



Signature Report

— **June 26, 2012**

Ordinance 17363

Proposed No. 2012-0121.4

Sponsors McDermott

1 AN ORDINANCE relating to contracting indebtedness;
2 authorizing and providing for the issuance and sale of
3 limited tax general obligation (LTGO) refunding bonds and
4 unlimited tax general obligation refunding bonds, in one or
5 more series, for the purpose of paying all or part of the cost
6 of refunding certain of the county's outstanding limited tax
7 general obligation bonds and unlimited tax general
8 obligation bonds, and the costs of issuing and selling the
9 bonds; providing for the terms, covenants and manner of
10 sale of the bonds; and providing for agreements and
11 activities in connection with the disposition of the proceeds
12 of the Bonds.

13 **PREAMBLE:**

14 King County (the "county") has issued the limited tax general obligation
15 bonds and unlimited tax general obligation bonds listed in and pursuant to
16 the ordinances and motions set forth in Attachment A to this ordinance
17 (the "Refunding Candidates").

18 The county has determined it to be in the best interest of the county that it
19 authorize the issuance and sale, subject to the provisions of this ordinance,

20 of limited tax general obligation refunding bonds and unlimited tax
21 general obligation refunding bonds (collectively, the "Bonds"), in one or
22 more series, for the purpose of paying all or part of the cost of refunding
23 all or a portion of the Refunding Candidates and of paying all or part of
24 the costs of issuance and sale of the Bonds.

25 This ordinance will allow the refunding of any Refunding Candidates
26 (including bonds later designated as Refunding Candidates consistent with
27 this ordinance) only if the refunding provides a net present value savings
28 which is in compliance with the county's Debt Management Policy
29 (hereinafter defined).

30 RCW 39.53.020 authorizes the county to issue refunding bonds, and RCW
31 39.53.100 provides that in computing indebtedness for the purpose of any
32 constitutional or statutory debt limitation there shall be deducted from the
33 amount of outstanding indebtedness the amounts of money and
34 investments credited to, or on deposit for, general obligation bond
35 retirement.

36 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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

40 "Acquired Obligations" means Government Obligations purchased to accomplish
41 the refunding of the Refunded Bonds.

42 "Additional Security" means, with respect to any Series of Public Transportation
43 Sales Tax (PTST) LTGO Refunding Bonds, an additional pledge of Two-tenths Sales
44 Tax Revenues. "Additional Security" also shall mean any security pledged to the
45 payment of Refunding Candidates in the related Refunded Bond Legislation other than
46 and in addition to the full faith and credit pledge of the county.

47 "Authorized Denomination" means \$5,000 or any integral multiple thereof within
48 a maturity, or such amount as may be established in the Sale Instrument.

49 "Bond Counsel" means a lawyer or a firm of lawyers, selected by the county, of
50 nationally recognized standing in matters pertaining to bonds issued by states and their
51 political subdivisions.

52 "Bond Fund" (collectively, the "Bond Funds") means one of the following funds
53 as applicable: (1) for any Unlimited Tax General Obligation (UTGO) Refunding Bonds,
54 that special fund of the county heretofore established to pay principal of and interest on
55 all unlimited tax general obligation bonds of the county; (2) for any LTGO Refunding
56 Bonds except PTST LTGO Refunding Bonds, that special fund of the county heretofore
57 established to pay principal of and interest on all limited tax general obligation bonds of
58 the county; or (3) for any PTST LTGO Refunding Bonds, the PTST Bond Fund. If any
59 future Refunding Candidates with a pledge of Additional Security have a special bond
60 fund created under the related Refunded Bond Legislation, "Bond Fund" also shall mean
61 that special bond fund.

62 "Bond Redemption Account" means each account established within a Bond Fund
63 pursuant to Section 13 of this ordinance to provide for the payment of debt service on a
64 Series of the Bonds.

65 "Bond Register" means the registration books maintained by the Bond Registrar
66 for purposes of identifying ownership of the Bonds.

