

June 12, 1985

INTRODUCED BY RUBY CHOW

PROPOSED NO. 85-317

ORDINANCE NO. 7238

AN ORDINANCE relating to the unlimited tax general obligation farm and open space bonds; amending Sections 1, 2, and 3 of Ordinance No. 6808, adding new sections to Ordinance 6808; and declaring an emergency.

PREAMBLE:

At an election held in King County, Washington (the "county"), on November 6, 1979, the number and proportion of the qualified electors of the county required by law for the adoption thereof voted in favor of a proposition authorizing the issuance of general obligation bonds of the county in the total principal amount of \$50,000,000 for the purpose of providing funds for the acquisition of voluntarily offered interests in farm and open space land in the county as set forth in Ordinance No. 4341 of the county, passed June 18, 1979, as amended by Ordinance No. 4373, passed July 9, 1979, and Ordinance No. 4500, passed September 21, 1979 (the "Bonds").

It is for the best interests of the county that \$35,000,000 par value of the total \$50,000,000 par value of bonds authorized by Ordinance No. 4341, as amended, now be issued to provide part of the money necessary to carry out the plan for acquisition of voluntarily offered interests in farm and open space land in the county and that those bonds be sold at public sale in the manner provided in Ordinance No. 6808 and this ordinance.

Ordinance No. 4341, as amended, provided the Bonds must be sold within six years after their approval by the voters.

Present interest rates for bonds such as the Bonds are the lowest since those during 1980 and unless the county takes advantage of such rates and bond prices immediately, the taxpayers of the county may not realize the savings that the present bond market will produce and therefore it is essential for the support of King County that the Bonds be sold quickly at this favorable time.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance No. 6808, Section 1, is amended to read as follows:

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1 For the purpose of providing a portion of the funds for  
2 strictly capital purposes other than the replacement of  
3 equipment, namely, for the acquisition of voluntarily offered  
4 interests in farm and open space land in the county as set forth  
5 in Ordinance 4341, as amended, to reimburse other county funds  
6 for advancing such capital costs, and to pay other costs relat-  
7 ing thereto and to the issuance of the bonds provided for in  
8 this ordinance, the county shall now issue and sell \$35,000,000  
9 of unlimited tax general obligation bonds authorized by  
10 Ordinance 4341, as amended, and duly approved by the qualified  
11 electors of the county at a special election held therein on  
12 November 6, 1979.

13 The bonds shall be designated "Unlimited Tax General  
14 Obligation Bonds, ((1984)) 1985 (Farm and Open Space)" (here-  
15 inafter called the "Bonds"); shall be dated as of the first day  
16 of the month following the month of their sale; shall be in the  
17 denomination of \$5,000 each or any integral multiple of \$5,000  
18 within a single maturity; shall be numbered separately and in  
19 the manner and with any additional designation as the Bond  
20 Registrar (the fiscal agencies of the State of Washington in  
21 Seattle, Washington, and New York, New York) deems necessary for  
22 purpose of identification; and shall bear interest at a rate or  
23 rates (not exceeding a net effective rate of 8%) contained in  
24 the bid of the purchaser which is awarded the Bonds pursuant to  
25 Section 9 of this ordinance, payable on June 1, ((1985)) 1986,  
26 and semiannually thereafter on the first days of December and  
27 June. If any Bond is not redeemed when duly presented for  
28 payment at its maturity or call date, the county shall be  
29 obligated to pay interest at the same rate for each such Bond  
30 from and after the maturity or call date thereof until such  
31 Bond, both principal and interest, is paid or until sufficient  
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1 money for such payment in full is on deposit in the "King County  
2 General Obligation Bond Redemption Fund" (the "Bond Fund") for  
3 such payment in full and such Bond has been duly called for  
4 payment by the Bond Registrar's mailing notice thereof by first  
5 class mail, postage prepaid, to the registered owner of any Bond  
6 to be redeemed at the registered owner's address appearing on  
7 the Bond Register (hereinafter defined) on the date of mailing,  
8 not less than 10 nor more than 30 days prior to the date fixed  
9 for redemption. The requirements of this section shall be  
10 deemed to be complied with when notice is mailed as herein  
11 provided, whether or not it is actually received by the owner of  
12 any Bond. The Bonds shall mature on December 1 in the years and  
13 amounts as determined by the winning bid for the Bonds based on  
14 the maturity schedule in Exhibit A attached hereto and by this  
15 reference made a part hereof, with the longest maturity at which  
16 the Bonds may be sold with a net effective interest rate of 8%  
17 or less resulting in the lowest debt service for each maturity  
18 year of the Bonds. The life of the capital acquisitions to be  
19 acquired from the proceeds of the Bonds is not less than thirty  
20 years.

