



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

September 15, 2009

Ordinance 16657

Proposed No. 2009-0460.2

Sponsors Gossett

1 AN ORDINANCE providing for the issuance of one or
2 more series of unlimited tax general obligation bonds of the
3 county in an outstanding aggregate principal amount not to
4 exceed \$45,000,000 to refund all or a portion of the
5 county's Unlimited Tax General Obligation Refunding
6 Bonds, 2000 and Unlimited Tax General Obligation
7 Bonds, 2001 (Harborview Medical Center); providing for
8 the public sale of the bonds and the disposition of the
9 proceeds of sale; establishing funds for the receipt and
10 expenditure of bond proceeds and for the payment of the
11 bonds; and providing for the annual levy of taxes to pay the
12 principal thereof and interest thereon.

13

PREAMBLE:

14

15

The county has previously issued its Unlimited Tax General Obligation

16

Refunding Bonds, 2000, and Unlimited Tax General Obligation Bonds,

17

2001 (Harborview Medical Center). The county has an opportunity to

18 refund all or a portion of those bonds, thereby realizing savings to its
19 taxpayers.

20 It is deemed necessary and advisable that the county now authorize the
21 issuance and sale of one or more series of its unlimited tax general
22 obligation bonds in an outstanding aggregate principal amount not to
23 exceed \$45,000,000 to undertake such refunding.

24 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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

28 "Arbitrage and Tax Certification" means the certificate executed by the Finance
29 Director pertaining to the county's expectations with respect to the use, investment and
30 rebate, if any, of Bond proceeds for purposes of Sections 141 and 148 of the Code.

31 "Bond Fund" means the bond redemption account authorized to be established for
32 each series of the Bonds pursuant to Section 13 hereof.

33 "Bond Register" means the registration books maintained by the Bond Registrar
34 for purposes of identifying ownership of the Bonds.

35 "Bond Registrar" means the fiscal agency of the State of Washington appointed
36 from time to time by the Washington State Finance Committee pursuant to chapter 43.80
37 RCW.

38 "Bonds" means the unlimited tax general obligation bonds of the county in an
39 outstanding aggregate principal amount not to exceed \$45,000,000 authorized to be

40 issued by this ordinance to refund all or a portion of 2000 Bonds and the 2001 Bonds, and
41 to pay the costs of issuing such bonds.

42 "Code" means the federal Internal Revenue Code of 1986, as amended, together
43 with corresponding and applicable final, temporary or proposed regulations and revenue
44 rulings issued or amended with respect thereto by the United States Treasury Department
45 or the Internal Revenue Service, to the extent applicable to the Bonds.

46 "Commission" means the Securities and Exchange Commission.

47 "DTC" means The Depository Trust Company, New York, New York.

48 "Escrow Trustee" means the corporate trustee chosen to serve as such pursuant to
49 Section 11 hereof.

50 "Finance Director" means the director of the county finance and business
51 operations division of the department of executive services of the county or any other
52 county officer who succeeds to the duties now delegated to that office, or the designee of
53 such officer.

54 "Government Obligations" means "government obligations," as defined in
55 Chapter 39.53 RCW, as now in existence or hereafter amended.

56 "MSRB" means the Municipal Securities Rulemaking Board or any successor to
57 its functions.

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

61 "Refunded Bonds" means, collectively, the Refunded 2000 Bonds and the
62 Refunded 2001 Bonds.

63 "Refunded 2000 Bond Redemption Date" means, with respect to each series of
64 Bonds, each redemption date for the outstanding 2000 Bonds to be refunded thereby, as
65 identified or ratified in the Sale Motion therefor.

66 "Refunded 2000 Bonds" means, with respect to each series of Bonds, the portion
67 of the outstanding 2000 Bonds to be refunded thereby, as identified or ratified in the Sale
68 Motion therefor.

69 "Refunded 2001 Bond Redemption Date" means, with respect to each series of
70 Bonds, each redemption date for the outstanding 2001 Bonds to be refunded thereby, as
71 identified or ratified in the Sale Motion therefor.

72 "Refunded 2001 Bonds" means, with respect to each series of Bonds, the portion
73 of the outstanding 2001 Bonds to be refunded thereby, as identified or ratified in the Sale
74 Motion therefor.

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

77 "Sale Motion" means, with respect to each series of the Bonds, the motion of the
78 council identifying (if such series of Bonds is sold by competitive bid) or ratifying (if
79 such series of Bonds is sold by negotiated sale) the Refunded Bonds to be refunded by
80 such series of Bonds, their respective redemption dates and the Government Obligations
81 to be purchased to undertake such refunding, ratifying and confirming the year and any
82 applicable series designation, date, principal amounts and maturity dates, interest rates
83 and interest payment dates, redemption provisions of the Bonds, and approving the bond
84 purchase contract (if the Bonds are sold by negotiated sale) or accepting a bid (if the

85 Bonds are sold by competitive bid) for the purchase of the Bonds, all in accordance with
86 Section 17 hereof.

87 "2000 Bonds" means the King County, Washington, Unlimited Tax General
88 Obligation Refunding Bonds, 2000.

89 "2001 Bonds" means the King County, Washington, Unlimited Tax General
90 Obligation Bonds, 2001 (Harborview Medical Center).

91 **SECTION 2. Findings:** The county council hereby makes the following
92 findings:

93 A. Significant debt service savings can be realized by the county through the
94 refunding of all or a portion of the 2000 Bonds and the 2001 Bonds.

