

1 September 23, 1988

INTRODUCED BY: Gary Grant

2 PROPOSED NO. 88-719

3 ORDINANCE NO. **8677**

4  
5 AN ORDINANCE relating to the health care  
6 facilities capital improvements bonds; amending  
7 Exhibits C and D to ordinance no. 8668 to set a  
8 new date of sale for the bonds.

9 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

10 SECTION 1. Ordinance no. 8668, Exhibit C is hereby amended to  
11 read as follows:

12 EXHIBIT C

13 Official Notice of Bond Sale

14 \$90,485,000  
15 COMBINED OFFERING  
16 KING COUNTY, WASHINGTON  
17 UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 1988  
18 (Regional Health Care Capital Improvements)

19 NOTICE IS HEREBY GIVEN that sealed bids will be received by  
20 King County, Washington (the "County"), at the Office of the Clerk  
21 of the Council, Room 403, King County Courthouse in Seattle,  
22 Washington, on October ((10))17, 1988, until 10:00 a.m., Pacific  
23 Daylight Time, at which time bids will be publicly opened, for the  
24 purchase of the following bonds:

- 25 \$15,020,000 KING COUNTY, WASHINGTON, UNLIMITED TAX GENERAL  
26 OBLIGATION BONDS, SERIES 1988A (REGIONAL HEALTH  
27 CARE CAPITAL IMPROVEMENTS/HEALTH DEPARTMENT  
CLINIC PROJECT) (the "Series 1988A Bonds")
- 28 \$75,465,000 KING COUNTY, WASHINGTON, UNLIMITED TAX GENERAL  
29 OBLIGATION BONDS, SERIES 1988B (REGIONAL HEALTH  
30 CARE CAPITAL IMPROVEMENTS/HARBORVIEW PROJECT)  
31 (the "Series 1988B Bonds")

32 The Series 1988A Bonds and the Series 1988B Bonds are collectively  
referred to hereinafter as the "Bonds."

SERIES 1988A BOND DETAILS: The Series 1988A Bonds will be  
dated October 1, 1988, will be registered as to both principal and  
interest, will be in the denomination of \$5,000 each, or any

1 integral multiple thereof, and will mature on December 1 in the  
2 following years and the following amounts:

3	<u>Maturity Years</u>	<u>Amounts</u>
4	1989	\$1,735,000
	1990	2,975,000
5	1991	3,195,000
	1992	3,430,000
6	1993	3,685,000

7 The Series 1988A Bonds will bear interest payable on June 1, 1989,  
8 and semiannually thereafter on each succeeding December 1 and  
9 June 1 to the maturity thereof.

10 The Series 1988A Bonds are not subject to redemption prior to  
11 their stated maturities.

12 SERIES 1988B BOND DETAILS: The Series 1988B Bonds will be  
13 dated October 1, 1988, will be registered as to both principal and  
14 interest, will be in the denomination of \$5,000 each, or any  
15 integral multiple thereof, and will mature on December 1 in the  
16 following years and the following amounts:

17	<u>Maturity Years</u>	<u>Amounts</u>
18	1994	\$3,270,000
	1995	3,510,000
19	1996	3,770,000
	1997	4,050,000
20	1998	4,345,000
	1999	4,650,000
21	2000	4,985,000
	2001	5,345,000
22	2002	5,740,000
	2003	6,165,000
23	2004	6,620,000
	2005	7,120,000
24	2006	7,655,000
25	2007	8,240,000

26 The Series 1988B Bonds will bear interest payable on June 1, 1989,  
27 and semiannually thereafter on each succeeding December 1 and  
28 June 1 to the maturity or earlier redemption thereof.

29 The County has reserved the right to redeem the Series 1988B  
30 Bonds maturing on and after December 1, 1999, beginning on  
31 December 1, 1998, as a whole at any time, or in part on any  
32 interest payment date, the inverse order of maturity (and by lot

1 within a maturity), at par plus accrued interest to the date fixed  
2 for redemption.

3 OPEN MARKET PURCHASE: The County has also reserved the right  
4 to purchase any or all of the Bonds of either series on the open  
5 market at any time and at any price.

