

KING COUNTY, WASHINGTON

ORDINANCE NO. 2972

1
2
3 AN ORDINANCE specifying and adopting a plan and
4 system of additions to and betterments of the
5 King County Airport; declaring the estimated
6 cost thereof; providing for the sale and
7 issuance of limited tax levy general obligation
8 bonds of the County in the principal amount
9 of \$4,080,000 to provide part of the funds
10 necessary to carry out such capital purposes;
11 providing for annual tax levies sufficient
12 with available airport revenues to pay the
13 principal of and interest on the bonds; speci-
14 fying the maximum interest rate, date, form,
15 maturities and covenants of the bonds and
16 providing for their public sale.

17
18 WHEREAS, King County, Washington presently owns and
19 operates a public airport known as the "King County Airport"; and

20 WHEREAS, it is necessary for the efficient operation of
21 the King County Airport and in the best interests of the County
22 and its inhabitants that certain capital additions and improve-
23 ments be made to the Airport and to the structures and property
24 incidental to its operation; and

25 WHEREAS, the County's share of the cost of such addi-
26 tions and betterments cannot be provided from currently available
27 Airport funds and it is necessary and desirable that such share
28 be provided from the public sale of general obligation bonds of
29 the County in the manner set forth in this Ordinance; NOW THERE-
30 FORE,

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

31 Section 1. King County, Washington, hereby specifies
32 and adopts the following plan and system of additions to and
improvements of the King County Airport:

- 1) Approximately eleven acres of land abutting the southwest portion of the airport shall be acquired and cleared for future aircraft hangars, aprons and taxiways, and for related support facilities.

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1 2) A two-story arrivals building shall be constructed
2 as an addition to the existing Main Terminal building for
3 processing international and domestic arrival flights with
4 space for restaurant and office operations.

5 3) Fixed Base Operator Site No. 1 shall be developed by
6 extensive remodeling to Hangar No. 1 and other site improve-
7 ments.

8 4) A hangar and office building and an eight-unit tee
9 hangar shall be constructed north of the existing Federal
10 Aviation Administration building.

11 5) Three twelve-unit tee hangars and/or corporate
12 aircraft hangars shall be constructed on the land to be
13 acquired along the southwest portion of the airport.

14 6) An asphalt overlay shall be installed on the north
15 6,000 feet of the Main Runway of the airport.

16 7) The West Taxiway shall be extended from B-4 to B-6
17 and aprons and taxiways shall be constructed to serve the
18 Airport west side site developments.

19 8) A connecting taxiway shall be constructed between
20 the West Taxiway and the Main Runway.

21 9) Asphalt overlays shall be installed on Taxiways A-
22 9, B-2 and B-4.

23 10) The existing gravel North Service Road shall be
24 paved.

25 11) A new edge lighting system shall be installed on
26 the Southeast Taxiway.

27 The foregoing improvements shall be constructed together
28 with such utilities, landscaping, appurtenances and all work nec-
29 essary to produce complete and operable facilities. All necessary
30 property, easements, rights-of-way and permits shall be secured
31 as required to carry out the plan of airport improvements.
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1 Interest on the bonds authorized herein during the
2 period of construction, costs of engineering, architectural,
3 planning, financial, property appraisal, legal and other services
4 lawfully incurred incident to the acquisition and development of
5 the airport improvements and the issuance of the bonds authorized
6 herein shall be appropriate costs to be paid from the proceeds of
7 such bonds.

8 Section 2. It is anticipated that moneys from federal
9 and state grants and/or other sources will become available to
10 pay part of the cost of carrying out the foregoing plan of addi-
11 tions and improvements and it is estimated that King County's
12 share of the total cost will be \$4,080,000 as near as may be
13 determined. For the purpose of providing funds for such strictly
14 County capital purpose, King County shall issue and sell its
15 limited tax levy general obligation bonds in the principal amount
16 of \$4,080,000 (herein called the "Bonds").

