



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**September 30, 2003**

**Ordinance 14766**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19

**Proposed No.** 2003-0398.1

**Sponsors** Phillips

AN ORDINANCE providing for the issuance of one or more series of limited tax general obligation bonds of the county in an outstanding aggregate principal amount not to exceed \$89,000,000 to finance or reimburse the county for the Treemont Conservation Easement Acquisition Project and to refund, on a current basis, all or a portion of the county's Limited Tax General Obligation Bonds (Various Purpose), 1993 Series A, and Limited Tax General Obligation and Refunding Bonds (Various Purpose), 1993 Series B; providing for the public sale of the bonds and the disposition of the proceeds of sale; establishing funds for the receipt and expenditure of bond proceeds and for the payment of the bonds; and providing for the annual levy of taxes to pay the principal thereof and interest thereon.

TABLE OF CONTENTS

20		
21		
22		<u>Page</u>
23		
24	SECTION 1. Definitions	5
25	SECTION 2. Findings	8
26	SECTION 3. Authorization of Project	8
27	SECTION 4. Purpose, Authorization and Description of Bonds; Use of Depository	9
28	SECTION 5. Optional Redemption of Bonds	13
29	SECTION 6. Notice and Effect of Redemption	14
30	SECTION 7. Form of Bonds	17
31	SECTION 8. Execution of Bonds	24
32	SECTION 9. Bond Registrar	25
33	SECTION 10. Mutilated, Lost, or Destroyed Bonds	26
34	SECTION 11. Covenants and Warranties	27
35	SECTION 12. Application of Bond Proceeds--New Money	28
36	SECTION 13. Application of Bond Proceeds--Refunding	28
37	SECTION 14. Application of Bond Proceeds--General	32
38	SECTION 15. Bond Redemption Fund	33
39	SECTION 16. Pledge of Taxation and Credit	34
40	SECTION 18. Arbitrage Rebate	35
41	SECTION 19. Sale of Bonds	36
42	SECTION 20. Delivery of Bonds	38



---

66 the receipt and expenditure of bond proceeds and for the  
67 payment of the bonds; and providing for the annual levy of  
68 taxes to pay the principal thereof and interest thereon.

69

70 PREAMBLE:

71

72 The county council has previously reviewed and approved expenditures  
73 for the Treemont Conservation Easement Acquisition Project.

74

75 The county has previously issued its Limited Tax General Obligation  
76 Bonds (Various Purpose), 1993 Series A, and Limited Tax General  
77 Obligation and Refunding Bonds (Various Purpose), 1993 Series B. The  
78 county has an opportunity to refund, on a current basis, all or a portion of  
79 those bonds, thereby realizing savings to its taxpayers.

80

81 It is deemed necessary and advisable that the county now issue and sell  
82 one or more series of its limited tax general obligation bonds in an  
83 outstanding aggregate principal amount not to exceed \$89,000,000 to  
84 finance such projects and to undertake such current refunding.

85

86 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

87

---

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

91            “Arbitrage and Tax Certification” means the certificate executed by the Finance  
92 Manager pertaining to the county’s expectations with respect to the use, investment and  
93 rebate, if any, of Bond proceeds for purposes of Sections 141 and 148 of the Code.

94            “Bond Fund” means the bond redemption account authorized to be established for  
95 each series of the Bonds pursuant to Section 15 hereof.

96            “Bond Register” means the registration books maintained by the Bond Registrar  
97 for purposes of identifying ownership of the Bonds.

98            “Bond Registrar” means the fiscal agency of the State of Washington in either  
99 Seattle, Washington, or New York, New York, for the purposes of registering and  
100 authenticating the Bonds, maintaining the Bond Register, effecting the transfer of  
101 ownership of the Bonds and paying interest on and principal of the Bonds.

102            “Bonds” means the limited tax general obligation bonds of the county in an  
103 outstanding aggregate principal amount not to exceed \$89,000,000 authorized to be  
104 issued by this ordinance to finance the Treemont Conservation Easement Acquisition  
105 Project, to refund, on a current basis, all or a portion of the 1993A Bonds and the 1993B  
106 Bonds, and to pay the costs of issuing such bonds.

107            “Code” means the federal Internal Revenue Code of 1986, as amended, together  
108 with corresponding and applicable final, temporary or proposed regulations and revenue  
109 rulings issued or amended with respect thereto by the United States Treasury Department  
110 or the Internal Revenue Service, to the extent applicable to the Bonds.

---

111           “Commission” means the Securities and Exchange Commission.

112           “DTC” means The Depository Trust Company, New York, New York.

113           “Escrow Trustee” means the corporate trustee chosen to serve as such pursuant to  
114 Section 13 hereof.

115           “Finance Manager” means the manager of the county finance and business  
116 operations division of the department of executive services of the county or any other  
117 county officer who succeeds to the duties now delegated to that office, or the designee of  
118 such officer.

119           “Government Obligations” means “government obligations,” as defined in  
120 Chapter 39.53 RCW, as now in existence or hereafter amended.

121           “MSRB” means the Municipal Securities Rulemaking Board or any successor to  
122 its functions.

123           “1993A Bonds” means the King County, Washington, Limited Tax General  
124 Obligation Bonds (Various Purpose), 1993 Series A.

125           “1993B Bonds” means the King County, Washington, Limited Tax General  
126 Obligation and Refunding Bonds (Various Purpose), 1993 Series B.

127           “NRMSIR” means a nationally recognized municipal securities information  
128 repository.

129           “Rebate Amount” means the amount, if any, determined to be payable with  
130 respect to the Bonds by the county to the United States of America in accordance with  
131 Section 148(f) of the Code.

132           “Refunded Bonds” means, collectively, the Refunded 1993A Bonds and the  
133 Refunded 1993B Bonds.

---

134           “Refunded 1993A Bonds” means, with respect to each series of Bonds, the  
135           portion of the outstanding 1993A Bonds to be refunded thereby, as identified or ratified  
136           in the Sale Motion therefor.

137           “Refunded 1993B Bonds” means, with respect to each series of Bonds, the  
138           portion of the outstanding 1993B Bonds to be refunded thereby, as identified or ratified  
139           in the Sale Motion therefor.