67 "Bond Registrar" means the fiscal agent of the State of Washington (as the same
68 may be designated by the State of Washington from time to time) for the purposes of
69 registering and authenticating the Bonds, maintaining the Bond Register, effecting the
70 transfer of ownership of the Bonds and paying interest on and principal and premium, if
71 any, of the Bonds, or an alternative designated by the Finance Director and set forth in
72 the Sale Instrument.

73 "Bonds" means, collectively, the LTGO Refunding Bonds and the UTGO
74 Refunding Bonds, issued in Series from time to time.

75 "Certificate of Finance Director" means a certificate of the Finance Director for
76 each Series of Bonds making the findings and determinations set forth in Section 16 of
77 this ordinance and, if not set forth in the Sale Instrument, shall include the Refunding
78 Plan for that Series of Bonds.

79 "Closing Date" means the date on which a Series of Bonds is delivered to the
80 initial purchaser or purchasers thereof upon payment in full therefor.

81 "Code" means the Internal Revenue Code of 1986, as amended, together with
82 corresponding and applicable final, temporary or proposed regulations and revenue
83 rulings issued or amended with respect thereto by the United States Treasury Department
84 or the Internal Revenue Service, to the extent applicable to the Bonds.

85 "Commission" means the United States Securities and Exchange Commission.

86 "Committee" means the Executive Finance Committee of the county.

87 "County" means King County, Washington.

88 "Council" means the Metropolitan King County Council.

89 "Debt Management Policy" means the county's debt management policy adopted
90 by Council Motion 12660, as it may be amended from time to time.

91 "DTC" means The Depository Trust Company, New York, New York.

92 "Escrow Agent" means for each Series of Bonds, the Finance Director, or the
93 trustee or escrow agent, or any successor trustee or escrow agent, designated by the
94 Finance Director.

95 "Federal Credit Payments" means amounts which the county is entitled to receive
96 as a subsidy or tax credit payable by the United States Treasury to the county in respect
97 of interest on any Bonds issued as Tax-Advantaged Bonds.

98 "Finance Director" means the director of the county finance and business
99 operations division of the department of executive services of the county or any other
100 county officer who succeeds to the duties now delegated to that office, or the designee of
101 such officer.

102 "Future PTST Parity Bonds" means any bonds or other obligations that may be
103 issued by the County in the future with a lien on the Two-tenths Sales Tax Revenue equal
104 to the lien thereon of Outstanding PTST Parity Bonds and the PTST LTGO Refunding
105 Bonds.

106 "Government Obligations" means "government obligations" as defined in chapter
107 39.53 RCW, as now in existence or hereafter amended.

108 "Letter of Representations" means the Blanket Issuer Letter of Representations
109 dated May 1, 1995, by and between the county and DTC, as it may be amended or
110 replaced from time to time.

111 "LTGO Refunding Candidates" means all or a portion of the outstanding limited
112 tax general obligation bonds of the county listed in Exhibit A hereto and all or a portion
113 of any other county limited tax general obligation bonds that in the future are designated
114 as LTGO Refunding Candidates in the applicable bond ordinance.

115 "LTGO Refunded Bonds" means all or that portion of the LTGO Refunding
116 Candidates included in a Refunding Plan and refunded pursuant to this ordinance.

117 "LTGO Refunding Bonds" means the limited tax general obligation refunding
118 bonds issued pursuant to this ordinance, including PTST LTGO Refunding Bonds.

119 "MSRB" means the Municipal Securities Rulemaking Board or any successor to
120 its functions.

121 "Outstanding PTST Parity Bonds" means the County's outstanding Limited Tax
122 General Obligation (Public Transportation Sales Tax) Refunding Bonds, 2002, issued
123 pursuant to Ordinance 14490, Limited Tax General Obligation (Public Transportation
124 Sales Tax) Bonds, 2004, issued pursuant to Ordinance 14887, Limited Tax General
125 Obligation (Public Transportation Sales Tax) Refunding Bonds, 2009, issued pursuant to
126 Ordinance 16231, and any other PTST Parity Bonds issued and outstanding prior to a
127 specific Series of PTST LTGO Refunding Bonds.

128 "Public Transportation Sales Tax" or "PTST" means the sales and use tax
129 authorized to be levied by the county pursuant to RCW 82.14.045 and which has
130 heretofore been duly levied by the county.