21 Upon surrender thereof to the Bond Registrar, Bonds are  
22 interchangeable for Bonds in any authorized denomination of an  
23 equal aggregate principal amount and of the same interest rate  
24 and maturity. Bonds may be transferred only if endorsed in the  
25 manner provided thereon and surrendered to the Bond Registrar.  
26 Such exchange or transfer shall be without cost to the owner or  
27 transferee. The Bond Registrar shall not be obligated to trans-  
28 fer or exchange any Bond during the fifteen days preceding any  
29 principal payment or redemption date.

30 The Bonds shall be issued only in registered form as to  
31 both principal and interest on books or records (the "Bond  
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1 Register") maintained by the Bond Registrar. Such Bond Register  
2 shall contain the name and mailing address of the owner of each  
3 Bond and the principal amount and the certificate number of the  
4 Bonds held by each owner or nominee.

5 Both principal of and interest on the Bonds shall be  
6 payable in lawful money of the United States of America.  
7 Interest on the Bonds shall be paid by check or draft mailed to  
8 the registered owners of the Bonds at the addresses for such  
9 owners appearing on the Bond Register on the fifteenth day of  
10 the month preceding the interest payment date. Principal of the  
11 Bonds shall be payable upon presentation and surrender of the  
12 Bonds by the registered owners at either of the principal  
13 offices of the Bond Registrar.

14 The Bonds shall be issued with or without the right or  
15 option of the county to redeem the same prior to their respec-  
16 tive maturity dates pursuant to the call provisions applicable  
17 to the maturity schedule in Exhibit A which is selected in the  
18 winning bid for the Bonds.

19 Portions of the principal amount of any Bond, in install-  
20 ments of \$5,000 or any integral multiple of \$5,000, may be  
21 redeemed. If less than all of the principal amount of any Bond  
22 is redeemed, upon surrender of such Bond at the principal office  
23 of the Bond Registrar, there shall be issued to the registered  
24 owner, without charge therefor, a new Bond or Bonds, at the  
25 option of the registered owner, of like maturity and interest  
26 rate in any of the denominations authorized by this ordinance.

27 Notice of any such intended redemption shall be given not  
28 less than 30 nor more than 60 days prior to the date fixed for  
29 redemption by first class mail, postage prepaid, to the regis-  
30 tered owner of any Bond to be redeemed at the address appearing  
31 on the Bond Register. The requirements of this section shall be  
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1 deemed to be complied with when notice is mailed as herein  
 2 provided, whether or not it is actually received by the owner of  
 3 any Bond. The interest on the Bonds so called for redemption  
 4 shall cease on the date fixed for redemption unless such Bonds  
 5 so called are not redeemed upon presentation made pursuant to  
 6 such call. In addition, such redemption notice shall be mailed  
 7 within the same period, postage prepaid, to Moody's Investor's  
 8 Service, Inc., and Standard & Poors Corporation at their offices  
 9 in New York, New York, or their successors, but such mailing  
 10 shall not be a condition precedent to the redemption of such  
 11 Bonds.

12 The county also reserves the right and option to purchase  
 13 any of the Bonds on the open market at a price not in excess of  
 14 par plus accrued interest to date of purchase.