17 Section 3. The Bonds shall be dated December 1, 1976,
18 shall be designated "General Obligation Airport Improvement
19 Bonds, 1976" of King County, Washington; shall be serial in form;
20 shall be in denominations of \$5,000 each, and shall bear interest
21 at an effective interest rate of not to exceed 8% per annum,
22 payable semiannually on the first days of June and December of
23 each year as evidenced to maturity by coupons to be attached
24 thereto. The County shall be obligated to pay interest on the
25 Bonds at the same coupon rate for each Bond from and after the
26 maturity date thereof until such Bond shall have been paid or
27 until funds shall have been duly provided in the "King County
28 Limited General Obligation Bond Redemption Fund" for such payment
29 in full. Both principal of and interest on the Bonds shall be
30 payable in lawful money of the United States of America out of
31 the "King County Limited General Obligation Bond Redemption Fund"
32

1 at the office of the Comptroller of King County in Seattle,
 2 Washington, or at the option of the holder, at either of the
 3 fiscal agencies of the State of Washington in the cities of
 4 Seattle, Washington, or New York, New York. The life of the
 5 capital improvements to be made from the proceeds of the Bonds is
 6 not less than twenty years and the Bonds shall be payable serially
 7 over a period of from two to twenty years, be numbered and
 8 mature in order of their number as follows:

| 9 | <u>Bond</u> | <u>Maturity Date</u> | <u>Amount</u> |
|----|----------------|----------------------|---------------|
| 10 | <u>Numbers</u> | | |
| 11 | 1-24 | December 1, 1978 | \$120,000 |
| 12 | 25-50 | December 1, 1979 | 130,000 |
| 13 | 51-77 | December 1, 1980 | 135,000 |
| 14 | 78-106 | December 1, 1981 | 145,000 |
| 15 | 107-137 | December 1, 1982 | 155,000 |
| 16 | 138-169 | December 1, 1983 | 160,000 |
| 17 | 170-203 | December 1, 1984 | 170,000 |
| 18 | 204-239 | December 1, 1985 | 180,000 |
| 19 | 240-277 | December 1, 1986 | 190,000 |
| 20 | 278-318 | December 1, 1987 | 205,000 |
| 21 | 319-361 | December 1, 1988 | 215,000 |
| 22 | 362-407 | December 1, 1989 | 230,000 |
| 23 | 408-456 | December 1, 1990 | 245,000 |
| 24 | 457-508 | December 1, 1991 | 260,000 |
| 25 | 509-563 | December 1, 1992 | 275,000 |
| 26 | 564-621 | December 1, 1993 | 290,000 |
| 27 | 622-682 | December 1, 1994 | 305,000 |
| 28 | 683-747 | December 1, 1995 | 325,000 |
| 29 | 748-816 | December 1, 1996 | 345,000 |

30 The maturity schedule is calculated at an assumed
 31 interest rate of 6% per annum.

32 Section 4. The County hereby reserves the right to
 33 redeem the outstanding Bonds in whole, or in part in inverse
 34 numerical order, on December 1, 1986 and any interest payment
 35 date thereafter at par plus accrued interest to the date of such
 36 redemption.

37 Notice of any such intended redemption shall be published
 38 at least once in the official newspaper of the County not less
 39 than thirty days nor more than forty days prior to the redemption
 40 date and a copy of such notice shall be mailed within the same

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1 period to the main office of the purchaser or account manager of
 2 the purchasers of the Bonds at their sale by the County, or to
 3 the business successor, if any, of said purchaser or account
 4 manager at its main office. In addition, such redemption notice
 5 shall also be mailed to Moody's Investors Service, Inc., and
 6 Standard & Poor's Corporation at their main offices in New York,
 7 New York, or to the business successors, if any, of said firms at
 8 their main offices. Interest on any Bonds so called for redemp-
 9 tion shall cease on such redemption date unless the same shall
 10 not be redeemed upon presentation made pursuant to such call.