131 "PTST Bond Fund" means the Limited Tax General Obligation Bond Redemption
132 Fund" established pursuant to Ordinance 13128 with respect to all PTST Parity Bonds.

133 "PTST LTGO Refunding Bonds" means any Series of LTGO Refunding Bonds
134 which have pledged Two-tenths Sales Tax Revenues as Additional Security.

135 "PTST Parity Bonds" means the Outstanding PTST Parity Bonds, the PTST
136 LTGO Refunding Bonds and any Future PTST Parity Bonds.

137 "Rebate Amount" means the amount, if any, determined to be payable with
138 respect to a Series of Bonds by the county to the United States of America in accordance
139 with Section 148(f) of the Code.

140 "RCW" means the Revised Code of Washington.

141 "Refunded Bond Legislation" means the ordinances and motions of the county
142 pursuant to which Refunded Bonds were issued.

143 "Refunded Bonds" means the LTGO Refunded Bonds and UTGO Refunded
144 Bonds.

145 "Refunding Candidates" means the LTGO Refunding Candidates and the UTGO
146 Refunding Candidates.

147 "Refunding Plan" means, with respect to the issuance of each Series of Bonds, the
148 refunding of all or a portion of the Refunded Bonds through the issuance of such Series,
149 as will be more particularly described in the Certificate of Finance Director or in the Sale
150 Instrument.

151 "Refunding Escrow Agreement" means, with respect to each Series of Bonds, a
152 refunding trust or escrow agreement between the county and an Escrow Agent (or
153 arrangement determined by the Finance Director when the Finance Director serves as
154 Escrow Agent), dated as of the Closing Date of such Series, providing for the safekeeping

155 of certain Bond proceeds and the refunding of all or a portion of the Refunding
156 Candidates.

157 "Registered Owner" means any person or entity who shall be the registered owner
158 of any Bond. For so long as the county utilizes the book-entry system for the Bonds
159 under the Letter of Representations, Registered Owner shall mean DTC or its nominee.

160 "Rule" means the Commission's Rule 15c2-12 under the Securities and Exchange
161 Act of 1934, as the same may be amended from time to time.

162 "Sale Instrument" means, with respect to Bonds issued pursuant to a negotiated
163 sale, the bond purchase contract and, with respect to Bonds issued pursuant to a
164 competitive sale, the notice of sale, the winning bid and a notice of acceptance of bid
165 from the Finance Director. Sale Instrument shall also include any bond sale motion with
166 respect to a Series of Bonds combined for sale with a new money issue, or any bond sale
167 motion when the council or the Finance Director determine that it is appropriate to use a
168 bond sale motion with respect to a Series of Bonds.

169 "Sales Tax Revenues" means the amounts available for distribution to the county
170 by the state treasurer pursuant to RCW 82.14.060 on account of the Public Transportation
171 Sales Tax.

172 "Series of Bonds" or "Bonds of a Series" or "Series" means a series of Bonds
173 issued pursuant to this ordinance.

174 "State" means the State of Washington.

175 "Tax Certificate" means a certificate with respect to certain federal tax matters
176 executed on behalf of the county upon the issuance of each Series of Bonds.

177 "Tax-Advantaged Bonds" means any Bonds other than Tax-Exempt Bonds that
178 are designated by the county as Bonds with respect to which the county is eligible to
179 receive Federal Credit Payments or the holders of which are eligible to receive a federal
180 tax credit under any federal subsidy or credit program available under the Code.

181 "Tax-Exempt Bonds" means any Bond the interest on which is excludable from
182 gross income of the beneficial owner for the purposes of federal income tax.

183 "Term Bonds" means those outstanding Bonds or obligations of any single issue
184 or Series maturing in any one year for the retirement of which regularly recurring annual
185 deposits are required to be made into a Bond Fund prior to the scheduled maturity of such
186 Bonds sufficient to pay the same at or prior to their maturity.