95 B. The issuance of unlimited tax general obligation bonds payable from regular
96 property taxes to provide funds to refund all or a portion of the 2000 Bonds and the 2001
97 Bonds and to pay the costs of issuing such bonds will reduce the overall costs of
98 borrowing such funds and is in the best interests of the county and its citizens.

99 **SECTION 3. Purpose, Authorization and Description of Bonds; Use of**
100 **Depository.**

101 A. Purpose and Authorization of Bonds. The county authorizes the issuance of
102 the Bonds to refund all or a portion of the 2000 Bonds and the 2001 Bonds, and to pay
103 the costs of issuing the Bonds.

104 B. Description. The Bonds may be issued in one or more series in an outstanding
105 aggregate principal amount not to exceed \$45,000,000. Each series of the Bonds shall be
106 designated "King County, Washington, Unlimited Tax General Obligation Refunding
107 Bonds," with a year and any applicable series designation established as provided in

108 Section 17 hereof. Each series of Bonds shall be fully registered as to both principal and
109 interest, shall be in the denomination of \$5,000 each or any integral multiple thereof (but
110 no Bond shall represent more than one maturity), shall be numbered separately in such
111 manner and with any additional designation as the Bond Registrar deems necessary for
112 purposes of identification, and shall be dated as of such date and shall mature on the
113 dates, in the years and the amounts established as provided in Section 17 hereof.

114 The Bonds shall bear interest (computed on the basis of a 360-day year of twelve
115 30-day months) from their date or from the most recent interest payment date for which
116 interest has been paid or duly provided for, whichever is later, payable at the rate or rates
117 and on semiannual interest payment dates to be established as provided in Section 17
118 hereof.

119 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of each
120 series initially shall be held in fully immobilized form by DTC acting as depository
121 pursuant to the terms and conditions set forth in the Blanket Issuer Letter of
122 Representations heretofore executed on behalf of the county. Neither the county nor the
123 Bond Registrar shall have any responsibility or obligation to DTC participants or the
124 persons for whom they act as nominees with respect to such Bonds with respect to the
125 accuracy of any records maintained by DTC or any DTC participant, the payment by
126 DTC or any DTC participant of any amount in respect of principal or redemption price or
127 interest on such Bonds, any notice that is permitted or required to be given to Registered
128 Owners under this ordinance (except such notice as is required to be given by the county
129 to the Bond Registrar or to DTC), the selection by DTC or any DTC participant of any

130 person to receive payment in the event of a partial redemption of such Bonds or any
131 consent given or other action taken by DTC as owner of such Bonds.

132 The Bonds of each series initially shall be issued in denominations equal to the
133 aggregate principal amount of each maturity and initially shall be registered in the name
134 of CEDE & Co., as the nominee of DTC. The Bonds so registered shall be held in fully
135 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
136 immobilized form, DTC, its successor or any substitute depository appointed by the
137 county, as applicable, shall be deemed to be the Registered Owner for all purposes
138 hereunder and all references to Registered Owners, bondowners, bondholders, owners or
139 the like shall mean DTC or its nominees and shall not mean the owners of any beneficial
140 interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may
141 not thereafter be transferred except:

142 (1) To any successor of DTC or its nominee, if that successor shall be qualified
143 under any applicable laws to provide the services proposed to be provided by it;

144 (2) To any substitute depository appointed by the county pursuant to this
145 subsection or such substitute depository's successor; or

146 (3) To any person as herein provided if such Bonds are no longer held in
147 immobilized form.

148 Upon the resignation of DTC or its successor (or any substitute depository or its
149 successor) from its functions as depository, or a determination by the county that it is no
150 longer in the best interests of beneficial owners of such Bonds to continue the system of
151 book entry transfers through DTC or its successor (or any substitute depository or its
152 successor), the county may appoint a substitute depository. Any such substitute

153 depository shall be qualified under any applicable laws to provide the services proposed
154 to be provided by it.

155 In the case of any transfer pursuant to clause (1) or (2) of the second paragraph of
156 this subsection, the Bond Registrar, upon receipt of all outstanding Bonds of such series
157 together with a written request on behalf of the county, shall issue a single new Bond
158 certificate for each maturity of Bonds of such series then outstanding, registered in the
159 name of such successor or such substitute depository, or their nominees, as the case may
160 be, all as specified in such written request of the county.

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

173 D. Place, Manner and Medium of Payment. Both principal of and interest on the
174 Bonds shall be payable in lawful money of the United States of America. For so long as
175 outstanding Bonds are registered in the name of CEDE & Co., or its registered assigns, as

176 nominee of DTC, payments of principal of and interest on such Bonds shall be made in
177 next day funds on the date such payment is due and payable at the place and in the
178 manner provided in the Letter of Representations.

179 In the event that the Bonds of any series are no longer held in fully immobilized
180 form by DTC or its successor (or substitute depository or its successor), interest on such
181 Bonds shall be paid by checks or drafts mailed, or by wire transfer, to the owners of such
182 Bonds at the addresses for such owners appearing on the Bond Register on the 15th day
183 of the calendar month preceding the interest payment date. Wire transfer will be made
184 only if so requested in writing and if the owner owns at least \$1,000,000 par value of
185 such Bonds. Principal of such Bonds shall be payable at maturity or on such dates as
186 may be fixed for prior redemption upon presentation and surrender of such Bonds by the
187 owners at either principal office of the Bond Registrar in Seattle, Washington, or New
188 York, New York, at the option of such owners.