15 SECTION 2. Section 2 of Ordinance No. 6808 is amended to  
 16 read as follows:

17 The Bonds shall be in substantially the following form:

18 No. \_\_\_\_\_

19 UNITED STATES OF AMERICA

20 STATE OF WASHINGTON

21 KING COUNTY

22 UNLIMITED TAX GENERAL OBLIGATION BOND, ((1984)) 1985  
 (Farm and Open Space)

23 Interest Rate: Maturity Date: CUSIP No.

24  
 25 Registered Owner:

26  
 27  
 28 Principal Amount: DOLLARS

29  
 30 KING COUNTY, WASHINGTON (the "County"), promises  
 31 to pay to the Registered Owner identified above, or  
 32 registered assigns as hereinafter provided, on the  
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1 Maturity Date identified above from the King County  
2 General Obligation Bond Redemption Fund to pay this  
3 bond, the Principal Amount identified above and to pay  
4 interest (computed on the basis of a 360-day year of  
5 twelve 30-day months) thereon from the date of this  
6 bond or from the most recent interest payment date to  
7 which interest has been paid at the Interest Rate per  
8 annum set forth above payable on June 1, ((1985))  
9 1986, and semiannually thereafter on each succeeding  
10 December 1 and June 1 until the Principal Amount is  
11 paid. Both principal of and interest on this bond are  
12 payable in lawful money of the United States of  
13 America at the fiscal agencies of the State of  
14 Washington in Seattle, Washington, and New York, New  
15 York, which shall serve as the Bond Registrar.  
16 Payment of each installment of interest shall be made  
17 to the registered owner hereof who shall appear on the  
18 registration books of the County maintained by the  
19 Bond Registrar at the close of business on the 15th  
20 day of the calendar month next preceding the interest  
21 payment date and shall be paid by check or draft of  
22 the Bond Registrar mailed to such Registered Owner at  
23 the Registered Owner's address as it appears on such  
24 registration books.

25 Reference is made to the additional provisions of  
26 this bond set forth on the reverse side hereof and in  
27 Ordinance No. ((----)) 6808, as amended (the "Bond  
28 Ordinance"), of the County and such additional  
29 provisions shall for all purposes have the same effect  
30 as if set forth on the front side hereof.

31 The County irrevocably covenants that it will  
32 levy taxes annually, without limitation as to rate or  
33 amount, on all of the taxable property within the  
34 County, in an amount sufficient, together with other  
35 money legally available and to be used therefor, to  
36 pay the principal of and interest on the bonds of this  
37 issue as the same shall become due, and the full  
38 faith, credit and resources of the County are pledged  
39 irrevocably for the annual levy and collection of such  
40 taxes and for the prompt payment of principal of and  
41 interest on the bonds.

42 This bond shall not be valid or become obligatory  
43 for any purpose until the Certificate of Authentica-  
44 tion hereon shall have been signed by the Bond  
45 Registrar.

46 The principal of and interest on this bond shall  
47 be paid only to the owner hereof registered as such on  
48 the books of the Bond Registrar as of the record date  
49 set forth above and to no other person, and this bond  
50 may not be assigned except on the books of the Bond  
51 Registrar.

52 It is certified and declared that all acts,  
53 conditions and things required to be done precedent  
54 to and in the issuance of this bond have been done,  
55 have happened and have been performed as required by  
56 law, and that the total indebtedness of the County,  
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including this bond issue, does not exceed any constitutional or statutory limitations.

IN WITNESS WHEREOF, the County has caused this bond to be signed in the corporate name of the County by the facsimile signature of its County Executive and attested by the facsimile signature of the Clerk of the County Council, and a facsimile reproduction of the seal of the County Council to be imprinted hereon, this first day of \_\_\_\_\_, ((1984)) 1985.

KING COUNTY, WASHINGTON

By (facsimile signature)  
County Executive

ATTEST:

(facsimile signature)  
Clerk of the Council

Office of Finance Issue No. \_\_\_\_\_

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This bond is one of the fully registered King County, Washington, Unlimited Tax General Obligation Bonds, ((1984)) 1985 (Farm and Open Space), described in the Bond Ordinance.