187 "Two-tenths Sales Tax Revenues" means that portion of the Sales Tax Revenues
188 generated by a sales and use tax rate of 2/10 of 1%, which has been pledged to secure the
189 payment of the PTST Parity Bonds, and the further use of which for capital and operating
190 purposes is established by Ordinance 11661 of the county, passed on January 23, 1995.

191 "Undertaking" means an ongoing disclosure undertaking with respect to any
192 public offer or sale of a Series of Bonds consistent with the requirements of paragraph
193 (b)(5) of the Rule, as described in Section 21.

194 "UTGO Refunding Candidates" means all or a portion of the outstanding
195 unlimited tax general obligation bonds of the county listed in Exhibit A hereto and all or
196 a portion of any other county unlimited tax general obligation bonds that in the future are
197 designated as UTGO Refunding Candidates in the applicable bond ordinance.

198 "UTGO Refunded Bonds" means all or that portion of the UTGO Refunding
199 Candidates included in a Refunding Plan and refunded pursuant to this ordinance.

200 "UTGO Refunding Bonds" means the unlimited tax general obligation refunding
201 bonds issued pursuant to this ordinance.

202 **SECTION 2. Purpose, Authorization and Description of Bonds; Allocation of**
203 **Bonds to Refunded Bonds.**

204 A. Purpose and Authorization of LTGO Refunding Bonds. For the purpose of
205 providing all or part of the funds with which to pay the cost of refunding, defeasing, or
206 refunding and defeasing, the LTGO Refunded Bonds and to pay all or part of the costs of
207 issuing and selling the LTGO Refunding Bonds, the county is authorized to borrow
208 money on the credit of the county and issue LTGO Refunding Bonds evidencing that
209 indebtedness in the maximum principal amount which, together with other limited tax
210 general obligation bonds, is consistent with the Debt Management Policy and does not
211 exceed the county's nonvoted debt capacity at the time of issuance of those LTGO
212 Refunding Bonds.

213 B. Purpose and Authorization of UTGO Refunding Bonds. For the purpose of
214 providing all or part of the funds with which to pay the cost of refunding, defeasing, or
215 refunding and defeasing, the UTGO Refunded Bonds and to pay all or part of the costs of
216 issuing and selling the UTGO Refunding Bonds, the county is authorized to borrow
217 money on the credit of the county and issue UTGO Refunding Bonds evidencing that
218 indebtedness in the maximum principal amount which, together with other unlimited tax
219 general obligation bonds, is consistent with the Debt Management Policy and does not
220 exceed the county's debt capacity at the time of issuance of those UTGO Refunding
221 Bonds, so long as the annual principal and interest payments on those UTGO Refunding
222 Bonds is consistent with RCW 39.53.090.

223 C. Description. The Bonds may be issued in one or more Series; may be
224 combined with other general obligation bonds authorized separately; shall have such year
225 and Series or other designation as determined by the Finance Director consistent with the
226 provisions of this ordinance; shall be in Authorized Denominations; and shall be
227 numbered separately, in the manner and with any additional designation as the Bond
228 Registrar deems necessary for the purpose of identification. Each Series of Bonds shall
229 be dated as of the date established in the Sale Instrument. All or some of any Series of
230 Bonds may be Term Bonds, as specified in the Sale Instrument.

231 Each Series of Bonds will bear interest (computed on the basis of a 360-day year
232 of twelve 30-day months) from their date or from the most recent interest payment date
233 for which interest has been paid or duly provided for, whichever is later, payable
234 semiannually on interest payment dates to be determined by the Finance Director in
235 consultation with the county's financial advisor. The Bonds shall bear interest at the rate
236 or rates set forth in the Sale Instrument, except that the true interest cost for each Series
237 shall not exceed the average interest rate on the Refunded Bonds being refunded.

238 The Bonds shall mature on principal payment dates to be determined by the
239 Finance Director in consultation with the county's financial advisor. The various
240 maturities of Bonds issued to refund Refunded Bonds shall not extend over a longer
241 period of time than those Refunded Bonds unless the county council extends the
242 maturities by motion and unless otherwise permitted by RCW 39.53.090.

