

January 7, 1993
Clerk/ef

Introduced by:

RON SIMS

Proposed No.:

93-35

MOTION NO. 8874

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A MOTION of the King County Council accepting a bid for the purchase of limited tax levy general obligation bonds of the county in the principal amount of \$106,830,000 and fixing and confirming the interest rate on and various terms and conditions of such bonds.

WHEREAS, the county council by Ordinance No. 10685 passed December 21, 1992 (the "Ordinance"), authorized the issuance and sale of the county's Limited Tax Levy General Obligation Bonds, Series 1993 in the principal amount of not to exceed \$108,300,000 (the "Bonds") for a variety of purposes specified in the Ordinance, and

WHEREAS, in accordance with the Ordinance, a preliminary official statement has been prepared for the public sale of the Bonds, the official notice of such sale (the "Notice") has been duly published and given as required by law and bids have been received in accordance with the Notice, and

WHEREAS, the attached bid to purchase the Bonds in the aggregate principal amount of \$106,830,000 is the best bid received, and it is in the best interest of the county that the Bonds be sold to The First Boston Corporation on the terms set forth in the Notice, the attached bid and in the Ordinance;

1 NOW, THEREFORE BE IT MOVED by the Council of King County:

2 The Notice attached hereto as Exhibit A is hereby
3 confirmed, and the bid to purchase the Bonds, as set forth in
4 the bid form attached hereto as Exhibit B is hereby accepted.
5 The Bonds shall bear interest at the rates set forth in such
6 bid and shall conform in all other respects to the terms and
7 conditions specified in the Notice.

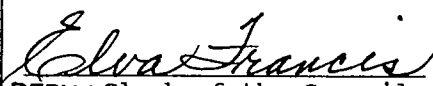
8 The county officials, their agents and representatives are
9 hereby authorized and directed to do everything necessary for
10 the prompt issuance and delivery of the bonds and for the
11 proper use and application of the proceeds of such sale.

12 PASSED this 11th day of January, 1993

13 KING COUNTY COUNCIL
14 KING COUNTY, WASHINGTON

15 
16 Chair

17 ATTEST:

18 
19 DEPUTY Clerk of the Council

20 Attachments: None

ATTACHMENT A

OFFICIAL NOTICE OF BOND SALE**KING COUNTY, WASHINGTON****\$106,830,000 LIMITED TAX GENERAL OBLIGATION (VARIOUS
PURPOSE)
AND REFUNDING BONDS, 1993 SERIES A**

Sealed Bids will be received by the Clerk of the Council of King County, Washington (the "County"), at his office in Room 403, King County Courthouse, Seattle, Washington, until 10:00 a.m., Pacific Standard Time, on January 11, 1993, or on such day as may be established by the County Finance Manager and communicated through Munifacts News Service not less than 24 hours prior to the time bids are to be received, for the purchase of the following Bonds (the "Bonds"):

**\$106,830,000 Limited Tax General Obligation (Various Purpose)
and Refunding Bonds, 1993 Series A**

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

DESCRIPTION OF BONDS

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

<u>Maturity Years</u>	<u>Amount</u>	<u>Maturity Years</u>	<u>Amount</u>
1993	\$3,645,000	2003	\$5,705,000
1994	3,615,000	2004	6,035,000
1995	3,740,000	2005	6,385,000
1996	3,895,000	2006	6,760,000
1997	4,070,000	2007	7,175,000
1998	6,185,000	2008	3,790,000
1999	6,500,000	2009	4,020,000
2000	6,840,000	2010	4,275,000
2001	7,210,000	2011	4,540,000
2002	7,620,000	2012	4,825,000

IMMOBILIZATION OF THE BONDS

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

OPTIONS OF REDEMPTION

Bonds maturing through December 1, 2003, inclusive, are not subject to redemption prior to their stated maturity dates. The County has reserved the right and option to redeem Bonds maturing on or after December 1, 2004, beginning on December 1, 2003, as a whole at any time or in

(and by lot within a maturity in such manner as the Bond Registrar shall determine) at par plus accrued interest to date fixed for redemption.