189 SECTION 4. Optional Redemption of Bonds. The county may reserve the right
190 to redeem outstanding Bonds of any series prior to their maturity on the dates and at the
191 prices established by the bond purchase contract or the official notice of sale therefor, as
192 applicable, and ratified and confirmed by a Sale Motion in accordance with Section 17
193 hereof. Portions of the principal amount of any Bond, in increments of \$5,000 or any
194 integral multiple of \$5,000, may be redeemed. If less than all of the principal amount of
195 any Bond is redeemed, upon surrender of such Bond at the principal office of the Bond
196 Registrar there shall be issued to the registered owner, without charge therefor, for the
197 then unredeemed balance of the principal amount thereof, a new Bond or Bonds of the

198 same series, at the option of the registered owner, of like maturity and interest rate in any
199 denomination authorized by this ordinance.

200 All Bonds purchased or redeemed under this Section shall be canceled by the
201 Bond Registrar and shall not be reissued.

202 **SECTION 5. Notice and Effect of Redemption.** Unless waived by the
203 registered owner of Bonds to be redeemed or the nominee of such owner, official notice
204 of any such redemption shall be given by the Bond Registrar on behalf of the county by
205 mailing a copy of an official redemption notice by certified or registered mail, postage
206 prepaid, not less than 30 nor more than 60 days prior to the date fixed for redemption, to
207 the registered owner of the Bond or Bonds to be redeemed at the address shown on the
208 Bond Register or at such other address as is furnished in writing by such registered owner
209 to the Bond Registrar. The Bond Registrar shall provide additional notice of redemption
210 of the Bonds to the MSRB in accordance with the ongoing disclosure provisions to be
211 adopted by a Sale Motion pursuant to Section 21 hereof.

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

213 A. the redemption date;

214 B. the redemption price;

215 C. if fewer than all outstanding Bonds of the same series are to be redeemed, the
216 identification (and, in the case of partial redemption, the respective principal amounts) of
217 the Bonds to be redeemed;

218 D. that on the redemption date the redemption price will become due and payable
219 upon each such Bond or portion thereof called for redemption, and that interest thereon
220 shall cease to accrue from and after said date; and

221 E. the place where such Bonds are to be surrendered for payment of the
222 redemption price, which place of payment shall be the principal office of the Bond
223 Registrar.

224 Such notice of redemption shall be mailed within the same period, postage
225 prepaid, to Fitch Ratings, Moody's Investors Service, Inc. and Standard & Poor's Public
226 Finance Ratings, at their offices in New York, New York, or their successors, and to such
227 other persons and with such additional information as the Finance Director shall deem
228 appropriate, but such mailings shall not be a condition precedent to the redemption of the
229 Bonds.

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

233 Official notice of redemption having been given as aforesaid, the Bonds or
234 portions of Bonds so to be redeemed shall, on the redemption date, become due and
235 payable at the redemption price therein specified, and from and after such date (unless the
236 county shall default in the payment of the redemption price upon presentation) such
237 Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds
238 for redemption in accordance with said notice, such Bonds shall be paid by the Bond
239 Registrar at the redemption price. Installments of interest due on or prior to the
240 redemption date shall be payable as herein provided for payment of interest. Upon the
241 payment of the redemption price of Bonds being redeemed, each check or other transfer
242 of funds issued for such purpose shall bear the CUSIP number identifying, by issue and
243 maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

244 Upon surrender for any partial redemption of any Bond, there shall be prepared for the
245 registered owner a new Bond or Bonds of the same series and maturity in the amount of
246 unpaid principal.

247 In addition to the foregoing notice, further notice shall be given by the Bond
248 Registrar as set out below, but no defect in said further notice nor any failure to give all
249 or any portion of such further notice shall in any manner defeat the effectiveness of a call
250 for redemption if notice thereof is given as above prescribed.

251 (1) Each further notice of redemption given hereunder shall contain the
252 information required above for an official notice of redemption plus: the CUSIP numbers
253 of all Bonds of the same series being redeemed; the date of issue of the series of Bonds as
254 originally issued; the rate of interest borne by each Bond being redeemed; the maturity
255 date of each Bond being redeemed; and any other descriptive information needed to
256 identify accurately the Bonds being redeemed.

257 (2) Each further notice of redemption shall be sent at least 35 days before the
258 redemption date by registered or certified mail or overnight delivery service to all
259 registered securities depositories then in the business of holding substantial amounts of
260 obligations of types comprising the Bonds (such depositories now being only DTC).

261 The requirements of this Section shall be deemed to be complied with when
262 notice is mailed as herein provided, whether or not it is actually received by the owner.

263 SECTION 6. Form of Bonds. The Bonds shall be in substantially the following
264 form:

265 NO. \$ _____

266 UNITED STATES OF AMERICA

290 of this bond at the principal office of the fiscal agency of the State of Washington (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 This bond is one of an authorized issue of bonds of like date and tenor, except as
298 to number, amount, rate of interest and date of maturity, in the aggregate principal
299 amount of \$ _____, and is issued to refund [all][a portion of] the County's
300 [Unlimited Tax General Obligation Refunding Bonds, 2000][and][Unlimited Tax
301 General Obligation Bonds, 2001 (Harborview Medical Center)], and to pay the costs of
302 issuing the bonds.

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.

306 [The bonds of this issue are subject to redemption prior to maturity as follows:
307 (information to come from related Sale Motion)].