WASHINGTON STATE FISCAL AGENCY  
Bond Registrar

By  
Authorized Officer

ADDITIONAL BOND PROVISIONS

This bond is one of a total issue of \$35,000,000 par value of bonds, all of like date, tenor and effect, except as to number, denomination, maturities and interest rates, and issued by the County for County capital purposes other than the replacement of equipment, namely, for the acquisition of farm and open space lands, pursuant to an election authorizing a total of \$50,000,000 principal amount of such bonds, and in accordance and in strict compliance with all statutes of the State of Washington applicable thereto, with the Constitution of the State of Washington and pursuant to Ordinance No. 4341, passed June 18, 1979, as amended by Ordinance No. 4373, passed July 9, 1979, and Ordinance No. 4500, passed September 21, 1979, the Bond Ordinance and all other duly adopted ordinances of the County.

This bond is transferable by the Registered Owner hereof or by the Registered Owner's duly authorized

1 agent at the Bond Registrar, but only in the manner  
2 and subject to the limitations set forth in the Bond  
3 Ordinance, and only upon the due completion of the  
4 assignment form appearing hereon and upon the sur-  
5 render and cancellation of this bond. Upon such  
6 transfer, a new bond (or bonds at the option of the  
7 new Registered Owner) of the same maturity and for the  
8 same aggregate principal amount will be issued to the  
9 new Registered Owner, without charge, in exchange  
10 therefor. This bond and other bonds may be surren-  
11 dered to the Bond Registrar and exchanged, without  
12 charge, for an equal aggregate principal amount of  
13 bonds of the same maturity and interest rate, in any  
14 authorized denomination. The Bond Registrar shall not  
15 be obligated to transfer or exchange any Bond during  
16 the fifteen days preceding any principal payment or  
17 redemption date.

18 [The County reserves the right to redeem any or  
19 all of the bonds maturing December 1, ((1997)) 1998  
20 and thereafter, inclusive, prior to their stated  
21 maturity dates as a whole, or in part in inverse order  
22 of maturity (and by lot within a maturity in such  
23 manner as the Bond Registrar shall determine), on  
24 December 1, ((1996)) 1997, or on any semiannual  
25 interest payment date thereafter, at par plus accrued  
26 interest to date of redemption.

27 Portions of the principal amount of any bond, in  
28 installments of \$5,000 or any integral multiple of  
29 \$5,000, may be redeemed. If less than all of the  
30 principal amount of any bond is redeemed, upon sur-  
31 render of such bond at the principal office of the  
32 Bond Registrar, there shall be issued to the Regis-  
33 tered Owner, without charge therefor, a new bond or  
bonds, at the option of the Registered Owner, of like  
maturity and interest rate in any of the denominations  
authorized by the Bond ordinance.

Notice of any such intended redemption shall be  
given not less than 30 nor more than 60 days prior to  
the date fixed for redemption by first class mail,  
postage prepaid, to the Registered Owner of any bond  
to be redeemed at the address appearing on the Bond  
Register. The requirements of the Bond Ordinance  
shall be deemed to be complied with when notice is  
mailed as herein provided, whether or not it is  
actually received by the owner of any bond. The  
interest on the bonds so called for redemption shall  
cease on the date fixed for redemption unless such  
bonds so called are not redeemed upon presentation  
made pursuant to such call. In addition, such redemp-  
tion notice shall be mailed within the same period,  
postage prepaid, to Moody's Investor's Service, Inc.,  
and Standard & Poor's Corporation at their offices in  
New York, New York, or their successors, but such  
mailing shall not be a condition precedent to the  
redemption of such bonds.]

[or]



1 [The bonds of this issue are issued without the  
right or option of the County to redeem the same prior  
2 to their respective maturity dates.]

3 The County also reserves the right and option to  
4 purchase any of the bonds on the open market at a  
price not in excess of par plus accrued interest to  
date of purchase.