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

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

SECURITY

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

BIDDING INFORMATION

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

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

Interest rates bid shall be in multiples of 1/8 or 1/20 of 1%, or both. No more than one rate of interest may be fixed for any one maturity and variations in rates so bid shall be in ascending progression in order of maturity so that the rate of interest on the Bonds maturing in any particular calendar year shall not be less than the rate of interest applicable to the Bonds maturing in the prior calendar year.

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

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

BID DEPOSIT

All bids shall be sealed and accompanied by a good faith deposit. The good faith deposit shall be in the amount of \$1,000,000 and shall be in cash or certified or cashier's check made payable to the King County Finance Manager. Each good faith deposit shall be returned promptly if the bid is not accepted. The good faith deposit of the successful bidder shall be retained by the County, shall be applied to the purchase price of the Bonds on the delivery of such Bonds to the successful bidder. Pending delivery of the Bonds, the good faith deposits may be invested for the sole benefit of the County. If the Bonds are ready for delivery and the successful bidder fails to complete the purchase

County. If the Bonds are ready for delivery and the successful bidder fails to complete the purchase of such Bonds within 40 days following the acceptance of its bid, the good faith deposit shall be forfeited to the County, and, in that event, the County Council may accept the next best bid or call for additional proposals.

AWARD

The Bonds will be sold to the bidder making a bid conforming to the terms of the offering and which, on the basis of the lowest true interest cost, is the best bid. If there are two or more equal bids and those bids are the best bids received, the County Council shall determine by lot which bid will be accepted. The County reserves the right to reject any or all bids submitted and to waive any formality in the bidding or bidding process, and, if all bids for an offering are rejected, that Bond Offering may be readvertised for sale in the manner provided by law. Any bid presented after the time specified for the receipt of bids will not be received, and any bid not accompanied by the required good faith deposit at the time of opening that bid will not be read or considered.

DELIVERY

The Bonds will be delivered on behalf of the successful bidders to DTC in New York, New York, within forty days after the sale date immediately upon the receipt by the County of the purchase price in immediately available federal funds in Seattle, Washington. Delivery is expected to be on or about February 2, 1993.

CUSIP numbers will be typed or printed on the Bonds, if requested in the bid of the successful bidder, but neither failure to print CUSIP numbers on any Bond nor error with respect thereto shall constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with its bid. All expenses in relation to the typing or printing of CUSIP numbers on the Bonds shall be paid by the County, but the fee of the CUSIP Service Bureau for the assignment of those numbers shall be responsibility of and shall be paid by the purchaser.

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

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

OFFICIAL STATEMENT AND OTHER INFORMATION

A copy of the County's Preliminary Official Statement, dated December 28, 1992, may be obtained by contacting the County Finance Manager or the County's financial advisor, the addresses and telephone numbers of which are listed below. The Preliminary Official Statement is in a form deemed final by the County for the purpose of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final Official Statement, which the County will deliver, at the expense of the County, to the managing underwriter not later than seven business days after the County's acceptance of the managing underwriter's proposal. No less than 300 copies of the final Official Statement will be delivered.

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

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

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

DATED at Seattle, Washington, this 21st day of December, 1992.

/s/ Gerald A. Peterson
Clerk of the King County Council

ATTACHMENT B

OFFICIAL BID FORM
KING COUNTY, WASHINGTON
\$106,830,000
LIMITED TAX GENERAL OBLIGATION (VARIOUS PURPOSE)
AND REFUNDING BONDS, 1993 SERIES A

For the offering totaling \$106,830,000 par value of the King County, Washington Limited Tax General Obligation (Various Purpose) and Refunding Bonds, 1993 Series A, dated January 1, 1993, described in the attached Official Notice of Bond Sale, which is made a part hereof, and with interest payable on June 1, 1993 and semiannually thereafter on each June 1 and December 1 at the rates specified herein, we will pay \$ 105,327,552.07 (which is not less than the \$105,227,550 minimum bid allowable) for \$106,830,000 par value of said Bonds, plus accrued interest from January 1, 1993 to the date of delivery of said Bonds to us.