308 Portions of the principal sum of this bond in installments of \$5,000 or any integral
309 multiple thereof also may be redeemed in accordance with the provisions set forth above,
310 and if less than all of the principal sum hereof is to be redeemed, upon the surrender of
311 this bond at the principal offices of the Bond Registrar there shall be issued to the
312 Registered Owner, without charge therefor, for the then unredeemed balance of the

313 principal sum hereof, at the option of the owner, a bond or bonds of like maturity and
314 interest rate in any of the denominations authorized by County Ordinance _____ (the
315 "Bond Ordinance").

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

323 If such notice has been given and if the County has set aside, on the date fixed for
324 redemption, sufficient money for the payment of all bonds called for redemption, the
325 bonds so called shall cease to accrue interest after such redemption date, and all such
326 bonds shall no longer be deemed to be outstanding for any purpose, except that the
327 Registered Owners thereof shall be entitled to receive payment of the redemption price
328 and accrued interest to the redemption date from the money set aside for such purpose.

329 The County has irrevocably covenanted in the Bond Ordinance that each year it
330 will include in its budget and levy taxes without limitation as to rate or amount upon all
331 the property within the County subject to taxation in amounts that will be sufficient,
332 together with all other revenues, taxes and money of the County legally available for such
333 purposes, to pay the principal of and interest on the bonds as the same shall become due.
334 The County has irrevocably pledged its full faith, credit and resources for the annual levy

358 Clerk of the Council

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

361 CERTIFICATE OF AUTHENTICATION

362 This bond is one of the bonds described in the within mentioned Bond Ordinance
363 and is of the King County, Washington, Unlimited Tax General Obligation Refunding
364 Bonds, [Year][,][Series], dated [_____].

365 WASHINGTON STATE FISCAL
366 AGENCY, as Bond Registrar

367 By _____
368 Authorized Officer

369

370 ASSIGNMENT

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

373 _____

374 PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION

375 NUMBER OF TRANSFEREE

376 []

377 _____

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

379 _____

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

383 DATED: _____, _____.

384 _____

385 NOTE: The signature on this
386 Assignment must correspond with
387 the name of the registered owner as
388 it appears upon the face of the within
389 bond in every particular, without
390 alteration or enlargement or any
391 change whatever.

392 SIGNATURE GUARANTEED:
393 _____

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

397 In case either or both of the officers who shall have executed the Bonds shall
398 cease to be an officer or officers of the county before the Bonds so signed shall have been
399 authenticated or delivered by the Bond Registrar, or issued by the county, such Bonds
400 may nevertheless be authenticated, delivered and issued and upon such authentication,
401 delivery and issuance, shall be as binding upon the county as though those who signed
402 the same had continued to be such officers of the county. Any Bond also may be signed

403 and attested on behalf of the county by such persons as at the actual date of execution of
404 such Bond shall be the proper officers of the county although at the original date of such
405 Bond any such person shall not have been such officer of the county.

406 Only such Bonds as shall bear thereon a Certificate of Authentication in the form
407 hereinbefore recited, manually executed by the Bond Registrar, shall be valid or
408 obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate
409 of Authentication shall be conclusive evidence that the Bonds so authenticated have been
410 duly executed, authenticated and delivered hereunder and are entitled to the benefits of
411 this ordinance.

412 SECTION 8. Bond Registrar. The county hereby adopts for the Bonds the
413 system of registration specified and approved by the Washington State Finance
414 Committee. The Bond Registrar shall keep, or cause to be kept, at its principal corporate
415 trust office, sufficient books for the registration and transfer of the Bonds, which shall at
416 all times be open to inspection by the county. Such Bond Register shall contain the name
417 and mailing address of the owner of each Bond or nominee of such owner and the
418 principal amount and number of Bonds held by each owner or nominee. The Bond
419 Registrar is authorized, on behalf of the county, to authenticate and deliver the Bonds
420 transferred or exchanged in accordance with the provisions of such Bonds and this
421 ordinance and to carry out all of the Bond Registrar's powers and duties under this
422 ordinance.

423 The Bond Registrar shall be responsible for its representations contained in the
424 Certificate of Authentication on the Bonds. The Bond Registrar may become the owner
425 of Bonds with the same rights it would have if it were not the Bond Registrar, and to the

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

429 Upon surrender thereof to the Bond Registrar; the Bonds are interchangeable for
430 Bonds in any authorized denomination of an equal aggregate principal amount and of the
431 same series, interest rate and maturity. Bonds may be transferred only if endorsed in the
432 manner provided thereon and surrendered to the Bond Registrar. Upon such surrender,
433 the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver,
434 without charge to the owner or transferee therefor (other than taxes, if any, payable on
435 account of such transfer), a new Bond (or Bonds, at the option of the new registered
436 owner) of the same series, maturity and interest rate and for the same aggregate principal
437 amount, in any authorized denomination, naming as registered owner the person or
438 persons listed as the assignee on the assignment form appearing on the surrendered Bond,
439 in exchange for such surrendered and canceled Bond. The Bond Registrar shall not be
440 obligated to transfer or exchange any Bond during a period beginning at the opening of
441 business on the 15th day of the month next preceding any interest payment or principal
442 payment date and ending at the close of business on such payment date.

443 The county and the Bond Registrar, each in its discretion, may deem and treat the
444 registered owner of each Bond as the absolute owner thereof for all purposes, and neither
445 the county nor the Bond Registrar shall be affected by any notice to the contrary.