140           “Rule” means the Commission’s Rule 15c2-12 under the Securities and Exchange  
141           Act of 1934, as the same may be amended from time to time.

142           “Sale Motion” means, with respect to each series of the Bonds, the motion of the  
143           council identifying (if such series of Bonds is sold by competitive bid) or ratifying (if  
144           such series of Bonds is sold by negotiated sale) the Refunded Bonds, if any, to be  
145           refunded by such series of Bonds, ratifying and confirming the year and series  
146           designation, date, principal amounts and maturity dates, interest rates and interest  
147           payment dates, redemption provisions of the Bonds, and approving the bond purchase  
148           contract (if the Bonds are sold by negotiated sale) or accepting a bid (if the Bonds are  
149           sold by competitive bid) for the purchase of the Bonds, all in accordance with Section 19  
150           hereof.

151           “SID” means a state information depository for the State of Washington (if one is  
152           created).

153           “Treemont Conservation Easement Acquisition Project” means the acquisition of  
154           a conservation easement to preserve open space and limit development in the Treemont  
155           property located east of the City of Sammamish.

---

156            SECTION 2. Findings. The county council hereby makes the following  
157 findings:

158            A.     The Treemont Conservation Easement Acquisition Project will contribute  
159 to the health, safety and welfare of the citizens of the county.

160            B.     Significant debt service savings can be realized by the county through the  
161 refunding, on a current basis, of all or a portion of the 1993A Bonds and the 1993B  
162 Bonds.

163            C.     The issuance of limited tax general obligation bonds payable from regular  
164 property taxes to provide funds to pay or reimburse the county for the costs of the  
165 Treemont Conservation Easement Acquisition Project, to refund on a current basis, all or  
166 a portion of the 1993A Bonds and the 1993B Bonds, and to pay the costs of issuing such  
167 bonds will reduce the overall costs of borrowing such funds and is in the best interests of  
168 the county and its citizens.

169            SECTION 3. Authorization of Project. The county has previously authorized the  
170 undertaking of the Treemont Conservation Easement Acquisition Project. The costs of  
171 such project shall also include interest on any interim financing for such project pending  
172 receipt of Bond proceeds and costs and expenses incurred in issuing the Bonds.

173            Such project shall include the costs of sales tax, acquisition and contingency  
174 allowances, financing, and any and all surveys, explorations, engineering and  
175 architectural studies, drawings, designs and specifications incidental, necessary or  
176 convenient to the improvements herein specified. Such project shall also include the  
177 purchase of all materials, supplies, appliances, equipment and facilities, and the permits,



---

178 franchises, property and property rights and administrative costs, necessary, incidental or  
179 convenient to effect the improvements.

180         Such project may be modified where deemed advisable or necessary in the  
181 judgment of the county council, and implementation or completion thereof shall not be  
182 required if the county council determines that it has become inadvisable or impractical.  
183 If such project either has been completed, or its completion duly provided for, or its  
184 completion found to be inadvisable or impractical, the county may apply any remaining  
185 proceeds of the Bonds, or any portion thereof, to the acquisition or improvement of other  
186 county facilities as the county council in its discretion may determine. In the event that  
187 the proceeds of the sale of the Bonds, plus any other money of the county legally  
188 available therefor, are insufficient to such project, the county shall use the available funds  
189 for paying the cost of those portions of such project deemed by the county council most  
190 necessary and in the best interest of the county.

191         SECTION 4. Purpose, Authorization and Description of Bonds; Use of  
192 Depository.

193         A.     Purpose and Authorization of Bonds. The county authorizes the issuance  
194 of the Bonds to finance or reimburse the county for the Treemont Conservation Easement  
195 Acquisition Project, to refund, on a current basis, all or a portion of the 1993A Bonds and  
196 the 1993B Bonds, and to pay the costs of issuing the Bonds.

197         B.     Description. The Bonds may be issued in one or more series in an  
198 aggregate principal amount not to exceed \$89,000,000. Each series of the Bonds shall be  
199 designated “King County, Washington, Limited Tax General Obligation [and Refunding  
200 ]Bonds” with the word “Refunding” included in the designation if any of the proceeds of

---

201 such series will be applied to refund Refunded Bonds, and an applicable year and series  
202 designation established as provided in Section 19 hereof. Each series of Bonds shall be  
203 fully registered as to both principal and interest, shall be in the denomination of \$5,000  
204 each or any integral multiple thereof (but no Bond shall represent more than one  
205 maturity), shall be numbered separately in such manner and with any additional  
206 designation as the Bond Registrar deems necessary for purposes of identification, and  
207 shall be dated as of such date and shall mature on the dates, in the years and the amounts  
208 established as provided in Section 19 hereof.

209 The Bonds shall bear interest (computed on the basis of a 360-day year of twelve  
210 30-day months) from their date or from the most recent interest payment date for which  
211 interest has been paid or duly provided for, whichever is later, payable at the rate or rates  
212 and on semiannual interest payment dates to be established as provided in Section 19  
213 hereof.

214 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of  
215 each series initially shall be held in fully immobilized form by DTC acting as depository  
216 pursuant to the terms and conditions set forth in the Blanket Issuer Letter of  
217 Representations heretofore executed on behalf of the county. Neither the county nor the  
218 Bond Registrar shall have any responsibility or obligation to DTC participants or the  
219 persons for whom they act as nominees with respect to such Bonds with respect to the  
220 accuracy of any records maintained by DTC or any DTC participant, the payment by  
221 DTC or any DTC participant of any amount in respect of principal or redemption price or  
222 interest on such Bonds, any notice that is permitted or required to be given to Registered  
223 Owners under this ordinance (except such notice as is required to be given by the county

---

224 to the Bond Registrar or to DTC), the selection by DTC or any DTC participant of any  
225 person to receive payment in the event of a partial redemption of such Bonds or any  
226 consent given or other action taken by DTC as owner of such Bonds.

