive bid, ratings, other terms of the Bonds dependent on such
592 matters and the identity of the Bond purchaser. After the Preliminary Official Statement
593 has been reviewed and approved in accordance with the provisions of this section, the
594 county hereby authorizes distribution of the Preliminary Official Statement to prospective
595 purchasers of the Bonds.

596 Following the sale of the Bonds in accordance with Section 15 of this ordinance,
597 the finance director is hereby authorized to review and approve on behalf of the county a
598 final official statement with respect to the Bonds. The county agrees to cooperate with
599 the successful bidder for the Bonds (the “Purchaser”) to deliver or cause to be delivered,
600 within seven business days from the date of the Sale Motion and in sufficient time to
601 accompany any confirmation that requests payment from any customer of the Purchaser,
602 copies of the final official statement in sufficient quantity to comply with
603 paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board
604 (“MSRB”).

605 SECTION 18. Undertaking to Provide Ongoing Disclosure. In the Sale Motion,
606 the county council will set forth an undertaking for ongoing disclosure with respect to the
607 Bonds, as required by Section (b)(5) of Rule 15c2-12 under the Securities and Exchange
608 Act of 1934, as the same may be amended from time to time (the “Rule”) established by
609 the Securities and Exchange Commission (the “Commission”).

610 SECTION 19. General Authorization. The appropriate county officials, agents
611 and representatives are hereby authorized and directed to do everything necessary for the
612 prompt sale, issuance, execution and delivery of the Bonds, and for the proper use and
613 application of the proceeds of the sale thereof.

614 SECTION 20. Refunding or Defeasance of the Bonds. The county may issue
615 refunding bonds pursuant to the laws of the State of Washington or use money available
616 from any other lawful source to pay when due the principal of and interest on the Bonds,
617 or any portion thereof included in a refunding or defeasance plan, and to redeem and
618 retire, refund or defease such Bonds and to pay the costs of the refunding or defeasance.

619 In the event that money and/or noncallable "Government Obligations," as such
620 obligations are defined in Chapter 39.53 RCW, as now or hereafter amended, maturing at
621 such time or times and bearing interest to be earned thereon in amounts (together with
622 such money, if necessary) sufficient to redeem and retire, refund or defease part or all of
623 the Bonds in accordance with their terms, are set aside in a special account of the county
624 to effect such redemption and retirement, and such money and the principal of and
625 interest on such Government Obligations are irrevocably set aside and pledged for such
626 purpose, then no further payments need be made into the Bond Fund for the payment of
627 the principal of and interest on the Bonds so provided for, and such Bonds shall cease to
628 be entitled to any lien, benefit or security of this ordinance except the right to receive the
629 money so set aside and pledged, and such Bonds shall be deemed not to be outstanding
630 hereunder.

631 Within 30 days of the defeasance of any of the Bonds, the Bond Registrar shall
632 provide notice of defeasance of such Bonds to the registered owners of the Bonds and to

633 each NRMSIR and SID, if any, in accordance with the undertaking for ongoing
634 disclosure to be adopted as provided in Section 18 hereof.

635 SECTION 21. Severability. If any one or more of the covenants or agreements
636 provided in this ordinance to be performed on the part of the county shall be declared by
637 any court of competent jurisdiction to be contrary to law, then such covenant or
638 covenants, agreement or agreements, shall be null and void and shall be deemed
639 separable from the remaining covenants and agreements of this ordinance and shall in no
640 way affect the validity of the other provisions of this ordinance or of the Bonds.

641 SECTION 22. Effective Date. This ordinance shall be effective 10 days after its

642 enactment, in accordance with Article II of the county charter.”

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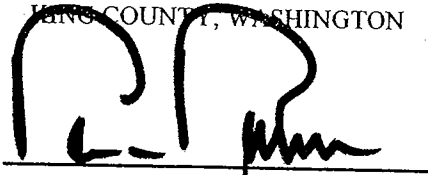
Ordinance 13963 was introduced on 6/19/00 and passed by the Metropolitan King County Council on 10/9/00, by the following vote:

Yes: 11 - Mr. von Reichbauer, Ms. Miller, Ms. Fimia, Mr. Pelz, Mr. McKenna, Ms. Sullivan, Mr. Pullen, Mr. Gossett, Ms. Hague, Mr. Vance and Mr. Irons

No: 0

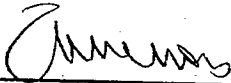
Excused: 2 - Mr. Phillips and Mr. Nickels

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



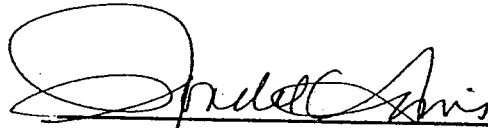
Pete von Reichbauer, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 8 day of October, 2000.



Ron Sims, County Executive

Attachments None