11 Section 5. The bonds shall be in substantially the
 12 following form:

13 UNITED STATES OF AMERICA

14 NO. _____ \$5,000

15 STATE OF WASHINGTON
 16 KING COUNTY

17 GENERAL OBLIGATION AIRPORT IMPROVEMENT BOND, 1976

18 _____%

19 King County, State of Washington, a municipal cor-
 20 poration is justly indebted and for value received hereby
 21 promises to pay to bearer on the FIRST DAY OF DECEMBER,
 22 _____, the principal sum of

23 FIVE THOUSAND DOLLARS

24 with interest thereon at the rate of _____ percent (____%)
 25 per annum, payable semiannually on the first days of June
 26 and December of each year upon presentation and surrender of
 27 the attached interest coupons as they severally become due,
 28 or until such principal sum shall have been paid or funds
 29 are duly provided in the "King County Limited General
 30 Obligation Bond Redemption Fund" for such payment in full.

31 Both principal of and interest on this bond are payable
 32 in lawful money of the United States of America at the

1 office of the Comptroller of King County in Seattle, Washing-
 2 ton, or at the option of the holder, at either of the fiscal
 3 agencies of the State of Washington in the cities of Seattle,
 4 Washington, or New York, New York.

5 King County reserves the right to redeem the outstand-
 6 ing bonds of this issue in whole, or in part in inverse
 7 numerical order, on December 1, 1986 or any interest payment
 8 date thereafter at par plus accrued interest to the date of
 9 such redemption.

10 Notice of such intended redemption shall be published
 11 in the official newspaper of King County at least once not
 12 less than thirty days nor more than forty days prior to the
 13 redemption date and a copy of such notice shall be mailed
 14 within the same period to _____

15 _____ In addition,
 16 such redemption notice shall also be mailed to Moody's
 17 Investors Service, Inc. and Standard & Poor's Corporation at
 18 their main offices in the City of New York, New York, or to
 19 the business successors, if any, of said firms at their main
 20 offices. Interest on any bonds called for redemption shall
 21 cease on such redemption date unless the same shall not be
 22 redeemed upon presentation made pursuant to such call.

23 This bond is one of a total issue of eight hundred
 24 sixteen bonds of like date and tenor, except as to
 25 number, rate of interest and date of maturity, in the
 26 aggregate principal amount of \$4,080,000 issued to provide
 27 funds for certain additions to and improvements of the King
 28 County Airport and is issued in accordance and in strict
 29 compliance with the statutes of the State of Washington
 30 applicable thereto, the Constitution of the State of Washing-
 31 ton and pursuant to Ordinance No. _____ adopted November _____,
 32

1 1976, and all applicable ordinances and resolutions of King
2 County.

3 King County hereby irrevocably covenants that it will
4 include in its budgets and levy taxes annually, within and
5 as a part of the tax millage levy permitted to counties
6 without a vote of the people, upon all the taxable property
7 within the County in amounts sufficient together with avail-
8 able Airport revenues to pay the principal of and interest
9 on the bonds of this issue as the same shall become due.
10 The full faith, credit and resources of King County are
11 hereby irrevocably pledged for the annual levy and collec-
12 tion of such taxes and for the prompt payment of such
13 principal and interest.

14 It is hereby certified that all acts, conditions and
15 things required to be done precedent to and in the issuance
16 of this bond have been done, have happened and have been
17 performed as required by law, and that the total indebted-
18 ness of King County, including this bond and the bonds of
19 this issue, does not exceed any constitutional or statutory
20 limitations.

21 IN WITNESS WHEREOF, King County, State of Washington,
22 has caused this bond to be signed by the facsimile signature
23 of its County Executive to be attested by the Clerk (Deputy
24 Clerk: of its County Council, the seal of the County to be
25 imprinted hereon, and the interest coupons attached hereto
26 to be signed with the facsimile signatures of those offi-
27 cials, this first day of December, 1976.