The interest rates upon which this bid is based, with interest computed from January 1, 1993 to the maturity date of the Bonds, are as follows:

<u>Due Dec. 1</u>	<u>Amounts</u>	<u>Interest Rates</u>	<u>Due Dec. 1</u>	<u>Amounts</u>	<u>Interest Rates</u>
1993	\$3,645,000	<u>4.60</u>	2003	\$5,705,000	<u>5.50</u>
1994	3,615,000	<u>4.60</u>	2004	6,035,000	<u>5.60</u>
1995	3,740,000	<u>4.60</u>	2005	6,385,000	<u>5.70</u>
1996	3,895,000	<u>4.60</u>	2006	6,760,000	<u>5.80</u>
1997	4,070,000	<u>4.60</u>	2007	7,175,000	<u>5.90</u>
1998	6,185,000	<u>4.80</u>	2008	3,790,000	<u>6.90</u>
1999	6,500,000	<u>5.00</u>	2009	4,020,000	<u>5.90</u>
2000	6,840,000	<u>5.20</u>	2010	4,275,000	<u>5.90</u>
2001	7,210,000	<u>5.25</u>	2011	4,540,000	<u>5.90</u>
2002	7,620,000	<u>5.40</u>	2012	4,825,000	<u>5.90</u>

The following is submitted for informational purposes only, and is not part of the bid.

Total Coupon Interest	\$63,624,380.83
Less Premium	<u>0</u>
Plus Discount	<u>1,602,447.93</u>
Net Interest	<u>65,226,828.76</u>
True Interest Cost (TIC)	<u>5.7596</u>

This bid is submitted in accordance with and subject to all provisions contained in the official Notice of Bond Sale for these Bonds.

We enclose herewith (cashier's) (certified) check in the sum of \$1,000,000 payable to the order of the King County Finance Manager, which check is to be returned to us if this bid is not accepted. If this bid is accepted, said check shall be cashed by the County and applied to the purchase price of the Bonds when the same are delivered and paid for under the terms of this bid, or is to be retained as and for liquidated damages in case we fail or neglect to complete the purchase of the Bonds.

Good faith check returned and receipt thereof acknowledged

Kamela Gomy
 (Signed)

For Merrill Lynch

Respectfully submitted this
11th day of January, 1993

Merrill Lynch & Co.
 and Associates

Debra A. Boyle

Managing Director
 (Please provide a list of the managers and account members of your bidding group.)

OFFICIAL BID FORM
KING COUNTY, WASHINGTON
\$106,830,000
LIMITED TAX GENERAL OBLIGATION (VARIOUS PURPOSE)
AND REFUNDING BONDS, 1993 SERIES A

For the offering totaling \$106,830,000 par value of the King County, Washington Limited Tax General Obligation (Various Purpose) and Refunding Bonds, 1993 Series A, dated January 1, 1993, described in the attached Official Notice of Bond Sale, which is made a part hereof, and with interest payable on June 1, 1993 and semiannually thereafter on each June 1 and December 1 at the rates specified herein, we will pay \$ 105,605,576.15 (which is not less than the \$105,227,550 minimum bid allowable) for \$106,830,000 par value of said Bonds, plus accrued interest from January 1, 1993 to the date of delivery of said Bonds to us.

The interest rates upon which this bid is based, with interest computed from January 1, 1993 to the maturity date of the Bonds, are as follows:

<u>Due</u> <u>Dec. 1</u>	<u>Amounts</u>	<u>Interest</u> <u>Rates</u>	<u>Due</u> <u>Dec. 1</u>	<u>Amounts</u>	<u>Interest</u> <u>Rates</u>
1993	\$3,645,000	<u>4.30</u>	2003	\$5,705,000	<u>5.50</u>
1994	3,615,000	<u>4.20</u>	2004	6,035,000	<u>5.60</u>
1995	3,740,000	<u>4.20</u>	2005	6,385,000	<u>5.70</u>
1996	3,895,000	<u>4.30</u>	2006	6,760,000	<u>5.80</u>
1997	4,070,000	<u>4.60</u>	2007	7,175,000	<u>5.90</u>
1998	6,185,000	<u>4.80</u>	2008	3,790,000	<u>6.00</u>
1999	6,500,000	<u>5.00</u>	2009	4,020,000	<u>6.00</u>
2000	6,840,000	<u>5.10</u>	2010	4,275,000	<u>6.00</u>
2001	7,210,000	<u>5.25</u>	2011	4,540,000	<u>6.00</u>
2002	7,620,000	<u>5.40</u>	2012	4,825,000	<u>6.00</u>

The following is submitted for informational purposes only, and is not part of the bid.

Total Coupon Interest	\$ <u>63,247,832.00</u>
Less Premium	
Plus Discount	<u>1,224,425.85</u>
Net Interest	<u>65,072,255.95</u>
True Interest Cost (TIC)	<u>5,7214</u>

This bid is submitted in accordance with and subject to all provisions contained in the official Notice of Bond Sale for these Bonds.

We enclose herewith (cashier's) (certified) check in the sum of \$1,000,000 payable to the order of the King County Finance Manager, which check is to be returned to us if this bid is not accepted. If this bid is accepted, said check shall be cashed by the County and applied to the purchase price of the Bonds when the same are delivered and paid for under the terms of this bid, or is to be retained as and for liquidated damages in case we fail or neglect to complete the purchase of the Bonds.

Good faith check returned and receipt thereof acknowledged

Respectfully submitted this
11th day of January, 1993

(Signed)

Michael Cirasella

For _____

Michael Cirasella-Managing Director
Account List Attached

(Please provide a list of the managers and account members of your bidding group.)

OFFICIAL BID FORM
KING COUNTY, WASHINGTON
\$106,830,000
LIMITED TAX GENERAL OBLIGATION (VARIOUS PURPOSE)
AND REFUNDING BONDS, 1993 SERIES A

For the offering totaling \$106,830,000 par value of the King County, Washington Limited Tax General Obligation (Various Purpose) and Refunding Bonds, 1993 Series A, dated January 1, 1993, described in the attached Official Notice of Bond Sale, which is made a part hereof, and with interest payable on June 1, 1993 and semiannually thereafter on each June 1 and December 1 at the rates specified herein, we will pay \$ 105,227,550.00 (which is not less than the \$105,227,550 minimum bid allowable) for \$106,830,000 par value of said Bonds, plus accrued interest from January 1, 1993 to the date of delivery of said Bonds to us.

The interest rates upon which this bid is based, with interest computed from January 1, 1993 to the maturity date of the Bonds, are as follows:

Due Dec. 1	Amounts	Interest Rates	Due Dec. 1	Amounts	Interest Rates
1993	\$3,645,000	5.25	2003	\$5,705,000	5.60
1994	3,615,000	5.25	2004	6,035,000	5.70
1995	3,740,000	5.25	2005	6,385,000	5.75
1996	3,895,000	5.25	2006	6,760,000	5.80
1997	4,070,000	5.25	2007	7,175,000	5.80
1998	6,185,000	5.25	2008	3,790,000	5.875
1999	6,500,000	5.25	2009	4,020,000	5.875
2000	6,840,000	5.25	2010	4,275,000	5.875
2001	7,210,000	5.40	2011	4,540,000	5.875
2002	7,620,000	5.50	2012	4,825,000	5.875

The following is submitted for informational purposes only, and is not part of the bid.

Total Coupon Interest	\$ <u>64,439,096.00</u>
Less Premium	
Plus Discount	<u>1,602,450.00</u>
Net Interest	<u>66,041,546.00</u>
True Interest Cost (TIC)	<u>5.8461</u>

This bid is submitted in accordance with and subject to all provisions contained in the official Notice of Bond Sale for these Bonds.