243 D. Allocation of the Bonds to the Refunded Bonds. The Finance Director
244 shall, in the Sale Instrument or the Tax Certificate, allocate the Series of Bonds to the
245 various series of the Refunded Bonds in such manner as will comply with applicable

246 requirements of the Code, meet restrictions in State law concerning the refunding of
247 voter-approved Refunded Bonds, and effectuate any other allocation deemed necessary or
248 appropriate for accounting and debt administration purposes.

249 **SECTION 3. Registration, Exchange and Payments.**

250 A. Bond Registrar/Bond Register. In accordance with KCC 4.84, the county
251 hereby adopts for the Bonds the system of registration specified and approved by the
252 Washington State Finance Committee, which utilizes the fiscal agent of the State as
253 registrar, authenticating agent, paying agent and transfer agent (the "Bond Registrar").
254 The Bond Registrar shall keep, or cause to be kept, at its principal corporate trust office,
255 sufficient books for the registration and transfer of the Bonds (the "Bond Register"),
256 which shall be open to inspection by the county at all times. The Bond Register shall
257 contain the name and mailing address of the owner of each Bond and the principal
258 amount and number of each of the Bonds held by each owner. The Bond Registrar is
259 authorized, on behalf of the county, to authenticate and deliver Bonds transferred or
260 exchanged in accordance with the provisions of the Bonds and this ordinance, to serve as
261 the county's paying agent for the Bonds and to carry out all of the Bond Registrar's
262 powers and duties under this ordinance.

263 The Bond Registrar shall be responsible for its representations contained in the
264 Bond Registrar's Certificate of Authentication on the Bonds. The Bond Registrar may
265 become the Registered Owner of Bonds with the same rights it would have if it were not
266 the Bond Registrar and, to the extent permitted by law, may act as depository for and
267 permit any of its officers or directors to act as members of, or in any other capacity with
268 respect to, any committee formed to protect the rights of Registered Owners.

269 B. Registered Ownership. The Bonds shall be issued only in registered form as
270 to both principal and interest and shall be recorded on the Bond Register. The county and
271 the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of
272 each Bond as the absolute owner thereof for all purposes, and neither the county nor the
273 Bond Registrar shall be affected by any notice to the contrary. Payment of any such
274 Bond shall be made only as described in Section 3.E hereof, but such registration may be
275 transferred as herein provided. All such payments made as described in Section 3.E shall
276 be valid and shall satisfy and discharge the liability of the county upon such Bond to the
277 extent of the amount or amounts so paid.

278 C. Use of Depository. The Bonds of each Series initially shall be registered in
279 the name of Cede & Co., as the nominee of DTC; however, if DTC shall request that the
280 Bonds be registered in the name of a different nominee, the Bond Registrar shall
281 exchange all or any portion of the Bonds for an equal aggregate principal amount of
282 Bonds registered in the name of such other nominee or nominees of DTC. The Bonds so
283 registered shall be held in fully immobilized form by DTC as depository in accordance
284 with the provisions of the Letter of Representations. Neither the county nor the Bond
285 Registrar shall have any responsibility or obligation to DTC participants or the persons
286 for whom they act as nominees with respect to the Bonds regarding accuracy of any
287 records maintained by DTC or DTC participants, the payment by DTC or any DTC
288 participants of any amount in respect of principal or redemption price of or interest on the
289 Bonds, any notice which is permitted or required to be given to Registered Owners
290 hereunder (except such notice as is required to be given by the Bond Registrar to DTC),
291 the selection by DTC or any DTC participant of any person to receive payment in the

292 event of a partial redemption of such Bonds or any consent given or other action taken by
293 DTC as owner of such Bonds.

294 For as long as any Series of Bonds are held in fully immobilized form, DTC, its
295 nominee or its successor depository shall be deemed to be the Registered Owner for all
296 purposes hereunder and all references to registered owners, bondowners, bondholders or
297 the like shall mean DTC or its nominee and shall not mean the owners of any beneficial
298 interests in such Bonds. Registered ownership of such Bonds, or any portions thereof,
299 may not thereafter be transferred except: (i) to any successor of DTC or its nominee, if
300 that successor shall be qualified under any applicable laws to provide the services
301 proposed to be provided by it; (ii) to any substitute depository appointed by the Finance
302 Director or such substitute depository's successor; or (iii) to any person if the Bonds are
303 no longer held in immobilized form.