227 The Bonds of each series initially shall be issued in denominations equal to the  
228 aggregate principal amount of each maturity and initially shall be registered in the name  
229 of CEDE & Co., as the nominee of DTC. The Bonds so registered shall be held in fully  
230 immobilized form by DTC as depository. For so long as any such Bonds are held in fully  
231 immobilized form, DTC, its successor or any substitute depository appointed by the  
232 county, as applicable, shall be deemed to be the Registered Owner for all purposes  
233 hereunder and all references to Registered Owners, bondowners, bondholders, owners or  
234 the like shall mean DTC or its nominees and shall not mean the owners of any beneficial  
235 interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may  
236 not thereafter be transferred except:

- 237 (1) To any successor of DTC or its nominee, if that successor shall be  
238 qualified under any applicable laws to provide the services proposed to be provided by it;
- 239 (2) To any substitute depository appointed by the county pursuant to  
240 this subsection or such substitute depository's successor; or
- 241 (3) To any person as herein provided if such Bonds are no longer held  
242 in immobilized form.

243 Upon the resignation of DTC or its successor (or any substitute depository or its  
244 successor) from its functions as depository, or a determination by the county that it is no  
245 longer in the best interests of beneficial owners of such Bonds to continue the system of  
246 book entry transfers through DTC or its successor (or any substitute depository or its

---

247 successor), the county may appoint a substitute depository. Any such substitute  
248 depository shall be qualified under any applicable laws to provide the services proposed  
249 to be provided by it.

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

256 In the event that DTC or its successor (or substitute depository or its successor)  
257 resigns from its functions as depository, and no substitute depository can be obtained; or  
258 the county determines that it is in the best interests of the beneficial owners of the Bonds  
259 of any series that they be able to obtain Bond certificates, the ownership of such Bonds  
260 may be transferred to any person as herein provided, and such Bonds shall no longer be  
261 held in fully immobilized form. The county shall deliver a written request to the Bond  
262 Registrar, together with a supply of definitive Bonds of such series, to issue Bonds of  
263 such series as herein provided in any authorized denomination. Upon receipt of all then  
264 outstanding Bonds of such series by the Bond Registrar, together with a written request  
265 on behalf of the county to the Bond Registrar, new Bonds of such series shall be issued in  
266 such denominations and registered in the names of such persons as are requested in such  
267 a written request.

268 D. Place, Manner and Medium of Payment. Both principal of and interest on  
269 the Bonds shall be payable in lawful money of the United States of America. For so long

---

270 as outstanding Bonds are registered in the name of CEDE & Co., or its registered assigns,  
271 as nominee of DTC, payments of principal of and interest on such Bonds shall be made in  
272 next day funds on the date such payment is due and payable at the place and in the  
273 manner provided in the Letter of Representations.

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

284 SECTION 5. Optional Redemption of Bonds. The county may reserve the right  
285 to redeem outstanding Bonds of any series prior to their maturity on the dates and at the  
286 prices established by the bond purchase contract or the official notice of sale therefor, as  
287 applicable, and ratified and confirmed by a Sale Motion in accordance with Section 19  
288 hereof. Portions of the principal amount of any Bond, in increments of \$5,000 or any  
289 integral multiple of \$5,000, may be redeemed. If less than all of the principal amount of  
290 any Bond is redeemed, upon surrender of such Bond at the principal office of the Bond  
291 Registrar there shall be issued to the registered owner, without charge therefor, for the  
292 then unredeemed balance of the principal amount thereof, a new Bond or Bonds of the

---

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

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

297 SECTION 6. Notice and Effect of Redemption. Unless waived by the registered  
298 owner of Bonds to be redeemed or the nominee of such owner, official notice of any such  
299 redemption shall be given by the Bond Registrar on behalf of the county by mailing a  
300 copy of an official redemption notice by certified or registered mail, postage prepaid, not  
301 less than 30 nor more than 60 days prior to the date fixed for redemption, to the registered  
302 owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register  
303 or at such other address as is furnished in writing by such registered owner to the Bond  
304 Registrar. The Bond Registrar shall provide additional notice of redemption of the Bonds  
305 to each NRMSIR and SID, if any, in accordance with the ongoing disclosure provisions  
306 to be adopted by a Sale Motion pursuant to Section 23 hereof.

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

- 308 A. the redemption date;
- 309 B. the redemption price;
- 310 C. if less than all outstanding Bonds of the same series are to be redeemed,  
311 the identification (and, in the case of partial redemption, the respective principal  
312 amounts) of the Bonds to be redeemed;
- 313 D. that on the redemption date the redemption price will become due and  
314 payable upon each such Bond or portion thereof called for redemption, and that interest  
315 thereon shall cease to accrue from and after said date; and

---

316 E. the place where such Bonds are to be surrendered for payment of the  
317 redemption price, which place of payment shall be either of the principal offices of the  
318 Bond Registrar.

319 Such notice of redemption shall be mailed within the same period, postage  
320 prepaid, to Moody's Investors Service, Inc. and Standard & Poor's Public Finance  
321 Ratings, at their offices in New York, New York, or their successors, and to such other  
322 persons and with such additional information as the Finance Manager shall deem  
323 appropriate, but such mailings shall not be a condition precedent to the redemption of the  
324 Bonds.

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

328 Official notice of redemption having been given as aforesaid, the Bonds or  
329 portions of Bonds so to be redeemed shall, on the redemption date, become due and  
330 payable at the redemption price therein specified, and from and after such date (unless the  
331 county shall default in the payment of the redemption price upon presentation) such  
332 Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds  
333 for redemption in accordance with said notice, such Bonds shall be paid by the Bond  
334 Registrar at the redemption price. Installments of interest due on or prior to the  
335 redemption date shall be payable as herein provided for payment of interest. Upon the  
336 payment of the redemption price of Bonds being redeemed, each check or other transfer  
337 of funds issued for such purpose shall bear the CUSIP number identifying, by issue and  
338 maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

---

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

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

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

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

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

358 SECTION 7. Form of Bonds. The Bonds shall be in substantially the following  
359 form:



---

360 NO.

361 \$ \_\_\_\_\_

362 \_\_\_\_\_

363

364 UNITED STATES OF AMERICA

365

366 STATE OF WASHINGTON

367

368 KING COUNTY

369 LIMITED TAX GENERAL OBLIGATION [AND REFUNDING ]BOND,

370 [Year, Series]

371

372 INTEREST RATE: MATURITY DATE: CUSIP

373 NO. :

374

375 REGISTERED OWNER:

376

377 PRINCIPAL AMOUNT:

378

379 KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to

380 owe and for value received promises to pay to the Registered Owner identified above, or

381 registered assigns, on the Maturity Date specified above, the Principal Amount specified

382 above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-

---

383 day months) from \_\_\_\_\_, or the most recent date to which interest has been  
384 paid or duly provided for until payment of this bond at the Interest Rate set forth above,  
385 payable on \_\_\_\_\_, and semiannually thereafter on the \_\_\_\_ days of each  
386 succeeding \_\_\_\_\_ and \_\_\_\_\_.