5 Reference is made to the Bond Ordinance for other  
6 covenants and declarations of the County and other  
terms and conditions upon which this bond has been  
7 issued, which terms and conditions, including, but not  
limited to, terms pertaining to defeasance, are made a  
8 part hereof by this reference. The County irrevocably  
and unconditionally covenants that it will keep and  
9 perform all the covenants of this bond and of the Bond  
Ordinance.

10 The County and the Bond Registrar may deem and  
11 treat the Registered Owner hereof as the absolute  
owner hereof for the purpose of receiving payment of  
12 or on account of the principal hereof and interest due  
hereon and for all other purposes, and neither the  
13 County nor the Bond Registrar shall be affected by any  
notice to the contrary. "Registered Owner," as used  
14 herein, means the person named as the Registered Owner  
of the bond on the front hereof and on the registra-  
15 tion books of the Bond Registrar.

16 [Legal Opinion]

17 ASSIGNMENT

18 For value received, the undersigned Registered  
Owner does sell, assign and transfer unto:

19 \_\_\_\_\_  
20 \_\_\_\_\_  
21 (name, address and social security or other identify-  
22 ing number of assignee)

23 the within mentioned bond and irrevocably constitutes  
and appoints \_\_\_\_\_  
24 to transfer the same on the registration books of the  
Bond Registrar with full power of substitution in the  
25 premises.

26 DATED: \_\_\_\_\_.

27 \_\_\_\_\_  
28 Registered Owner

29 (NOTE: The signature above must correspond with  
30 the name of the Registered Owner as it appears on the  
front of this bond in every particular, without  
31 alteration or enlargement or any change whatsoever.)  
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1 The Bonds shall be signed in the corporate name of the  
2 county by the facsimile signature of its county executive,  
3 attested by the facsimile signature of the clerk of the county  
4 council and a facsimile reproduction of the seal of the county  
5 council shall be imprinted thereon.

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

14 In case either or both of the officers whose facsimile  
15 signatures appear on the Bonds shall cease to be such officer or  
16 officers of the county before the Bonds so signed shall have  
17 been authenticated or delivered by the Bond Registrar, or issued  
18 by the county, such Bonds nevertheless may be authenticated,  
19 delivered and issued and upon such authentication, delivery and  
20 issue, shall be as binding upon the county as though those whose  
21 facsimile signatures appear on the Bonds had continued to be  
22 such officers of the county. Any Bond also may be signed and  
23 attested on behalf of the county by such persons as at the  
24 actual date of execution of such Bond shall be proper officers  
25 of the county authorized to execute bonds although on the  
26 original date of such Bond such persons were not such officers  
27 of the county.

28 SECTION 3. Section 3 of Ordinance No. 6808 is amended to  
29 read as follows:

30 The Bond Registrar shall keep, or cause to be kept, at its  
31 principal corporate trust office, sufficient books for the  
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1 registration and transfer of the Bonds which shall at all times  
2 be open to inspection by the county. The Bond Registrar is  
3 authorized, on behalf of the county, to authenticate and deliver  
4 Bonds transferred or exchanged in accordance with the provisions  
5 of such Bonds and this ordinance, to serve as the county's  
6 paying agent for the Bonds and to carry out all of the Bond  
7 Registrar's powers and duties under this ordinance and Ordinance  
8 ((----)) 6803 establishing a system of registration for the  
9 county's bonds and obligations.

10 The Bond Registrar shall be responsible for its represen-  
11 tations contained in the Registrar's Certificate of Authentica-  
12 tion on the Bonds. The Bond Registrar may become the owner of  
13 Bonds with the same rights it would have if it were not the Bond  
14 Registrar, and to the extent permitted by law, may act as  
15 depository for and permit any of its officers or directors to  
16 act as a member of, or in any other capacity with respect to,  
17 any committee formed to protect the rights of Bond owners.

18 NEW SECTION. SECTION 4. A new section is added to  
19 Ordinance No. 6808 to read as follows:

20 The clerk of council is directed to change the bond  
21 maturity dates, and other dates in Exhibits A and B attached  
22 hereto, as necessary to reflect the passage of time from the  
23 effective date of Ordinance No. 6808.