6 PAYING AGENT: The Bonds will be payable at the principal  
7 corporate trust offices of the fiscal agencies of the State of  
8 Washington in either Seattle, Washington or New York, New York  
9 (collectively, the "Registrar").

10 SECURITY: The Bonds are general obligations of the County.  
11 Unless the principal of and interest on the Bonds are paid from  
12 other sources, so long as the Bonds are outstanding, the County has  
13 covenanted to include in its budgets and to make annual levies of  
14 taxes without limitation as to rate or amount upon all property in  
15 the County subject to taxation in amounts which, together with any  
16 other money legally available therefor, shall be sufficient to pay  
17 such principal and interest as the same shall become due. The  
18 County has pledged its full faith, credit and resources to the  
19 annual levy and collection of such taxes and for the prompt payment  
20 of such principal and interest.

21 INTEREST RATE AND BIDDING DETAILS: Each bid shall be submitted  
22 enclosed in a sealed envelope plainly marked "Bid for Purchase of  
23 \$90,485,000 King County, Washington, Unlimited Tax General  
24 Obligation Bonds (Regional Health Care Capital Improvements)."  
25 Each bid must be in accordance with the terms and conditions set  
26 forth in this Notice and must be submitted on, or be in substantial  
27 accordance with, the bid form provided by the County. The Bonds  
28 shall be purchased at no less than par. Each bid submitted shall  
29 provide for payment of accrued interest to date of delivery and  
30 shall specify the rate or rates of interest at which the bidder  
31 will purchase said Bonds. No bid will be accepted for the purchase  
32 of less than all of the Bonds.

1 One or more rates of interest may be fixed for the Bonds, which  
2 rate or rates must be in a multiple of 1/8 or 1/20 of 1% or both.  
3 No more than one rate of interest may be fixed for any one  
4 maturity. Bids providing for supplemental coupons will be  
5 rejected. There shall not be a difference of more than 3% between  
6 the lowest and highest rates named. No limitation is imposed upon  
7 bidders as to the number of rates which may be used.

8 To enable the County to comply with the requirements of the  
9 Internal Revenue Code of 1986, as amended, with respect to the  
10 determination of yield on the Bonds, the winning bidder shall  
11 provide the reoffering price for a substantial portion of all  
12 maturities at or prior to closing on the Bonds.

13 GOOD FAITH DEPOSIT: All bids shall be accompanied by a deposit  
14 of \$1,500,000, in the form of a cashier's or certified check made  
15 payable unconditionally to the King County Finance Manager, which  
16 check will be returned promptly to the bidder if the bid is not  
17 accepted. Such good faith deposit of the successful bidder shall  
18 be retained by the County, shall be applied against the purchase  
19 price of the Bonds upon the delivery of the Bonds to the successful  
20 bidder and, pending such delivery, may be invested for the sole  
21 benefit of the County. If the successful bidder shall fail or  
22 neglect to complete the purchase of said Bonds within 35 days from  
23 the acceptance of its bid, the amount so deposited shall be  
24 forfeited to the County. No interest shall be allowed the  
25 successful bidder on such deposit.

26 AWARD: The Bonds will be sold to the bidder making a bid  
27 conforming to the terms of the offering, whose proposal produces  
28 the lowest true interest cost. The true interest cost is defined  
29 as the annual rate which, when compounded semiannually, will  
30 discount the debt service payments from the payment date to the  
31 date of the Bonds and to the price bid, without regard to interest  
32

1 accrued to the date of delivery. In the event that two or more  
2 bidders have bid the same true interest cost, the award shall be  
3 made by lot. The County will take action awarding all of the Bonds  
4 or rejecting all proposals not later than four hours after the  
5 expiration of the time herein prescribed for the receipt of the  
6 bids; provided, that the award may be made after the expiration of  
7 the specified time if the bidder shall not have notified the Clerk  
8 of the Council of the withdrawal of such bid.

9 REGISTRATION: Before the close of banking in New York, New  
10 York, on October ((18))24, 1988, the successful bidder shall  
11 provide the Registrar with a list of persons in whose names Bonds  
12 are to be registered and the denominations of the Bonds for each  
13 maturity for such persons. If such list is not provided at the  
14 specified place and time, one Bond for each maturity, registered in  
15 the name of the senior manager of the group or syndicate purchasing  
16 the Bonds, will be delivered at the closing of the Bonds.