304 Upon the resignation of DTC or its successor (or any substitute depository or its
305 successor) from its functions as depository, or a determination by the Finance Director
306 that the county no longer wishes to continue the system of book-entry transfers through
307 DTC or its successor (or any substitute depository or its successor), the Finance Director
308 may appoint a substitute depository. Any such substitute depository shall be qualified
309 under any applicable laws to provide the services proposed to be provided by it.

310 If (i) DTC or its successor (or substitute depository or its successor) resigns from
311 its functions as depository, and no substitute depository can be obtained, or (ii) the county
312 determines that the Bonds of any Series are to be in certificated form, the ownership of
313 those Bonds may be transferred to any person as provided herein and those Bonds no
314 longer shall be held in fully immobilized form.

315 D. Registration Covenant. The county covenants that, until all Bonds have been
316 surrendered and canceled, it will maintain a system for recording the ownership of each
317 Bond that complies with the provisions of Section 149 of the Code.

318 E. Place and Medium of Payment. Principal of, premium, if any, and interest on
319 the Bonds shall be payable in lawful money of the United States of America. For so long
320 as the Bonds of any Series are in fully immobilized form, payments of principal and
321 interest thereon shall be made as provided in accordance with the operational
322 arrangements of DTC referred to in the Letter of Representations. If the Bonds of any
323 Series are no longer in fully immobilized form, interest on those Bonds shall be paid by
324 checks or drafts of the Bond Registrar mailed on the interest payment date to the
325 Registered Owners at the addresses appearing on the Bond Register on the 15th day of
326 the month preceding the interest payment date or by electronic transfer on the interest
327 payment date. The county shall not be required to make electronic transfers except to a
328 Registered Owner of Bonds pursuant to a request in writing received at least 10 days
329 before an interest payment date, and any such electronic transfer shall be at the sole
330 expense of that Registered Owner. Principal of the Bonds shall be payable upon
331 presentation and surrender of the Bonds by the Registered Owners to the Bond Registrar.

332 F. Transfer or Exchange of Registered Ownership; Change in Denominations.
333 The registered ownership of any Bond may be transferred or exchanged, but no transfer
334 of any Bond shall be valid unless it is surrendered to the Bond Registrar with the
335 assignment form appearing on such Bond duly executed by the Registered Owner or such
336 Registered Owner's duly authorized agent in a manner satisfactory to the Bond Registrar.
337 Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall

338 authenticate and deliver, without charge to the Registered Owner or transferee therefor, a
339 new Bond (or Bonds at the option of the new Registered Owner) of the same Series, date,
340 maturity and interest rate and for the same aggregate principal amount in any Authorized
341 Denomination, naming as Registered Owner the person or persons listed as the assignee
342 on the assignment form appearing on the surrendered Bond, in exchange for such
343 surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar
344 and exchanged, without charge, for an equal aggregate principal amount of Bonds of the
345 same Series, date, maturity and interest rate, in any Authorized Denomination. The Bond
346 Registrar shall not be obligated to exchange or transfer any Bond during the 15 days
347 preceding any principal payment or redemption date, or, in the case of any proposed
348 redemption of the Bonds, after the mailing of notice of the call of such Bonds for
349 redemption.

350 **SECTION 4. Redemption Provisions; Open Market Purchase of Bonds.**

351 A. Optional Redemption. The county may reserve the right to redeem
352 outstanding Bonds of any Series prior to their maturity on the dates and at the prices
353 established in the Sale Instrument therefor; *provided, however*, that, if necessary to
354 comply with the Code, such optional redemption date for any Series shall be no later than
355 10½ years from the issue date of that Series and that no redemption price shall be greater
356 than 102% of par. Portions of the principal amount of any Bond, in any Authorized
357 Denomination, may be redeemed.