446 SECTION 9. Mutilated, Lost, or Destroyed Bonds. If any Bond shall become
447 mutilated, the Bond Registrar shall authenticate and deliver a new Bond of like amount,
448 date, series, interest rate and tenor in exchange and substitution for the Bond so

449 mutilated, upon the owner's paying the expenses and charges of the county and the Bond
450 Registrar in connection therewith and upon surrender to the Bond Registrar of the Bond
451 so mutilated. Every mutilated Bond so surrendered shall be canceled and destroyed by
452 the Bond Registrar.

453 In case the Bonds or any of them shall be lost, stolen or destroyed, the Bond
454 Registrar may authenticate and deliver a new Bond or Bonds of like amount, date, series
455 and tenor to the registered owner thereof upon the owner's paying the expenses and
456 charges of the county and the Bond Registrar in connection therewith and upon his/her
457 filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bond
458 or Bonds were actually lost, stolen or destroyed and of his/her ownership thereof, and
459 upon furnishing the county and Bond Registrar with indemnity satisfactory to the Finance
460 Director and the Bond Registrar.

461 SECTION 10. Covenants and Warranties. The county makes the following
462 covenants and warranties:

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

466 B. By all necessary official action prior to or concurrently herewith, the county
467 has duly authorized and approved the execution and delivery of, and the performance by
468 the county of its obligations contained in the Bonds and in this ordinance and the
469 consummation by it of all other transactions necessary to effectuate this ordinance in
470 connection with the issuance of the Bonds, and such authorizations and approvals are in
471 full force and effect.

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

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

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

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

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

486 **SECTION 11. Application of Bond Proceeds.** There is hereby authorized to be
487 created a special account of the county for each series of the Bonds to be maintained with
488 a corporate trustee chosen by the Finance Director (hereinafter called the "Escrow
489 Trustee"), each of which will be known as the "King County Unlimited Tax General
490 Obligation Refunding Bond Refunding Account," with the same year and series
491 designation as that corresponding to the related series of the Bonds (each hereinafter
492 called a "Refunding Account"). Each Refunding Account is to be drawn upon for the
493 purpose of paying the principal of and interest on the Refunded Bonds to be refunded by

494 the related series of the Bonds, paying costs related to the refunding of such Refunded
495 Bonds, and paying costs of issuing the related series of Bonds.

496 The net principal proceeds from the sale of each series of the Bonds shall be
497 credited to the related Refunding Account.

498 Money in each Refunding Account shall be used immediately upon receipt
499 thereof to provide for the payment of the principal of and interest on the Refunded Bonds
500 to be refunded by the related series of the Bonds as hereinafter set forth in this section, to
501 pay costs related to the refunding of such Refunded Bonds, and to pay costs of issuing the
502 related series of the Bonds. The county shall discharge such obligations by the use of
503 money in the Refunding Account for each series of the Bonds to purchase certain
504 noncallable Government Obligations, as identified or ratified in the Sale Motion therefor,
505 bearing such interest and maturing as to principal and interest in such amounts and at
506 such times which, together with any necessary initial cash balance will provide for the
507 payment of the principal, if any, of and the interest on the specified Refunded 2000
508 Bonds that will become due and payable on or before their respective Refunded 2000
509 Bond Redemption Date(s) and the redemption price of such Refunded 2000 Bonds
510 payable on their respective Refunded 2000 Bond Redemption Date(s) and the principal, if
511 any, of and the interest on the specified Refunded 2001 Bonds that will become due and
512 payable on or before their respective Refunded 2001 Bond Redemption Date(s) and the
513 redemption price of such Refunded 2001 Bonds payable on their respective Refunded
514 2001 Bond Redemption Date(s) (collectively, the "Refunded Bond Payments"). Such
515 Government Obligations shall be purchased at a yield not greater than the yield permitted

516 by the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder
517 relating to acquired obligations in connection with refunding bond issues.

518 Such Government Obligations and any necessary initial cash balance shall be
519 irrevocably deposited with the Escrow Trustee. Any Refunded Bond Payments that are
520 not provided for in full by such initial cash balance and the purchase and deposit of
521 Government Obligations described in this section shall be provided for by the irrevocable
522 deposit of the necessary amount out of the proceeds of sale of the related series of the
523 Bonds or any other monies of the county legally available therefor with the Escrow
524 Trustee. Any proceeds of a series of the Bonds remaining in the related Refunding
525 Account after acquisition of the Government Obligations and provision for the necessary
526 initial cash balance may be utilized to pay expenses of the acquisition and safekeeping of
527 the Government Obligations and expenses of the issuance of such series of the Bonds.

528 The county reserves the right to substitute other noncallable securities for the
529 Government Obligations in the event it may do so pursuant to Section 148 of the federal
530 Internal Revenue Code of 1986, as amended, and applicable regulations thereunder, upon
531 compliance with the following conditions: (i) such substitution is accomplished pursuant
532 to a motion of the county council, which may be adopted either prior to or subsequent to
533 the delivery of any series of Bonds; (ii) the securities to be substituted are noncallable
534 Government Obligations; and (iii) such securities bear such interest and mature at such
535 times and in such amounts as to fully replace the Government Obligations for which they
536 are substituted, and to provide, together with Government Obligations and cash
537 remaining, for the payment of the Refunded Bond Payments.

538 The county shall irrevocably set aside sufficient funds out of the proceeds of the
539 Government Obligations purchased from proceeds of each series of the Bonds, together
540 with any necessary initial cash balance, to pay the related Refunded Bond Payments.