24 NEW SECTION. SECTION 5. The county council finds as a  
25 fact and declares that an emergency exists and that this ordi-  
26 nance is necessary for the immediate preservation of public  
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1 peace, health or safety or for the support of county government  
2 and its existing public institutions.

3 INTRODUCED and read for the first time this 17<sup>th</sup> day of

4 June, 1985.

5 PASSED this 17<sup>th</sup> day of June, 1985.

6 KING COUNTY COUNCIL  
7 KING COUNTY, WASHINGTON

8 Gary Grant  
9 Chairman

10 ATTEST:

11 Janet M. Owens  
12 Clerk of the Council

13 APPROVED this 25<sup>th</sup> day of June, 1985

14 Randy Wells  
15 King County Executive

16 1582k

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EXHIBIT ASchedule 1 - Maturities 1987-1991  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$5,965,000
1988	6,445,000
1989	6,960,000
1990	7,515,000
1991	8,115,000

The Bonds shall not be subject to call for redemption prior to their stated maturity dates.

EXHIBIT ASchedule 2 - Maturities 1987-1992  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$4,770,000
1988	5,155,000
1989	5,565,000
1990	6,010,000
1991	6,490,000
1992	7,010,000

The Bonds shall not be subject to call for redemption prior to their stated maturity dates.

EXHIBIT ASchedule 3 - Maturities 1987-1993  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$3,925,000
1988	4,235,000
1989	4,575,000
1990	4,940,000
1991	5,335,000
1992	5,765,000
1993	6,225,000

The Bonds shall not be subject to call for redemption prior to their stated maturity dates.

EXHIBIT ASchedule 4 - Maturities 1987-1994  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$3,290,000
1988	3,555,000
1989	3,840,000
1990	4,145,000
1991	4,475,000
1992	4,835,000
1993	5,220,000
1994	5,640,000

The Bonds shall not be subject to call for redemption prior to their stated maturity dates.



EXHIBIT A

Schedule 5 - Maturities 1987-1995  
(Assumed Interest Rate 7.85%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$2,820,000
1988	3,040,000
1989	3,280,000
1990	3,540,000
1991	3,815,000
1992	4,115,000
1993	4,440,000
1994	4,785,000
1995	5,165,000

The Bonds shall not be subject to call .  
for redemption prior to their stated  
maturity dates.

EXHIBIT A

Schedule 6 - Maturities 1987-1996  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$2,415,000
1988	2,610,000
1989	2,820,000
1990	3,045,000
1991	3,285,000
1992	3,550,000
1993	3,835,000
1994	4,140,000
1995	4,470,000
1996	4,830,000

The bonds shall not be subject to call for redemption prior to their stated maturity dates.

EXHIBIT ASchedule 7 - Maturities 1987-1997  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$2,105,000
1988	2,270,000
1989	2,450,000
1990	2,650,000
1991	2,860,000
1992	3,090,000
1993	3,335,000
1994	3,605,000
1995	3,890,000
1996	4,205,000
1997	4,540,000

The bonds shall not be subject to call for redemption prior to their stated maturity dates.

EXHIBIT ASchedule 8 - Maturities 1987-1999  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$1,630,000
1988	1,760,000
1989	1,900,000
1990	2,050,000
1991	2,215,000
1992	2,390,000
1993	2,585,000
1994	2,790,000
1995	3,015,000
1996	3,255,000
1997	3,515,000
1998	3,795,000
1999	4,100,000

The County reserves the right to call Bonds maturity December 1, 1998, and thereafter, on December 1, 1997, or on any semiannual interest payment date thereafter, at par plus accrued interest to the date of such redemption.