387 Both principal of and interest on this bond are payable in lawful money of the  
388 United States of America. While bonds are held on immobilized "book entry" system of  
389 registration, the principal of this bond is payable to the order of the Registered Owner in  
390 same day funds received by the Registered Owner on the maturity date of this bond, and  
391 the interest on this bond is payable to the order of the Registered Owner in same day  
392 funds received by the Registered Owner on each interest payment date. When bonds are  
393 no longer held in an immobilized "book entry" registration system, the principal shall be  
394 paid to the Registered Owner or nominee of such owner upon presentation and surrender  
395 of this bond at either of the principal offices of the fiscal agency of the State of  
396 Washington in either Seattle, Washington or New York, New York (collectively the  
397 "Bond Registrar"), and the interest shall be paid by mailing a check or draft (on the date  
398 such interest is due) to the Registered Owner or nominee of such owner at the address  
399 shown on the registration books maintained by the Bond Registrar (the "Bond Register")  
400 as of the 15th day of the month prior to the interest payment date; provided, however that  
401 if so requested in writing by the Registered Owner of at least \$1,000,000 par value of the  
402 bonds, interest will be paid by wire transfer.

403 This bond is one of an authorized issue of bonds of like date and tenor, except as  
404 to number, amount, rate of interest and date of maturity, in the aggregate principal  
405 amount of \$\_\_\_\_\_, and is issued to finance or reimburse the County for the

---

406 Treemont Conservation Easement Acquisition Project, to refund, on a current basis,  
407 [all][a portion of ]the County's Limited Tax General Obligation Bonds (Various  
408 Purpose), 1993 Series A and Limited Tax General Obligation and Refunding Bonds  
409 (Various Purpose), 1993, Series B, and to pay the costs of issuing the bonds.

410 The bonds of this issue are issued under and in accordance with the provisions of  
411 the Constitution and applicable statutes of the State of Washington, the County Charter  
412 and applicable ordinances duly adopted by the County.

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

415 Portions of the principal sum of this bond in installments of \$5,000 or any integral  
416 multiple thereof also may be redeemed in accordance with the provisions set forth above,  
417 and if less than all of the principal sum hereof is to be redeemed, upon the surrender of  
418 this bond at the principal offices of the Bond Registrar there shall be issued to the  
419 Registered Owner, without charge therefor, for the then unredeemed balance of the  
420 principal sum hereof, at the option of the owner, a bond or bonds of like maturity and  
421 interest rate in any of the denominations authorized by King County Ordinance \_\_\_\_\_  
422 (the "Bond Ordinance").

423 Notice of redemption, unless waived, is given by the Bond Registrar by mailing  
424 an official redemption notice by certified or registered mail, postage prepaid, not less  
425 than 30 days and not more than 60 days prior to the date fixed for redemption, to the  
426 Registered Owner of any bond to be redeemed at the address appearing on the Bond  
427 Register. The requirements for such notice shall be deemed to be complied with when

---

428 notice is mailed as herein provided, regardless of whether or not it is actually received by  
429 the owner of any bond.

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

436 The County has irrevocably covenanted in the Bond Ordinance that each year it  
437 will include in its budget and levy an *ad valorem* tax within the constitutional and  
438 statutory tax limitations provided by law without a vote of the people upon all the  
439 property within the County subject to taxation in an amount that will be sufficient,  
440 together with all other revenues, taxes and money of the County legally available for such  
441 purposes, to pay the principal of and interest on the bonds as the same shall become due.  
442 The County has irrevocably pledged its full faith, credit and resources for the annual levy  
443 and collection of such taxes and for the prompt payment of the principal of and interest  
444 on the bonds as the same shall become due.

445 The pledge of tax levies for repayment of principal of and interest on the bonds  
446 may be discharged prior to maturity of the bonds by making provisions for the payment  
447 thereof on the terms and conditions set forth in the Bond Ordinance.

448 This bond shall not be valid or become obligatory for any purpose or be entitled  
449 to any security or benefit under the Bond Ordinance until the Certificate of  
450 Authentication hereon shall have been manually signed by the Bond Registrar.

---

451 It is hereby certified that all acts, conditions and things required by the  
452 Constitution and statutes of the State of Washington and the Charter and ordinances of  
453 the County to exist, to have happened, been done and performed precedent to and in the  
454 issuance of this bond have happened, been done and performed and that the issuance of  
455 this bond and the bonds of this series does not violate any constitutional, statutory or  
456 other limitation upon the amount of bonded indebtedness that the County may incur.

457 IN WITNESS WHEREOF, the County has caused this bond to be executed by the  
458 manual or facsimile signatures of the County Executive and the Clerk of the County  
459 Council, and the seal of the County to be impressed or imprinted hereon, as of this  
460 [\_\_\_\_\_] day of [\_\_\_\_\_].

461 KING COUNTY, WASHINGTON

462  
463  
464 By \_\_\_\_\_

465 \_\_\_\_\_  
466 County Executive

467  
468 ATTEST:

469  
470  
471 \_\_\_\_\_  
472 Clerk of the Council  
473

---

---

474

475

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

476

477

CERTIFICATE OF AUTHENTICATION

478

479

This bond is one of the bonds described in the within mentioned Bond Ordinance and is of the Limited Tax General Obligation [and Refunding] Bonds, [Year, Series], of King County, Washington, dated [\_\_\_\_\_].