541 The county hereby conditionally calls the Refunded 2000 Bonds for redemption
542 on the Refunded 2000 Bond Redemption Date(s) in accordance with the provisions of
543 Ordinance 13953 and Motion 11075, authorizing redemption and retirement of the 2000
544 Bonds prior to their fixed maturities. The county hereby conditionally calls the Refunded
545 2001 Bonds for redemption on the Refunded 2001 Bond Redemption Date(s) in
546 accordance with the provisions of Ordinance 13963 and Motion 11106, authorizing
547 redemption and retirement of the 2001 Bonds prior to their fixed maturities. Such
548 conditional call for redemption of any such Refunded Bonds to be refunded by each
549 series of the Bonds shall become irrevocable only after the final establishment of the
550 escrow account therefor and delivery of the Government Obligations to the Escrow
551 Trustee, except as provided herein for the substitution of securities.

552 The Escrow Trustee is hereby authorized and directed to provide for the giving of
553 notice of the redemption of the Refunded Bonds in accordance with Ordinance 13953
554 (with respect to any Refunded 2000 Bonds) and Ordinance 13963 (with respect to any
555 Refunded 2001 Bonds). The Finance Director is authorized and requested to provide
556 whatever assistance is necessary to accomplish such redemption and the giving of notice
557 therefor. The costs of publication of such notice shall be an expense of the county.

558 The Escrow Trustee is hereby authorized and directed to pay to the county, or, at
559 the direction of the Finance Director, to the fiscal agency or agencies of the State of
560 Washington, sums sufficient to pay, when due, the Refunded Bond Payments. All such

561 sums shall be paid from the Government Obligations deposited with said Escrow Trustee
562 pursuant to this section of this ordinance, and the income therefrom and proceeds thereof.
563 All such sums so paid shall be credited to the applicable Refunding Account. All monies
564 and Government Obligations deposited with the Escrow Trustee and any income
565 therefrom shall be held, invested and applied in accordance with the provisions of this
566 ordinance and with the laws of the State of Washington for the benefit of the county and
567 holders of the related Refunded Bonds.

568 The county will take such actions as are found necessary to see that all necessary
569 and proper fees, compensation and expenses of the Escrow Trustee for refunding the
570 Refunded Bonds shall be paid when due.

571 The proper officers and agents of the county are directed to obtain from the
572 Escrow Trustee an agreement setting forth the duties, obligations and responsibilities of
573 the Escrow Trustee in connection with the redemption and retirement of the Refunded
574 Bonds as provided herein and stating that such provisions for the payment of the fees,
575 compensation and expenses of such Escrow Trustee are satisfactory to it. In order to
576 carry out the purposes of this section, the Finance Director is authorized and directed to
577 execute and deliver to the Escrow Trustee, a copy of such agreement when the provisions
578 thereof have been fixed and determined.

579 SECTION 12. Application of Bond Proceeds--General. The exact amounts of
580 net proceeds derived from the sale of each series of the Bonds to be deposited in
581 accordance with Section 11 hereof shall be determined by the Finance Director upon the
582 sale thereof.

583 Funds deposited in the funds and accounts established in Section 11 hereof shall
584 be invested as permitted by law for the sole benefit of the respective funds. Irrespective
585 of the general provisions of Ordinance 7112 and K.C.C. chapter 4.10, the county current
586 expense fund shall not receive any earnings attributable to such funds. Money other than
587 proceeds of the Bonds may be deposited in the funds and accounts established under
588 Section 11 provided, however, that proceeds of the Bonds and earnings thereon shall be
589 accounted for separately for purposes of the computations required to be made under
590 Section 16 hereof. For purposes of such computations, Bond proceeds shall be deemed to
591 have been expended first.

592 SECTION 13. Bond Redemption Fund. There has heretofore been created a
593 special fund of the county to be drawn upon for the purpose of paying the principal of
594 and interest on the unlimited tax general obligation bonds of the county. There is hereby
595 authorized to be created within said fund for each series of the Bonds a special account of
596 the county to be known as the "Unlimited Tax General Obligation Refunding Bond
597 Redemption Account, [Year][,][Series]" (each, a "Bond Fund").

598 The accrued interest on each series of the Bonds shall be deposited in the related
599 Bond Fund at the time of delivery of such series of the Bonds and shall be applied to the
600 payment of interest on the Bonds.

601 The taxes hereafter levied for the purpose of paying principal of and interest on
602 each series of the Bonds and other funds to be used to pay such series of the Bonds shall
603 be deposited in the related Bond Fund no later than the date such funds are required for
604 the payment of principal of and interest on such series of the Bonds; provided, however,
605 that if the payment of principal of and interest on any series of the Bonds is required prior

606 to the receipt of such levied taxes, the county may make an interfund loan to the related
607 Bond Fund pending actual receipt of such taxes. The related Bond Fund shall be drawn
608 upon for the purpose of paying the principal of and interest on each series of the Bonds.
609 Money in each Bond Fund not needed to pay the interest or principal next coming due
610 may temporarily be deposited in such institutions or invested in such obligations as may
611 be lawful for the investment of county funds. Each Bond Fund shall be a second tier fund
612 in accordance with Ordinance 7112 and K.C.C. chapter 4.10.