EXHIBIT ASchedule 9 - Maturities 1987-2001  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$1,290,000
1988	1,390,000
1989	1,505,000
1990	1,625,000
1991	1,755,000
1992	1,895,000
1993	2,045,000
1994	2,210,000
1995	2,385,000
1996	2,575,000
1997	2,785,000
1998	3,005,000
1999	3,245,000
2000	3,505,000
2001	3,785,000

The County reserves the right to call Bonds maturing December 1, 1998, and thereafter, on December 1, 1997, or on any semiannual interest payment date thereafter, at par plus accrued interest to the date of such redemption.

EXHIBIT ASchedule 10 - Maturities 1987-2003  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$1,035,000
1988	1,120,000
1989	1,210,000
1990	1,305,000
1991	1,410,000
1992	1,525,000
1993	1,645,000
1994	1,775,000
1995	1,920,000
1996	2,075,000
1997	2,240,000
1998	2,420,000
1999	2,610,000
2000	2,820,000
2001	3,045,000
2002	3,290,000
2003	3,555,000

The County reserves the right to call Bonds maturing December 1, 1998, and thereafter, on December 1, 1997, or on any semiannual interest payment date thereafter, at par plus accrued interest to the date of such redemption.

EXHIBIT A

Schedule 11 - Maturities 1987-2005  
(Assumed Interest Rate 8%)

<u>Maturity Year</u>	<u>Amount</u>
1987	\$ 845,000
1988	910,000
1989	985,000
1990	1,065,000
1991	1,150,000
1992	1,240,000
1993	1,340,000
1994	1,445,000
1995	1,560,000
1996	1,690,000
1997	1,825,000
1998	1,970,000
1999	2,125,000
2000	2,295,000
2001	2,480,000
2002	2,680,000
2003	2,895,000
2004	3,125,000
2005	3,375,000

The County reserves the right to call Bonds maturing December 1, 1998, and thereafter, on December 1, 1997, or on any semiannual interest payment date thereafter, at par plus accrued interest to the date of such redemption.

## EXHIBIT B

## NOTICE OF BOND SALE

KING COUNTY, WASHINGTON

\$35,000,000

UNLIMITED TAX GENERAL OBLIGATION BONDS, 1985

(FARM AND OPEN SPACE)

NOTICE IS GIVEN that sealed bids will be received by the County Council of King County, Washington, at the office of the Clerk of the County Council, Room 403, King County Courthouse, Seattle, Washington, until the hour of 10:00 a.m., local time, on

July 29, 1985.

for the purchase of all or none of \$35,000,000 "Unlimited Tax General Obligation Bonds, 1985 (Farm and Open Space)," of King County, at which time and place such bids will be publicly opened, read and evaluated.

All of the bonds will be dated \_\_\_\_\_, 1985; will be in denominations of \$5,000 each or any integral multiple of \$5,000 within a single maturity; will be numbered separately and in the manner and with any additional designation as the Bond Registrar (the fiscal agencies of the State of Washington in Seattle, Washington, and New York, New York) deems necessary for purpose of identification; will bear interest payable on June 1, 1986, and semiannually thereafter on the first days of December and June of each year. The bonds will mature on December 1 of each year in accordance with the maturity schedule attached hereto on Exhibit A selected by the winning bidder, which selects the maturity schedule that will bear interest at the lowest net effective interest rate at 8% per annum or less for the longest maturity.

The Bonds shall be issued with or without the right or option of the County to redeem the same prior to their respective maturity dates pursuant to the call provisions applicable to the maturity schedule in Exhibit A, which is selected in the winning bid for the Bonds.

The County reserves the right to purchase any of the bonds on the open market at a price not in excess of par plus accrued interest to date of purchase.

The unlimited tax levy general obligation bonds will be secured by an annual levy of taxes without limitation as to rate or amount upon all the property within the County subject to taxation in an amount sufficient, together with other money which may become legally available and used for such purposes, to pay the principal of and interest on the bonds as they become due.