358 B. Mandatory Redemption. The county shall redeem Term Bonds of any Series,
359 if not previously redeemed under any optional redemption provisions or purchased and
360 surrendered for cancellation under the provisions set forth below, by lot (or in such other

361 manner as the Bond Registrar shall determine) at par plus accrued interest on the dates
362 and in the years and principal amounts as set forth in the related Sale Instrument.

363 If the county redeems Term Bonds under any optional redemption provisions or
364 purchases Term Bonds for surrender and cancellation as set forth below, the Term Bonds
365 so redeemed or purchased (irrespective of their redemption or purchase prices) shall be
366 credited at the par amount thereof against the remaining mandatory redemption
367 requirements in a manner to be determined by the Finance Director or, if no such
368 determination is made, on a pro-rata basis.

369 C. Partial Redemption. If fewer than all of the Bonds of a Series subject to
370 optional redemption are called for redemption, the county shall choose the maturities to
371 be redeemed. If fewer than all of the Bonds of a Series maturing on the same date are
372 called for redemption, the Bond Registrar shall select for redemption such Bonds or
373 portions thereof randomly, or in such other manner as the Bond Registrar shall determine,
374 except that, for so long as the Bonds are registered in the name of DTC or its nominee,
375 DTC shall select for redemption such Bonds or portions thereof in accordance with the
376 Letter of Representations. In no event shall any Bond be outstanding in a principal
377 amount that is not an Authorized Denomination.

378 If less than all of the principal amount of any Bond is redeemed, upon surrender
379 of that Bond to the Bond Registrar, there shall be issued to the Registered Owner, without
380 charge therefor, a new Bond (or Bonds, at the option of the Registered Owner) of the
381 same Series, maturity and interest rate in any Authorized Denominations in the aggregate
382 total principal amount remaining unredeemed.

383 D. Purchase of Bonds. The county further reserves the right and option to
384 purchase any or all of the Bonds at any time at any price.

385 E. Cancellation of Bonds. All Bonds purchased or redeemed under this section
386 shall be canceled.

387 **SECTION 5. Notice and Effect of Redemption.**

388 A. Notice of Redemption. While Bonds are held by DTC in book-entry only
389 form, any notice of redemption shall be given at the time, to the entity and in the manner
390 required by DTC in accordance with the Letter of Representations, and the Bond
391 Registrar shall not be required to give any other notice of redemption. If the Bonds cease
392 to be in book-entry only form, unless waived by any Registered Owner of the Bonds to
393 be redeemed, the county shall cause notice of any intended redemption of Bonds to be
394 given by the Bond Registrar not less than 20 nor more than 60 days prior to the date fixed
395 for redemption by first-class mail, postage prepaid, to the Registered Owner of any Bond
396 to be redeemed at the address appearing on the Bond Register at the time the Bond
397 Registrar prepares the notice. The requirements of this section shall be deemed to have
398 been fulfilled when notice has been mailed as so provided, whether or not it is actually
399 received by the owner of any Bond.

400 In the case of an optional redemption, the notice may state that the county retains
401 the right to rescind the redemption notice and the related optional redemption of Bonds
402 by giving a notice of rescission to the affected Registered Owners at any time prior to the
403 scheduled optional redemption date. Any notice of optional redemption that is so
404 rescinded shall be of no effect, and the Bonds for which the notice of optional redemption
405 has been rescinded shall remain outstanding.

406 In addition, the redemption notice shall be mailed or sent electronically within the
407 same period to the MSRB, consistent with the Undertaking, to any nationally recognized
408 rating agency which at the time maintains a rating on the Bonds at the request of the
409 county, and to such other persons and with such additional information as the Finance
410 Director shall determine, but these additional mailings shall not be a condition precedent
411 to the redemption of Bonds.

412 B. Effect of Redemption. Interest on Bonds called for redemption shall cease to
413 accrue on the date fixed for redemption, except in the case of a rescinded optional
414 redemption as described above, or unless the Bond or Bonds called are not redeemed
415 when presented pursuant to the call.