480

481

WASHINGTON STATE FISCAL

482

AGENCY, as Bond Registrar

483

484

485

By \_\_\_\_\_

486

487

Authorized Officer

488

489

ASSIGNMENT

490

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

491

492

493

494

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION

495

NUMBER OF TRANSFEREE

496

[ ]

---

497  
498  
499  
500  
501  
502  
503  
504  
505  
506  
507  
508  
509  
510  
511  
512  
513  
514  
515  
516  
517  
518  
519

---

---

---

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

---

---

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

DATED: \_\_\_\_\_, \_\_\_\_\_.

---

---

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

SIGNATURE GUARANTEED:

---

520

521

522

SECTION 8. Execution of Bonds. The Bonds shall be executed on behalf of the county with the manual or facsimile signatures of the county executive and the clerk of the council, and shall have the seal of the county impressed or imprinted thereon.

525

In case either or both of the officers who shall have executed the Bonds shall cease to be an officer or officers of the county before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the county, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the county as though those who signed the same had continued to be such officers of the county. Any Bond also may be signed and attested on behalf of the county by such persons as at the actual date of execution of such Bond shall be the proper officers of the county although at the original date of such Bond any such person shall not have been such officer of the county.

534

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

540

SECTION 9. Bond Registrar. The county hereby adopts for the Bonds the system of registration specified and approved by the Washington State Finance Committee. The Bond Registrar shall keep, or cause to be kept, at its principal corporate

541

542



---

543 trust office, sufficient books for the registration and transfer of the Bonds, which shall at  
544 all times be open to inspection by the county. Such Bond Register shall contain the name  
545 and mailing address of the owner of each Bond or nominee of such owner and the  
546 principal amount and number of Bonds held by each owner or nominee. The Bond  
547 Registrar is authorized, on behalf of the county, to authenticate and deliver the Bonds  
548 transferred or exchanged in accordance with the provisions of such Bonds and this  
549 ordinance and to carry out all of the Bond Registrar's powers and duties under this  
550 ordinance.

551 The Bond Registrar shall be responsible for its representations contained in the  
552 Certificate of Authentication on the Bonds. The Bond Registrar may become the owner  
553 of Bonds with the same rights it would have if it were not the Bond Registrar, and to the  
554 extent permitted by law may act as depository for and permit any of its officers or  
555 directors to act as a member of, or in any other capacity with respect to, any committee  
556 formed to protect the rights of Bond owners.

557 Upon surrender thereof to the Bond Registrar; the Bonds are interchangeable for  
558 Bonds in any authorized denomination of an equal aggregate principal amount and of the  
559 same series, interest rate and maturity. Bonds may be transferred only if endorsed in the  
560 manner provided thereon and surrendered to the Bond Registrar. Upon such surrender,  
561 the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver,  
562 without charge to the owner or transferee therefor (other than taxes, if any, payable on  
563 account of such transfer), a new Bond (or Bonds, at the option of the new registered  
564 owner) of the same series, maturity and interest rate and for the same aggregate principal  
565 amount, in any authorized denomination, naming as registered owner the person or

---

566 persons listed as the assignee on the assignment form appearing on the surrendered Bond,  
567 in exchange for such surrendered and canceled Bond. The Bond Registrar shall not be  
568 obligated to transfer or exchange any Bond during a period beginning at the opening of  
569 business on the 15th day of the month next preceding any interest payment or principal  
570 payment date and ending at the close of business on such payment date.

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

574 SECTION 10. Mutilated, Lost, or Destroyed Bonds. If any Bond shall become  
575 mutilated, the Bond Registrar shall authenticate and deliver a new Bond of like amount,  
576 date, series, interest rate and tenor in exchange and substitution for the Bond so  
577 mutilated, upon the owner's paying the expenses and charges of the county and the Bond  
578 Registrar in connection therewith and upon surrender to the Bond Registrar of the Bond  
579 so mutilated. Every mutilated Bond so surrendered shall be canceled and destroyed by  
580 the Bond Registrar.

581 In case the Bonds or any of them shall be lost, stolen or destroyed, the Bond  
582 Registrar may authenticate and deliver a new Bond or Bonds of like amount, date, series  
583 and tenor to the registered owner thereof upon the owner's paying the expenses and  
584 charges of the county and the Bond Registrar in connection therewith and upon his/her  
585 filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bond  
586 or Bonds were actually lost, stolen or destroyed and of his/her ownership thereof, and  
587 upon furnishing the county and Bond Registrar with indemnity satisfactory to the Finance  
588 Manager and the Bond Registrar.

---

589            SECTION 11. Covenants and Warranties. The county makes the following  
590 covenants and warranties:

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

594            B. By all necessary official action prior to or concurrently herewith, the  
595 county has duly authorized and approved the execution and delivery of, and the  
596 performance by the county of its obligations contained in the Bonds and in this ordinance  
597 and the consummation by it of all other transactions necessary to effectuate this  
598 ordinance in connection with the issuance of the Bonds, and such authorizations and  
599 approvals are in full force and effect.

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

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

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

607            F. The adoption of this ordinance, and compliance on the county's part with  
608 the provisions contained herein, will not conflict with, constitute a breach of, or constitute  
609 a default under, any constitutional provisions, law, administrative regulation, judgment,  
610 decree, loan agreement, indenture, bond, note, resolution, ordinance, motion, agreement

---

611 or other instrument to which the county is a party or to which the county or any of its  
612 property or assets are otherwise subject.

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

615 SECTION 12. Application of Bond Proceeds--New Money. There has  
616 heretofore been created the Non-Bond Fund Subfund within the Open Space Project  
617 Acquisition and Improvement Fund. This subfund is a first tier fund managed by the  
618 director of the department of natural resources and parks. There shall be deposited into  
619 said fund approximately \$9,000,000 of Bond proceeds to finance the Treemont  
620 Conservation Easement Acquisition Project.

621 SECTION 13. Application of Bond Proceeds--Refunding. There is hereby  
622 created in the office of financial management of the county an account of the King  
623 County Limited Tax General Obligation Bond Redemption Fund known as the "2003  
624 Current Refunding Account," which account is to be drawn upon for the sole purpose of  
625 paying the principal of and interest on the Refunded Bonds and of paying costs related to  
626 the refunding of such bonds.