17 DELIVERY: Printed Bonds will be furnished by the County and  
18 will be delivered to the purchasers in Seattle, Washington, at the  
19 expense of the County, or elsewhere as may be mutually agreed upon  
20 at the purchaser's option and expense. The County expects to make  
21 such delivery in the form of definitive Bonds on or about October  
22 ((25))31, 1988, but reserves the right to make such delivery in the  
23 form of a temporary Bond, exchangeable for definitive Bonds. The  
24 Bonds may be closed through the Depository Trust Company.  
25 Settlement for the Bonds shall be made in federal funds available  
26 on the date and at the time and place of delivery. The purchaser  
27 must pay accrued interest from the date of the Bonds to the date of  
28 delivery.

29 LEGAL OPINION: The approving legal opinions of the law firm of  
30 Riddell, Williams, Bullitt & Walkinshaw, bond counsel of Seattle,  
31 Washington, approving the legality of each series of the Bonds and  
32 the exclusion of the interest thereon from the gross income of the

1 recipients thereof for purposes of federal income taxation as of  
2 the date of their delivery, will be printed on the respective  
3 series of Bonds and will be furnished, without cost, to the  
4 successful bidder at the time of delivery.

5 CLOSING DOCUMENTS: The successful bidder will be furnished  
6 with certificates in form satisfactory to said law firm evidencing  
7 the proper execution and delivery of the Bonds and receipt of  
8 payment therefor. The obligations to deliver or accept the Bonds  
9 shall be conditioned on the availability and delivery at the time  
10 of delivery of the Bonds of said approving opinion, and of a  
11 certificate, in form and tenor satisfactory to said law firm and  
12 dated as of the date of such delivery, to the effect that there is  
13 no litigation pending or (to the knowledge of the signer or signers  
14 thereof) threatened affecting the validity of the Bonds.

15 The successful bidder will also be provided with a reasonable  
16 number of copies of the official statement relating to the Bonds.  
17 At the time of payment for and delivery of the Bonds, the County  
18 will furnish the successful bidder a certificate, signed by the  
19 appropriate officials of the County acting in their official  
20 capacity, to the effect that to the best of their knowledge and  
21 belief (a) neither the official statement nor any amendment or  
22 supplement thereto contains any untrue statement of material fact  
23 or omits to state any material fact necessary to make the  
24 statements therein, in light of the circumstances in which they  
25 were made, not misleading; and (b) there has been no material  
26 adverse change in the operation or financial affairs or economy of  
27 the County since the date of such official statement.

28 CUSIP NUMBERS: It is anticipated that CUSIP identification  
29 numbers will be printed on said Bonds, but neither the failure to  
30 print such number on any Bond nor any error with respect thereto  
31 shall constitute cause for a failure or refusal by the purchaser  
32

1 thereof to accept delivery of and pay for said Bonds in accordance  
 2 with the terms of the bid. All expenses in relation to the  
 3 printing of CUSIP numbers on said Bonds shall be paid for by the  
 4 issuer; provided, however, that the CUSIP Service Bureau charge for  
 5 the assignment of said numbers shall be the responsibility of and  
 6 shall be paid for by the purchaser.

7 FURTHER INFORMATION: Copies of the bid form and the  
 8 preliminary official statement containing financial and statistical  
 9 information regarding the County and the Bonds will be furnished  
 10 prospective bidders upon request made to the financial advisor to  
 11 the County with respect to the Bonds, Shearson Lehman Hutton Inc.,  
 12 999 Third Avenue, Suite 4000, Seattle, Washington 98104  
 13 (206-344-3598).