613 SECTION 14. Pledge of Taxation and Credit. The county hereby irrevocably
614 covenants and agrees for as long as any of the Bonds are outstanding and unpaid, that
615 each year it will include in its budget and levy taxes without limitation as to rate or
616 amount upon all the property within the county subject to taxation in amounts that will be
617 sufficient, together with all other revenues, taxes and money of the county legally
618 available for such purposes, to pay the principal of and interest on the Bonds as the same
619 shall become due. All such taxes so collected and any other money to be used for such
620 purposes shall be paid into the applicable Bond Fund no later than the date such funds are
621 required for the payment of principal of and interest on each series of the Bonds.

622 The county hereby irrevocably pledges that the annual tax provided for herein to
623 be levied for the payment of such principal and interest shall be within and as a part of
624 the tax levy to counties without a vote of the people, and that a sufficient portion of each
625 annual levy to be levied and collected by the county prior to the full payment of the
626 principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged
627 and appropriated for the payment of the principal of and interest on the Bonds.

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

631 SECTION 15. Tax Exemption. The county shall comply with the provisions of
632 this section unless, in the written opinion of nationally recognized bond counsel to the
633 county, such compliance is not required to maintain the exemption of the interest on the
634 Bonds from federal income taxation.

635 The county hereby covenants that it will not make any use of the proceeds from
636 the sale of the Bonds or any other funds of the county that may be deemed to be proceeds
637 of such Bonds pursuant to Section 148 of the Code and the applicable regulations
638 thereunder that will cause the Bonds to be "arbitrage bonds" within the meaning of said
639 Section and said regulations. The county will comply with the applicable requirements of
640 Section 148 of the Code (or any successor provision thereof applicable to the Bonds) and
641 the applicable regulations thereunder throughout the term of the Bonds.

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

645 SECTION 16. Arbitrage Rebate. The county will compute, if necessary, and
646 pay the Rebate Amount, if any, to the United States of America at the times and in the
647 amounts necessary to meet the requirements of the Code to maintain the federal income
648 tax exemption for interest payments on the Bonds, in accordance with the Arbitrage and
649 Tax Certification.

650 SECTION 17. Sale of Bonds.

651 A. Determination by Finance Director. The county hereby authorizes the public
652 sale of the Bonds. The Bonds shall be sold in one or more series, any of which may be
653 sold in a combined offering of other bonds of the county, at the option of the Finance
654 Director. The Finance Director shall determine, in consultation with the county's
655 financial advisors, whether each series of the Bonds shall be sold by negotiated sale or
656 competitive bid.

657 B. Procedure for Negotiated Sale. If the Finance Director determines that any
658 series of the Bonds shall be sold by negotiated sale, the Finance Director shall, in
659 accordance with applicable county procurement procedures, solicit one or more
660 underwriting firms with which to negotiate the sale of the Bonds. The purchase contract
661 for each series of the Bonds shall establish the year and any applicable series designation,
662 date, principal amounts and maturity dates, interest rates and interest payment dates,
663 redemption provisions and delivery date for such series of the Bonds, so long as the
664 aggregate principal amount of the Bonds to be outstanding following the issuance of such
665 series of Bonds does not exceed \$45,000,000. The county council, by Sale Motion, shall
666 approve the bond purchase contract, ratify the identification of the Refunded Bonds to be
667 refunded by such series of Bonds, their respective redemption dates and the Government
668 Obligations to be purchased to undertake such refunding, and ratify the terms for the
669 series of Bonds established thereby.

670 C. Procedure for Sale by Competitive Bid. If the Finance Director determines
671 that any series of the Bonds shall be sold by competitive bid, bids for the purchase of
672 each series of the Bonds shall be received at such time and place and by such means as
673 the Finance Director shall direct. The Finance Director is hereby authorized to prepare

674 an official notice of bond sale for each series of the Bonds to be sold pursuant to
675 competitive bid, establishing in such notice the year and any applicable series
676 designation, date, principal amounts and maturity dates, interest payment dates,
677 redemption provisions and delivery date for such series of Bonds, so long as the
678 aggregate principal amount of the Bonds to be outstanding following the issuance of such
679 series of Bonds does not exceed \$45,000,000. The official notice of bond sale or an
680 abridged form thereof shall be published in such newspapers or financial journals as may
681 be deemed desirable or appropriate by the financial advisors to the county.

682 Upon the date and time established for the receipt of bids for any series of the
683 Bonds, the Finance Director or his designee shall review the bids, shall cause the bids to
684 be mathematically verified and shall report to the county council regarding the bids
685 received. Such bids shall then be considered and acted upon by the county council in an
686 open public meeting. The county council reserves the right to reject any and all bids for
687 any series of the Bonds. The county council, by a Sale Motion, shall identify the
688 Refunded Bonds to be refunded by such series of Bonds, their respective redemption
689 dates and the Government Obligations to be purchased to undertake such refunding,
690 ratify the year and any applicable series designation, date, principal amounts and maturity
691 dates, interest rates and interest payment dates, redemption provisions and delivery date
692 for such series of the Bonds, and accept the bid for the purchase of such series of the
693 Bonds.

694 SECTION 18. Delivery of Bonds. Following the sale of each series of the
695 Bonds, the county shall cause definitive Bonds of such series to be prepared, executed

696 and delivered, which Bonds shall be typewritten, lithographed or printed with engraved
697 or lithographed borders.

698 If definitive Bonds of any series are not ready for delivery by the date established
699 for their delivery to the initial purchasers thereof, then the Finance Director, upon the
700 approval of the purchasers, may cause to be issued and delivered to the purchasers one or
701 more temporary Bonds of the same series with appropriate omissions, changes and
702 additions. Any such temporary Bond or Bonds shall be entitled and subject to the same
703 benefits and provisions of this ordinance with respect to the payment, security and
704 obligation thereof as definitive Bonds authorized thereby. Such temporary Bond or
705 Bonds shall be exchangeable without cost to the owners thereof for definitive Bonds of
706 the same series when the latter are ready for delivery.