627 Approximately \$80,000,000 or less of proceeds from the sale of Bonds shall be  
628 credited to such 2003 Current Refunding Account.

629 Money in the 2003 Current Refunding Account shall be used immediately upon  
630 receipt thereof to provide for the payment of the principal of and interest on the Refunded  
631 Bonds as hereinafter set forth in this section. The county shall discharge such obligations  
632 by the use of money in the 2003 Current Refunding Account to purchase certain  
633 noncallable Government Obligations, bearing such interest and maturing as to principal

---

634 and interest in such amounts and at such times which, together with any necessary initial  
635 cash balance will provide for the payment of the interest on the Refunded 1993A Bonds  
636 that will become due and payable on or before December 1, 2003, and the redemption  
637 price of the Refunded 1993A Bonds payable on December 1, 2003, equal to 100% of the  
638 principal thereof, and the interest on the Refunded 1993B Bonds that will become due  
639 and payable on or before January 1, 2004, and the redemption price of the Refunded  
640 1993B Bonds payable on January 1, 2004, equal to 100% of the principal thereof  
641 (collectively, the "Refunded Bond Payments"). Such Government Obligations shall be  
642 purchased at a yield not greater than the yield permitted by the Internal Revenue Code of  
643 1986, as amended, and applicable regulations thereunder relating to acquired obligations  
644 in connection with current refunding bond issues.

645         Such Government Obligations and any necessary initial cash balance shall be  
646 irrevocably deposited with a corporate trustee chosen by the Finance Manager  
647 (hereinafter called the "Escrow Trustee"). Any Refunded Bond Payments that are not  
648 provided for in full by such initial cash balance and the purchase and deposit of  
649 Government Obligations described in this section shall be provided for by the irrevocable  
650 deposit of the necessary amount out of the proceeds of sale of the Bonds or any other  
651 monies of the county legally available therefor with the Escrow Trustee. The proceeds of  
652 the Bonds remaining in the 2003 Current Refunding Account after acquisition of the  
653 Government Obligations and provision for the necessary initial cash balance shall be  
654 utilized to pay expenses of the acquisition and safekeeping of the Government  
655 Obligations and expenses of the issuance of the Bonds.

---

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

666           The county shall irrevocably set aside sufficient funds out of the proceeds of the  
667   Government Obligations purchased from proceeds of the Bonds, together with any  
668   necessary initial cash balance, to pay the Refunded Bond Payments.

669           The county hereby calls the Refunded 1993A Bonds for redemption on December  
670   1, 2003, in accordance with the provisions of Ordinance 10685 and Motion 8874,  
671   authorizing redemption and retirement of the 1993A Bonds prior to their fixed maturities.  
672   The county hereby calls the Refunded 1993B Bonds for redemption on January 1, 2004,  
673   in accordance with the provisions of Ordinance 11121 and Motion 9178, authorizing  
674   redemption and retirement of the 1993B Bonds prior to their fixed maturities. The call  
675   for redemption of any such Refunded Bonds to be refunded by each series of the Bonds  
676   shall be irrevocable after the final establishment of the escrow account therefor and  
677   delivery of the Government Obligations to the Escrow Trustee, except as provided herein  
678   for the substitution of securities.

---

679           The Escrow Trustee is hereby authorized and directed to provide for the giving of  
680 notice of the redemption of the Refunded Bonds in accordance with Ordinance 10685  
681 (with respect to any Refunded 1993A Bonds) and Ordinance 11121 (with respect to any  
682 Refunded 1993B Bonds). The Finance Manager is authorized and requested to provide  
683 whatever assistance is necessary to accomplish such redemption and the giving of notice  
684 therefor. The costs of publication of such notice shall be an expense of the county.

685           The Escrow Trustee is hereby authorized and directed to pay to the county, or, at  
686 the direction of the Finance Manager, to the fiscal agency or agencies of the State of  
687 Washington, sums sufficient to pay, when due, the Refunded Bond Payments. All such  
688 sums shall be paid from the Government Obligations deposited with said Escrow Trustee  
689 pursuant to this section of this ordinance, and the income therefrom and proceeds thereof.  
690 All such sums so paid shall be credited to the 2003 Current Refunding Account. All  
691 monies and Government Obligations deposited with the Escrow Trustee and any income  
692 therefrom shall be held, invested and applied in accordance with the provisions of this  
693 ordinance and with the laws of the State of Washington for the benefit of the county and  
694 holders of the Refunded Bonds.

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

698           The proper officers and agents of the county are directed to obtain from the  
699 Escrow Trustee an agreement setting forth the duties, obligations and responsibilities of  
700 the Escrow Trustee in connection with the redemption and retirement of the Refunded  
701 Bonds as provided herein and stating that such provisions for the payment of the fees,

---

702 compensation and expenses of such Escrow Trustee are satisfactory to it. In order to  
703 carry out the purposes of this section, the Finance Manager is authorized and directed to  
704 execute and deliver to the Escrow Trustee, a copy of such agreement when the provisions  
705 thereof have been fixed and determined.

706 SECTION 14. Application of Bond Proceeds--General. The exact amounts to  
707 be deposited in accordance with Sections 12 and 13 hereof shall be determined by the  
708 Finance Manager upon the sale of each series of the Bonds. The amounts so deposited  
709 may be used to repay interim borrowing used to pay the costs of the Treemont  
710 Conservation Easement Acquisition Project.

711 Funds deposited in the funds and accounts established in Sections 12 and 13  
712 hereof shall be invested as permitted by law for the sole benefit of the respective funds.  
713 Irrespective of the general provisions of Ordinance No. 7112 and K.C. 4.10, the county  
714 current expense fund shall not receive any earnings attributable to such funds. Money  
715 other than proceeds of the Bonds may be deposited in the funds and accounts established  
716 under Sections 12 and 13; provided, however, that proceeds of the Bonds and earnings  
717 thereon shall be accounted for separately for purposes of the computations required to be  
718 made under Section 18 hereof. For purposes of such computations, Bond proceeds shall  
719 be deemed to have been expended first.