28 KING COUNTY, WASHINGTON

29
30 By _____ (Facsimile Signature)
31 County Executive
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1 imprinting a facsimile of same thereon. Each of the interest
2 coupons attached thereto shall be signed with the facsimile
3 signatures of said officials.

4 Section 7. A special fund of the County has been duly
5 created known as the "King County Limited General Obligation Bond
6 Redemption Fund" which fund shall be drawn upon for the purpose
7 of paying the principal of and interest on the Bonds and other
8 limited tax levy general obligation bonds of the County. The
9 accrued interest received from the sale of the Bonds shall be
10 deposited in such fund. The County hereby irrevocably covenants
11 that it will include in its budgets and make annual levies of
12 taxes within and as a part of the tax millage levy permitted to
13 counties without a vote of the people, upon all of the property
14 in the County subject to taxation in amounts sufficient together
15 with available Airport revenues to pay the principal of and
16 interest on the Bonds as the same shall become due. All taxes
17 and Airport revenues collected and allocated for the payment of
18 the principal of and interest on the Bonds shall be paid into
19 such Bond Redemption Fund and none of the moneys in such fund
20 shall be used for any other purpose than the payment of the
21 principal of and interest on limited tax levy general obligation
22 bonds of the County. The full faith credit and resources of the
23 County are hereby irrevocably pledged for the annual levy and
24 collection of such taxes and the prompt payment of such principal
25 and interest.

26 Section 8. The remaining principal proceeds received
27 from the sale of the Bonds and any grants or other moneys re-
28 ceived by the County which will be used to pay the cost of
29 carrying out the plan of Airport improvements described in
30 Section 1 of this ordinance shall be deposited in the "King
31 County Airport Construction Fund", also designated as Comptroller's
32

1 Fund No. 51-02-001, heretofore created and established in the
 2 office of the King County Comptroller and shall be expended for
 3 the purpose of acquiring and making the additions to and improve-
 4 ments of the King County Airport described in Section 1 of this
 5 Ordinance, reimbursing moneys advanced from the Airport Operating
 6 Fund for such purpose including moneys advanced for appraisals
 7 and engineering expenses, and paying the expenses of the issuance
 8 and sale of the bonds. Interest or profit received from the
 9 interim investment of such moneys shall be deposited in the Bond
 10 Redemption Fund to the extent required to pay interest on the
 11 Bonds to and including June 1, 1978 and any amount in excess of
 12 such requirement shall be deposited in the Construction Fund and
 13 used for the Airport purposes described in Section 1. Such
 14 interest or profit shall not exceed the applicable limits pro-
 15 vided by the federal statutes and regulations respecting arbitrage.

16 Section 9. The Bonds shall be sold for cash at public
 17 sale for not less than par and accrued interest upon sealed bids
 18 to be received at the office of the Clerk of the Council, Room
 19 402, King County Courthouse, Seattle, Washington, until the hour
 20 of 10:00 a.m., Pacific Standard Time, on December 13, 1976. The
 21 Clerk or Deputy Clerk shall advertise the Bonds for sale in the
 22 manner required by law and give such additional notice as shall
 23 be deemed to be in the best interests of the County.

24 The terms of such sale are set forth in the Notice of
 25 Bond Sale and the Proposal Form marked "Exhibit A" and attached
 26 hereto, the provisions thereof and form of which are hereby
 27 approved and made a part of this ordinance by this reference.

28 Section 10. The actual value of the taxable property
 29 in the County as ascertained by the last preceding assessment for
 30 County purposes is in excess of \$16,700,000,000. The principal
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 32

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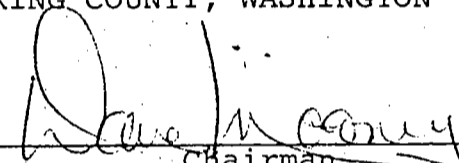
1 amount of outstanding voted general bond indebtedness of the
2 County is \$178,634,000. The principal amount of outstanding
3 nonvoted general obligation bond indebtedness of the County,
4 including the principal amount of the Bonds, is \$35,976,000.