14 DATED at Seattle, Washington, this \_\_\_\_ day of September, 1988.

15 Dorothy M. Owens,  
 16 CLERK OF THE KING COUNTY COUNCIL

17 SECTION 2. Ordinance no. 8668, Exhibit D is hereby amended to  
 18 read as follows:

19 EXHIBIT D

20 Abridged Notice of Bond Sale

21 \$90,485,000  
 22 COMBINED OFFERING  
 23 KING COUNTY, WASHINGTON  
 24 UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 1988  
 25 (Regional Health Care Capital Improvements)

26 SEALED BIDS will be received by King County, Washington (the  
 27 "County"), at the Office of the Clerk of the Council, Room 403,  
 28 King County Courthouse in Seattle, Washington, until 10:00 a.m.,  
 29 Pacific Daylight Time, on

30 October ((10))17, 1988

31 at which time bids will be publicly opened, for the purchase of the  
 32 following bonds (collectively, the "Bonds"):

1  
2       \$15,020,000     KING COUNTY, WASHINGTON, UNLIMITED TAX GENERAL  
3                             OBLIGATION BONDS, SERIES 1988A (REGIONAL HEALTH  
4                             CARE CAPITAL IMPROVEMENTS/ HEALTH DEPARTMENT  
5                             CLINIC PROJECT) (the "Series 1988A Bonds")

6       \$75,465,000     KING COUNTY, WASHINGTON, UNLIMITED TAX GENERAL  
7                             OBLIGATION BONDS, SERIES 1988B (REGIONAL HEALTH  
8                             CARE CAPITAL IMPROVEMENTS/HARBORVIEW PROJECT)  
9                             (the "Series 1988B Bonds")

10       The Series 1988A Bonds will be dated October 1, 1988, will be  
11       in denominations of \$5,000 or any integral multiple thereof, and  
12       will be in fully registered form, with interest payable June 1,  
13       1989, and semiannually thereafter on each succeeding December 1 and  
14       June 1 to the maturity thereof. The Series 1988A Bonds will mature  
15       on December 1 in the years 1989 through 1993, inclusive.

16       The Series 1988B Bonds will be dated October 1, 1988, will be  
17       in denominations of \$5,000 or any integral multiple thereof, and  
18       will be in fully registered form, with interest payable June 1,  
19       1989, and semiannually thereafter on each succeeding December 1 and  
20       June 1 to the maturity or earlier redemption thereof. The Series  
21       1988B Bonds will mature on December 1 in the years 1994 through  
22       2007, inclusive.

23       The Series 1988A Bonds are not subject to redemption prior to  
24       their stated maturities. The County has reserved the right to  
25       redeem the Series 1988B Bonds maturing on and after December 1,  
26       1999, beginning on December 1, 1998, as a whole at any time, or in  
27       part on any interest payment date, at par plus accrued interest to  
28       the date fixed for redemption.

29       The Bonds will be unlimited tax general obligations of the  
30       County, and will contain a pledge of the County's full faith,  
31       credit and resources to the annual levy and collection of such  
32       taxes and for the prompt payment of such principal and interest.

      The State will sell the Bonds on an all or none basis. Bids  
      will be evaluated on the basis of the lowest true interest cost.



1 All bids must be submitted on, or be in substantial accordance  
2 with, a bid form furnished by the County, and must be sealed in an  
3 envelope accompanied by a certified or cashier's check, as a good  
4 faith deposit, in the amount of \$1,500,000, made payable  
5 unconditionally to the King County Finance Manager.

6 The approving legal opinions of Riddell, Williams, Bullitt &  
7 Walkinshaw, bond counsel, Seattle, Washington, with respect to each  
8 series of Bonds will be furnished to the successful bidder at the  
9 time of delivery of the Bonds, without cost to the successful  
10 bidder, and will be printed on the respective series of Bonds.

11 The bid form, notice of sale, and financial and statistical  
12 information regarding the County and the Bonds are contained in the  
13 preliminary official statement, which will be furnished to  
14 prospective bidders upon request to the financial advisor to the  
15 County with respect to the Bonds, Shearson Lehman Hutton Inc., 999  
16 Third Avenue, Suite 4000, Seattle, Washington 98104 (telephone:  
17 (206) 344-3598).

18 DOROTHY M. OWENS

19 Clerk of the King County Council

20 INTRODUCED AND READ for the first time this 26th day of  
21 September, 1988.

22 PASSED this 26th day of September, 1988.

23 KING COUNTY COUNCIL  
24 KING COUNTY, WASHINGTON

25 Gary Grant  
26 chair

27 ATTEST:

28 Dorothy M. Owens  
29 Clerk of the Council

30 APPROVED this 28th day of September, 1988.

31 Jim Dill  
32 King County Executive