Bidders shall submit bids on blank forms furnished by the County. The bonds will be awarded to the bidder offering to purchase all of the same at the lowest net interest cost on the maturity schedule with the longest maturity at which the bonds may be sold which results in the lowest debt service for each



maturity year of the bonds and under the following requirements, which shall appear on the bid:

1. The net effective interest rate on the bonds shall not exceed 8% per annum, and each installment of interest on each bond shall be evidenced by a single rate.
2. One or more interest rates may be fixed for the bonds but such rate or rates must be in multiples of 1/8 or 1/20 of 1%.
3. A single interest rate must be fixed for all bonds maturing on the same date.
4. The spread between the highest and lowest coupon rates shall not exceed 2%.
5. Interest rates specified for bonds maturing on December 1, 1999, and thereafter, shall not be less than the interest rate specified for the preceding maturity year.
6. Each bid shall provide for payment of accrued interest to date of delivery and shall specify either (a) the lowest rate or rates of interest and premium above par at which the bidder will purchase the bonds, or (b) the lowest rate or rates of interest at which the bidder will purchase the bonds at par.
7. Each bid shall state the total interest cost, total 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 \$1,750,000, evidenced by a certified or bank cashier's check made payable to the Office of Finance 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 successful bidder fails to take up and pay for the bonds within forty days, if tendered for delivery, after the acceptance thereof. The County may deposit the good faith deposit into the King County Farmland and Open Space Acquisition Fund and invest the same for its benefit pending the payment for and delivery of the bonds. The purchaser shall not be credited for such earnings. 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, by the County Council will be made not later than 12:00 noon, local time, on the date when bids are opened.

The County may reject any and all bids and readvertise the bonds for sale in the manner provided by law. No bid for less than the entire issue will be considered. The County Council reserves the right to waive any irregularities that may appear in any bid or the bidding process.

The bonds will be delivered to the purchaser at New York, New York, at the County's expense, or at such other place as the purchaser and the Office of Finance of King County may mutually agree upon at the expense of the purchaser. Settlement in full shall be made at the time of delivery and shall be in Federal Funds available on the date and at the place of delivery, except

that the principal amount of the good faith deposit of the purchaser shall be applied to the purchase price of the bonds.

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 its option be relieved of its obligation to purchase the bonds, and in such case the deposit accompanying its bid will be returned, without interest.

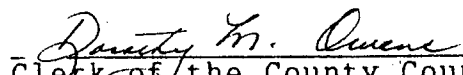
It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with the terms of the purchase contract. Expense related to the printing of CUSIP numbers on the bonds shall be paid for by the issuer, except that the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the purchaser.

The County will submit the Official Statement to the Municipal Bond Insurance Association ("MBIA") and to the American Municipal Bond Assurance Corporation ("AMBAC") so that interested bidders may request a commitment for insurance. The decision to obtain insurance is at the option of the bidder. Any bidder submitting a bid based on a commitment from MBIA or AMBAC to insure the bonds shall contract directly with the respective company. Payment of any premium due MBIA or AMBAC resulting from such commitment or insurance shall be the responsibility of the successful bidder who has so contracted. If a commitment to insure the bonds is issued by MBIA or AMBAC, the bonds will receive an "AAA" rating by Standard & Poor's Corporation after the insurance policy is issued. The issuance of such insurance shall not be a condition to any bidder's obligation to the County; the risk of failure of issuance of such insurance policy shall be wholly on such bidder.

The County will pay the cost of printing the bonds, and will furnish without cost to the purchaser thereof the unqualified approving opinion of Roberts & Shefelman, bond counsel of Seattle, Washington, approving the legality of the issuance of the bonds, which legal opinion will be printed on each bond. The legal opinion shall state that bond counsel expresses no opinion on the completeness or accuracy of any official statement, offering circular or other sales material relating to the issuance of the bonds prepared by the County or its financial advisor or otherwise used in connection with such bonds.

A no-litigation certificate in the usual form will be included in the closing papers.

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, Clerk of the County Council, King County Courthouse, Seattle, Washington 98104, or made to Harper, McLean & Co., 500 Union Street, Suite 730, Seattle, Washington 98101, financial consultants.

  
Clerk of the County Council,  
King County, Washington

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