5 Section 11. Upon the sale of the Bonds, the proper
6 County officials are hereby authorized and directed to do every-
7 thing necessary for the prompt printing, execution and delivery
8 thereof and the appropriate use and application of the proceeds
9 of such sale.

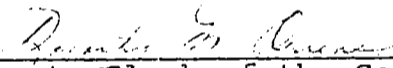
10 INTRODUCED AND READ for the first time the 1st day of
11 November, 1976.

12 PASSED by the Council at a regular meeting thereof on
13 the 5th day of November, 1976.

14 KING COUNTY COUNCIL
15 KING COUNTY, WASHINGTON

16 
17 Chairman
18

19 ATTEST:

20 
21 Deputy Clerk of the Council

22 APPROVED this 15th day of November, 1976.

23 
24 King County Executive
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NOTICE OF SALE
AND
PROPOSAL FOR BONDS

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KING COUNTY, WASHINGTON

GENERAL OBLIGATION AIRPORT IMPROVEMENT BONDS, 1976

SEALED BIDS WILL BE RECEIVED UNTIL 10:00 A.M.

PACIFIC STANDARD TIME

DECEMBER 13, 1976

AT ROOM 402, KING COUNTY COURTHOUSE

SEATTLE, WASHINGTON 98104

**

EXHIBIT "A"

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NOTICE OF BOND SALE
KING COUNTY, WASHINGTON

\$4,080,000

GENERAL OBLIGATION AIRPORT IMPROVEMENT BONDS, 1976

NOTICE IS HEREBY GIVEN that sealed bids will be received by the County Council of King County, Washington, at the office of the Deputy Clerk of the County Council, King County Courthouse, Seattle, Washington, until the hour of 10:00 a.m., Pacific Standard Time on the 13th day of December, 1976, for the purchase of all or none of \$4,080,000 General Obligation Airport Improvement Bonds of King County, at which time and place such bids will be publicly opened, read and evaluated.

All of said bonds will be dated December 1, 1976, will be in the denomination of \$5,000 each, will be payable both principal and interest in lawful money of the United States at the office of the Comptroller of King County in Seattle, Washington, or, at the option of the holder, at either of the fiscal agencies of the State of Washington in the cities of New York, New York, or Seattle, Washington, and will be in coupon form with interest payable semiannually on the first days of June and December of each year. The bonds will be numbered from 1 up consecutively and will mature on December 1 of each of the following years in the following amounts:

| <u>Bond Numbers</u> | <u>Maturity Date</u> | <u>Amount</u> |
|---------------------|----------------------|---------------|
| 1-24 | December 1, 1978 | \$120,000 |
| 25-50 | December 1, 1979 | 130,000 |
| 51-77 | December 1, 1980 | 135,000 |
| 78-106 | December 1, 1981 | 145,000 |
| 107-137 | December 1, 1982 | 155,000 |
| 138-169 | December 1, 1983 | 160,000 |
| 170-203 | December 1, 1984 | 170,000 |
| 204-239 | December 1, 1985 | 180,000 |
| 240-277 | December 1, 1986 | 190,000 |
| 278-318 | December 1, 1987 | 205,000 |
| 319-361 | December 1, 1988 | 215,000 |
| 362-407 | December 1, 1989 | 230,000 |
| 408-456 | December 1, 1990 | 245,000 |
| 457-508 | December 1, 1991 | 260,000 |
| 509-563 | December 1, 1992 | 275,000 |
| 564-621 | December 1, 1993 | 290,000 |
| 622-682 | December 1, 1994 | 305,000 |
| 683-747 | December 1, 1995 | 325,000 |
| 748-816 | December 1, 1996 | 345,000 |

King County has reserved the right to redeem the bonds of this issue in whole, or in part in inverse numerical order, on December 1, 1986 and any interest payment date thereafter at par, plus accrued interest to the date of redemption.