720 SECTION 15. Bond Redemption Fund. There has heretofore been created in  
721 the office of the Finance Manager a special fund to be drawn upon for the purpose of  
722 paying the principal of and interest on the limited tax general obligation bonds of the  
723 county. There is hereby authorized to be created within said fund for each series of the



---

724 Bonds a special account of the county to be known as the “Limited Tax General  
725 Obligation Bond Redemption Account, [Year, Series]” (each, a “Bond Fund”).

726 The accrued interest on each series of the Bonds shall be deposited in the related  
727 Bond Fund at the time of delivery of such series of the Bonds and shall be applied to the  
728 payment of interest on the Bonds. Any premium received upon the sale of the Bonds  
729 shall be deposited into the related Bond Fund and applied to the payment of principal of  
730 or interest on such series of the Bonds.

731 The taxes hereafter levied for the purpose of paying principal of and interest on  
732 each series of the Bonds and other funds to be used to pay such series of the Bonds shall  
733 be deposited in the related Bond Fund no later than the date such funds are required for  
734 the payment of principal of and interest on such series of the Bonds; provided, however,  
735 that if the payment of principal of and interest on any series of the Bonds is required prior  
736 to the receipt of such levied taxes, the county may make an interfund loan to the related  
737 Bond Fund pending actual receipt of such taxes. The related Bond Fund shall be drawn  
738 upon for the purpose of paying the principal of and interest on each series of the Bonds.  
739 Money in each Bond Fund not needed to pay the interest or principal next coming due  
740 may temporarily be deposited in such institutions or invested in such obligations as may  
741 be lawful for the investment of county funds. Each Bond Fund shall be a second tier fund  
742 in accordance with Ordinance No. 7112 and K.C. 4.10.

743 SECTION 16. Pledge of Taxation and Credit. The county hereby irrevocably  
744 covenants and agrees for as long as any of the Bonds are outstanding and unpaid, that  
745 each year it will include in its budget and levy an *ad valorem* tax within the constitutional  
746 and statutory tax limitations provided by law without a vote of the people upon all the

---

747 property within the county subject to taxation in an amount that will be sufficient,  
748 together with all other revenues, taxes and money of the county legally available for such  
749 purposes, to pay the principal of and interest on the Bonds as the same shall become due.  
750 All such taxes so collected and any other money to be used for such purposes shall be  
751 paid into the applicable Bond Fund no later than the date such funds are required for the  
752 payment of principal of and interest on each series of the Bonds.

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

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

762 SECTION 17. Tax Exemption. The county shall comply with the provisions of  
763 this section unless, in the written opinion of nationally recognized bond counsel to the  
764 county, such compliance is not required to maintain the exemption of the interest on the  
765 Bonds from federal income taxation.

766 The county hereby covenants that it will not make any use of the proceeds from  
767 the sale of the Bonds or any other funds of the county that may be deemed to be proceeds  
768 of such Bonds pursuant to Section 148 of the Code and the applicable regulations  
769 thereunder that will cause the Bonds to be "arbitrage bonds" within the meaning of said

---

770 Section and said regulations. The county will comply with the applicable requirements of  
771 Section 148 of the Code (or any successor provision thereof applicable to the Bonds) and  
772 the applicable regulations thereunder throughout the term of the Bonds.

773 The county further covenants that it will not take any action or permit any action  
774 to be taken that would cause the Bonds to constitute “private activity bonds” under  
775 Section 141 of the Code.

776 SECTION 18. Arbitrage Rebate. The county will compute, if necessary, and  
777 pay the Rebate Amount, if any, to the United States of America at the times and in the  
778 amounts necessary to meet the requirements of the Code to maintain the federal income  
779 tax exemption for interest payments on the Bonds, in accordance with the Arbitrage and  
780 Tax Certification.

781 SECTION 19. Sale of Bonds.

782 A. Determination by Finance Manager. The county hereby authorizes the  
783 public sale of the Bonds. The Bonds shall be sold in one or more series, any of which  
784 may be sold in a combined offering of other bonds of the county, at the option of the  
785 Finance Manager. The Finance Manager shall determine, in consultation with the  
786 county’s financial advisors, whether each series of the Bonds shall be sold by negotiated  
787 sale or competitive bid.

788 B. Procedure for Negotiated Sale. If the Finance Manager determines that  
789 any series of the Bonds shall be sold by negotiated sale, the Finance Manager shall, in  
790 accordance with applicable county procurement procedures, solicit one or more  
791 underwriting firms with which to negotiate the sale of the Bonds. The purchase contract  
792 for each series of the Bonds shall establish the year and series designation, date, principal

---

793 amounts and maturity dates, interest rates and interest payment dates, redemption  
794 provisions and delivery date for such series of the Bonds, so long as the aggregate  
795 principal amount of the Bonds to be outstanding following the issuance of such series of  
796 Bonds does not exceed \$89,000,000. The county council, by Sale Motion, shall approve  
797 the bond purchase contract, ratify the identification of the Refunded Bonds, if any, to be  
798 refunded by such series of Bonds, and ratify the terms for the series of Bonds established  
799 thereby.

800 C. Procedure for Sale by Competitive Bid. If the Finance Manager  
801 determines that any series of the Bonds shall be sold by competitive bid, bids for the  
802 purchase of each series of the Bonds shall be received at such time and place and by such  
803 means as the Finance Manager shall direct. The Finance Manager is hereby authorized to  
804 prepare an official notice of bond sale for each series of the Bonds to be sold pursuant to  
805 competitive bid, establishing in such notice the year and series designation, date,  
806 principal amounts and maturity dates, interest payment dates, redemption provisions and  
807 delivery date for such series of Bonds, so long as the aggregate principal amount of the  
808 Bonds to be outstanding following the issuance of such series of Bonds does not exceed  
809 \$89,000,000. The official notice of bond sale or an abridged form thereof shall be  
810 published in such newspapers or financial journals as may be deemed desirable or  
811 appropriate by the financial advisors to the county.