We enclose herewith (cashier's) (certified) check in the sum of \$1,000,000 payable to the order of the King County Finance Manager, which check is to be returned to us if this bid is not accepted. If this bid is accepted, said check shall be cashed by the County and applied to the purchase price of the Bonds when the same are delivered and paid for under the terms of this bid, or is to be retained as and for liquidated damages in case we fail or neglect to complete the purchase of the Bonds.

Good faith check returned and receipt thereof acknowledged

Cynthia L. Jewer
(Signed)

For J.P. Morgan

Respectfully submitted this
11th day of January, 1993

J.P. Morgan Securities Inc.
and Associates (See Attached)

J.P. Morgan Securities Inc.
Steven M. Milano
Steven M. Milano, VP
(Please provide a list of the managers and account members of your bidding group.)

OFFICIAL BID FORM
KING COUNTY, WASHINGTON
\$106,830,000
LIMITED TAX GENERAL OBLIGATION (VARIOUS PURPOSE)
AND REFUNDING BONDS, 1993 SERIES A

For the offering totaling \$106,830,000 par value of the King County, Washington Limited Tax General Obligation (Various Purpose) and Refunding Bonds, 1993 Series A, dated January 1, 1993, described in the attached Official Notice of Bond Sale, which is made a part hereof, and with interest payable on June 1, 1993 and semiannually thereafter on each June 1 and December 1 at the rates specified herein, we will pay \$ 105,255,730 (which is not less than the \$105,227,550 minimum bid allowable) for \$106,830,000 par value of said Bonds, plus accrued interest from January 1, 1993 to the date of delivery of said Bonds to us.

The interest rates upon which this bid is based, with interest computed from January 1, 1993 to the maturity date of the Bonds, are as follows:

<u>Due</u> <u>Dec. 1</u>	<u>Amounts</u>	<u>Interest</u> <u>Rates</u>	<u>Due</u> <u>Dec. 1</u>	<u>Amounts</u>	<u>Interest</u> <u>Rates</u>
1993	\$3,645,000	<u>2.65</u>	2003	\$5,705,000	<u>5.50</u>
1994	3,615,000	<u>3.40</u>	2004	6,035,000	<u>5.625</u>
1995	3,740,000	<u>4.00</u>	2005	6,385,000	<u>5.75</u>
1996	3,895,000	<u>4.40</u>	2006	6,760,000	<u>5.80</u>
1997	4,070,000	<u>4.60</u>	2007	7,175,000	<u>5.90</u>
1998	6,185,000	<u>4.80</u>	2008	3,790,000	<u>6.00</u>
1999	6,500,000	<u>5.00</u>	2009	4,020,000	<u>6.00</u>
2000	6,840,000	<u>5.20</u>	2010	4,275,000	<u>6.00</u>
2001	7,210,000	<u>5.30</u>	2011	4,540,000	<u>6.00</u>
2002	7,620,000	<u>5.40</u>	2012	4,825,000	<u>6.00</u>

The following is submitted for informational purposes only, and is not part of the bid.

Total Coupon Interest	\$ <u>63,858,383.44</u>
Less Premium	
Plus Discount	<u>1,574,269.35</u>
Net Interest	<u>65,432,652.79</u>
True Interest Cost (TIC)	<u>5,96316</u>

This bid is submitted in accordance with and subject to all provisions contained in the official Notice of Bond Sale for these Bonds.

We enclose herewith (cashier's) (certified) check in the sum of \$1,000,000 payable to the order of the King County Finance Manager, which check is to be returned to us if this bid is not accepted. If this bid is accepted, said check shall be cashed by the County and applied to the purchase price of the Bonds when the same are delivered and paid for under the terms of this bid, or is to be retained as and for liquidated damages in case we fail or neglect to complete the purchase of the Bonds.

Good faith check returned and receipt thereof acknowledged

Respectfully submitted this
11 th day of July, 1993

Peter Cole
 (Signed)

Lehman Brothers
 (Alone)

Peter Coleman, Senior Vice President
 For Lehman Brothers

[Signature]

(Please provide a list of the managers and account members of your bidding group.)