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1 The limited tax levy general obligation bonds will be
2 secured by an annual levy of taxes within and as a part of the
3 tax millage levy permitted to counties without a vote of the
4 people upon all the taxable property within the County subject to
5 taxation in an amount sufficient together with available airport
6 revenues to pay the principal of and interest on the bonds as
7 they become due.

8 Bidders shall submit bids on blank forms furnished by
9 the County, and each bid shall conform to the following require-
10 ments:

11 1) No coupon interest rate may exceed 8% and each
12 installment of interest shall be evidenced by a single
13 coupon.

14 2) One or more coupon rates of interest may be fixed
15 for the bonds but such rate or rates must be in mul-
16 tiples of 1/8 and/or 1/10 of 1%.

17 3) A single coupon interest rate must be fixed for all
18 bonds maturing on the same date.

19 4) Coupon interest rates specified for bonds maturing
20 on December 1, 1988 and thereafter shall be not less
21 than the coupon interest rate specified for the pre-
22 ceding maturity year.

23 5) The spread between the highest and lowest coupon
24 rates shall not exceed 2%.

25 6) Each bid shall provide for payment of accrued
26 interest to date of delivery and shall specify either
27 (a) the lowest rate or rates of interest and premium
28 above par at which the bidder will purchase said bonds,
29 or (b) the lowest rate or rates of interest at which
30 the bidder will purchase said bonds at par.

31 7) Each bid shall state the total interest cost, total
32 premium, the net interest cost to the County and the
net effective interest rate thereunder, but such
statements shall not be considered a part of the bid.

 8) Each bid shall be sealed and shall be accompanied
by a good faith deposit of \$204,000 evidenced by a
certified or bank cashier's check made payable to the
Comptroller of King County, Washington, which check
shall be security for the performance of such bid and
shall be held for liquidated damages in case the suc-
cessful bidder fails to take up and pay for the bonds
within forty days, if tendered for delivery, after the
acceptance thereof. Interest will not be allowed on
such good faith deposit. The good faith checks of all
bidders except that of the successful bidder will be
returned as soon as possible after the bids have been
opened and evaluated. The award of such bonds, if any,
will be made not later than 12:00 noon Pacific Standard
Time on the date when the bids are opened.

 The bonds will be awarded to the bidder offering to
purchase all of the same at the lowest net interest cost, subject
to the right of the County to reject any or all bids submitted

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and to waive any irregularities in any bid.

The bonds will be delivered to the purchaser in the City of Seattle, Washington, or at the Main Office of The Chemical Bank in the City of New York, New York, at the expense of the County. Settlement in full shall be made at the time of delivery and shall be in Federal Funds available upon the date and at the place of delivery.

If, prior to the delivery of the bonds, the income receivable by the holders thereof shall be taxable by the terms of any federal income tax law, the successful bidder may at his option be relieved of his obligation to purchase the bonds, and in such case the deposit accompanying his bid will be returned.

The County will pay the cost of printing these bonds, and will furnish without cost to the purchaser thereof the unqualified approving opinion of Preston, Thorgrimson, Ellis, Holman & Fletcher approving the legality of the issuance of the same, which opinion will be reproduced on each bond.

A nonlitigation certificate in the usual form will be included in the closing documents.

Further information regarding the details of such bonds and the ordinance fixing their purposes, covenants and terms, together with financial data with reference to the County, will be found in an official statement which may be obtained upon request made to the undersigned, Deputy Clerk of the County Council, King County Courthouse, Seattle, Washington 98104 or made to Wm. P. Harper & Son & Co., 1504 Third Avenue, Seattle, Washington 98101, financial consultants.

Deputy Clerk of the County Council
King County, Washington

92-9108-26