812 Upon the date and time established for the receipt of bids for any series of the  
813 Bonds, the Finance Manager or his designee shall review the bids, shall cause the bids to  
814 be mathematically verified and shall report to the county council regarding the bids  
815 received. Such bids shall then be considered and acted upon by the county council in an

---

816 open public meeting. The county council reserves the right to reject any and all bids for  
817 any series of the Bonds. The county council, by a Sale Motion, shall identify the  
818 Refunded Bonds, if any, to be refunded by such series of Bonds, ratify the year and series  
819 designation, date, principal amounts and maturity dates, interest rates and interest  
820 payment dates, redemption provisions and delivery date for such series of the Bonds, and  
821 accept the bid for the purchase of such series of the Bonds.

822 SECTION 20. Delivery of Bonds. Following the sale of each series of the  
823 Bonds, the county shall cause definitive Bonds of such series to be prepared, executed  
824 and delivered, which Bonds shall be typewritten, lithographed or printed with engraved  
825 or lithographed borders.

826 If definitive Bonds of any series are not ready for delivery by the date established  
827 for their delivery to the initial purchasers thereof, then the Finance Manager, upon the  
828 approval of the purchasers, may cause to be issued and delivered to the purchasers one or  
829 more temporary Bonds of the same series with appropriate omissions, changes and  
830 additions. Any such temporary Bond or Bonds shall be entitled and subject to the same  
831 benefits and provisions of this ordinance with respect to the payment, security and  
832 obligation thereof as definitive Bonds authorized thereby. Such temporary Bond or  
833 Bonds shall be exchangeable without cost to the owners thereof for definitive Bonds of  
834 the same series when the latter are ready for delivery.

835 SECTION 21. Preliminary Official Statement Declaration. The county hereby  
836 authorizes and directs the Finance Manager: (i) to review and approve the information  
837 contained in the preliminary official statement (the "Preliminary Official Statement")  
838 prepared in connection with the sale of each series of the Bonds; and (ii) for the sole

---

839 purpose of the Bond purchasers' compliance with Securities and Exchange Commission  
840 Rule 15c2-12(b)(1), to "deem final" that Preliminary Official Statement as of its date,  
841 except for the omission of information on offering prices, interest rates, selling  
842 compensation, delivery dates, any other terms or provisions required by the county to be  
843 specified in a competitive bid, ratings, other terms of the Bonds dependent on such  
844 matters and the identity of the Bond purchasers. After each Preliminary Official  
845 Statement has been reviewed and approved in accordance with the provisions of this  
846 section, the county hereby authorizes the distribution of such Preliminary Official  
847 Statement to prospective purchasers of such series of Bonds.

848 SECTION 22. Approval of Official Statement. Following the sale of each  
849 series of the Bonds, the Finance Manager is hereby authorized to review and approve on  
850 behalf of the county a final official statement with respect to such series of Bonds. The  
851 county agrees to cooperate with the purchaser of each series of the Bonds to deliver or  
852 cause to be delivered, within seven business days from the date of the Sale Motion, and in  
853 sufficient time to accompany any confirmation that requests payment from any customer  
854 of such successful bidder, copies of a final official statement pertaining to such Bonds in  
855 sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules of the  
856 MSRB.

857 SECTION 23. Undertaking to Provide Ongoing Disclosure. In each Sale  
858 Motion, the county council will set forth an undertaking for ongoing disclosure with  
859 respect to the Bonds, as required by Section (b)(5) of the Rule .

860 SECTION 24. General Authorization. The appropriate county officials, agents  
861 and representatives are hereby authorized and directed to do everything necessary for the

---

862 prompt sale, issuance, execution and delivery of the Bonds, and for the proper use and  
863 application of the proceeds of the sale thereof.

864 SECTION 25. Refunding or Defeasance of Bonds. The county may issue  
865 refunding bonds pursuant to the laws of the State of Washington or use money available  
866 from any other lawful source to pay when due the principal of and interest on any series  
867 of the Bonds, or any portion thereof included in a refunding or defeasance plan, and to  
868 redeem and retire, refund or defease all such then-outstanding Bonds and to pay the costs  
869 of the refunding or defeasance.

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

881 Within 30 days of the defeasance of any of the Bonds, the Bond Registrar shall  
882 provide notice of defeasance of such Bonds to the registered owners of the Bonds and to  
883 each NRMSIR and SID, if any, in accordance with the undertaking for ongoing  
884 disclosure to be adopted by a Sale Motion pursuant to Section 23 hereof.

---

885            SECTION 26. Open Market Purchase. The county reserves the right to  
886 purchase any or all of the Bonds on the open market at any time and at any price.

887            SECTION 27. Contract; Severability. The covenants contained in this  
888 ordinance shall constitute a contract between the county and the owners of each and  
889 every Bond. If any one or more of the covenants or agreements provided in this  
890 ordinance to be performed on the part of the county shall be declared by any court of  
891 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement  
892 or agreements, shall be null and void and shall be deemed separable from the remaining  
893 covenants




894 and agreements of this ordinance and shall in no way affect the validity of the other  
895 provisions of this ordinance or of the Bonds.

896


Ordinance 14766 was introduced on 9/2/2003 and passed by the Metropolitan King  
County Council on 9/29/2003, by the following vote:

Yes: 13 - Ms. Sullivan, Ms. Edmonds, Mr. von Reichbauer, Ms. Lambert, Mr.  
Phillips, Mr. Pelz, Mr. McKenna, Mr. Constantine, Mr. Hammond, Mr.  
Gossett, Ms. Hague, Mr. Irons and Ms. Patterson  
No: 0  
Excused: 0

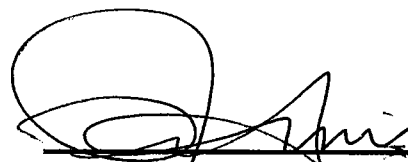
KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

  
Cynthia Sullivan, Chair

ATTEST:

  
Anne Noris, Clerk of the Council

APPROVED this 9 day of OCTOBER, 2003.

  
Ron Sims, County Executive

Attachments None

RECEIVED  
2003 OCT 10 AM 10:04  
CLERK  
KING COUNTY COUNCIL