707 SECTION 19. Preliminary Official Statement Declaration. The county hereby
708 authorizes and directs the Finance Director: (i) to review and approve the information
709 contained in the preliminary official statement (the "Preliminary Official Statement")
710 prepared in connection with the sale of each series of the Bonds; and (ii) for the sole
711 purpose of the Bond purchasers' compliance with the Rule, to "deem final" that
712 Preliminary Official Statement as of its date, except for the omission of information on
713 offering prices, interest rates, selling compensation, delivery dates, any other terms or
714 provisions required by the county to be specified in a competitive bid, ratings, other terms
715 of the Bonds dependent on such matters and the identity of the Bond purchasers. After
716 each Preliminary Official Statement has been reviewed and approved in accordance with
717 the provisions of this section, the county hereby authorizes the distribution of such
718 Preliminary Official Statement to prospective purchasers of such series of Bonds.

719 SECTION 20. Approval of Official Statement. Following the sale of each
720 series of the Bonds, the Finance Director is hereby authorized to review and approve on
721 behalf of the county a final official statement with respect to such series of Bonds. The
722 county agrees to cooperate with the purchaser of each series of the Bonds to deliver or
723 cause to be delivered, within seven business days from the date of the Sale Motion, and in
724 sufficient time to accompany any confirmation that requests payment from any customer
725 of such successful bidder, copies of a final official statement pertaining to such Bonds in
726 sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules of the
727 MSRB.

728 SECTION 21. Undertaking to Provide Ongoing Disclosure. In each Sale
729 Motion, the county council will set forth an undertaking for ongoing disclosure with
730 respect to the Bonds, as required by Section (b)(5) of the Rule .

731 SECTION 22. General Authorization. The appropriate county officials, agents
732 and representatives are hereby authorized and directed to do everything necessary for the
733 prompt sale, issuance, execution and delivery of the Bonds, and for the proper use and
734 application of the proceeds of the sale thereof.

735 SECTION 23. Refunding or Defeasance of Bonds. The county may issue
736 refunding bonds pursuant to the laws of the State of Washington or use money available
737 from any other lawful source to pay when due the principal of and interest on any series
738 of the Bonds, or any portion thereof included in a refunding or defeasance plan, and to
739 redeem and retire, refund or defease all such then-outstanding Bonds and to pay the costs
740 of the refunding or defeasance.

741 In the event that money and/or noncallable Government Obligations maturing at
742 such time or times and bearing interest to be earned thereon in amounts (together with
743 such money, if necessary) sufficient to redeem and retire, refund or defease part or all of
744 the Bonds in accordance with their terms, are set aside in a special account of the county
745 to effect such redemption and retirement, and such money and the principal of and
746 interest on such Government Obligations are irrevocably set aside and pledged for such
747 purpose, then no further payments need be made into the Bond Fund for the payment of
748 the principal of and interest on the Bonds so provided for, and such Bonds shall cease to
749 be entitled to any lien, benefit or security of this ordinance except the right to receive the
750 money so set aside and pledged, and such Bonds shall be deemed not to be outstanding
751 hereunder.

752 Within 30 days of the defeasance of any of the Bonds, the Bond Registrar shall
753 provide notice of defeasance of such Bonds to the registered owners of the Bonds and to
754 the MSRB in accordance with the undertaking for ongoing disclosure to be adopted by a
755 Sale Motion pursuant to Section 21 hereof.

756 SECTION 24. Open Market Purchase. The county reserves the right to
757 purchase any or all of the Bonds on the open market at any time and at any price.

758 SECTION 25. Contract; Severability. The covenants contained in this
759 ordinance shall constitute a contract between the county and the owners of each and
760 every Bond. If any one or more of the covenants or agreements provided in this
761 ordinance to be performed on the part of the county shall be declared by any court of
762 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement
763 or agreements, shall be null and void and shall be deemed separable from the remaining

764 covenants and agreements of this ordinance and shall in no way affect the validity of the
765 other provisions of this ordinance or of the Bonds.

766 SECTION 26. Complete Alternative. This ordinance shall be deemed to
767 provide a complete, additional and alternative method for the performance of those
768 subjects authorized hereby and shall be regarded as supplemental and additional to
769 powers conferred by other county ordinances. Whenever Bonds are issued and sold in
770 conformance with this ordinance, such issuance and sale need not comply with contrary

771

Ordinance 16657

772 requirements of any other county ordinance applicable to the issuance and sale of bonds
773 or other obligations.

774

Ordinance 16657 was introduced on 8/31/2009 and passed by the Metropolitan King County Council on 9/14/2009, by the following vote:

Yes: 8 - Mr. Constantine, Mr. Ferguson, Ms. Lambert, Mr. von Reichbauer,
Mr. Gossett, Mr. Phillips, Ms. Patterson and Mr. Dunn

No: 0

Excused: 1 - Ms. Hague

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



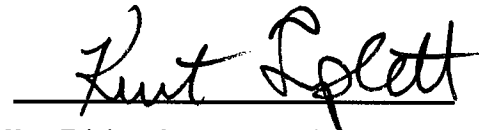
Dow Constantine, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 23 day of September, 2009.



Kurt Triplett, County Executive

Attachments None