416 **SECTION 6. Failure to Redeem Bonds.** If any Bond is not redeemed when
417 properly presented at its maturity or date set for redemption, the county shall be obligated
418 to pay interest on that Bond at the same rate provided in the Bond from and after its
419 maturity or date set for redemption until that Bond, both principal and interest, is paid in
420 full or until sufficient money for its payment in full is on deposit in the applicable Bond
421 Fund and the Bond has been called for payment by giving notice of that call to the
422 Registered Owner.

423 **SECTION 7. Form and Execution of Bonds.** The Bonds shall be prepared in a
424 form consistent with the provisions of this ordinance and State law and shall be signed by
425 the county executive and the clerk of the council, either or both of whose signatures may
426 be manual or in facsimile, and the seal of the county or a facsimile reproduction thereof
427 shall be impressed or printed thereon.

428 Only Bonds bearing a Certificate of Authentication in the following form,
429 manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or
430 entitled to the benefits of this ordinance: "Certificate of Authentication. This Bond is
431 one of the fully registered King County, Washington, [appropriate name, year and series
432 designation], described in the Bond Ordinance." The authorized signing of a Certificate
433 of Authentication shall be conclusive evidence that the Bond so authenticated has been
434 duly executed, authenticated and delivered and is entitled to the benefits of this
435 ordinance.

436 If any officer whose facsimile signature appears on the Bonds ceases to be an
437 officer of the county authorized to sign bonds before the Bonds bearing his or her
438 facsimile signature are authenticated or delivered by the Bond Registrar or issued by the
439 county, those Bonds nevertheless may be authenticated, issued and delivered and, when
440 authenticated, issued and delivered, shall be as binding on the county as though that
441 person had continued to be an officer of the county authorized to sign bonds. Any Bond
442 also may be signed on behalf of the county by any person who, on the actual date of
443 signing of the Bond, is an officer of the county authorized to sign bonds, although he or
444 she did not hold the required office on the date of issuance of the Bonds.

445 SECTION 8. Mutilated, Lost or Destroyed Bonds. If any Bond shall become
446 mutilated, the Bond Registrar shall authenticate and deliver a new Bond of like amount,
447 date, series, interest rate and tenor in exchange and substitution for the Bond so
448 mutilated, upon the owner's paying the expenses and charges of the county and the Bond
449 Registrar in connection therewith and upon surrender to the Bond Registrar of the Bond

450 so mutilated. Every mutilated Bond so surrendered shall be canceled and destroyed by
451 the Bond Registrar.

452 In case the Bonds or any of them shall be lost, stolen or destroyed, the Bond
453 Registrar may authenticate and deliver a new Bond or Bonds of like amount, date, series,
454 interest rate and tenor to the Registered Owner thereof upon the owner's paying the
455 expenses and charges of the county and the Bond Registrar in connection therewith and
456 upon his/her filing with the Bond Registrar evidence satisfactory to the Bond Registrar
457 that such Bond or Bonds were actually lost, stolen or destroyed and of his/her ownership
458 thereof, and upon furnishing the county and the Bond Registrar with indemnity
459 satisfactory to the Finance Director and the Bond Registrar.

460 **SECTION 9. UTGO Refunding Bonds - Pledge of Taxation and Credit.** For
461 so long as any of the UTGO Refunding Bonds remain outstanding and unpaid, the county
462 irrevocably pledges, that unless the principal of and interest on the UTGO Refunding
463 Bonds are paid from other sources, it will make annual levies of taxes without limitation
464 as to rate or amount upon all property within the county subject to taxation in amounts
465 sufficient to pay such principal and interest as the same shall become due and will pay the
466 same into the Bond Fund for the UTGO Refunding Bonds. All of those taxes so
467 collected and any other money to be used for such purposes shall be paid into the Bond
468 Fund for the UTGO Refunding Bonds no later than the date such funds are required for
469 the payment of principal of and interest on the UTGO Refunding Bonds.

470 The full faith, credit, and resources of the county are pledged irrevocably for the
471 annual levy and collection of those taxes and for the prompt payment of that principal
472 and interest.

473 **SECTION 10. Security for LTGO Refunding Bonds.**

474 A. Pledge of General Taxation and Credit. For so long as any of the LTGO
475 Refunding Bonds remain outstanding and unpaid, the county irrevocably covenants and
476 agrees that each year it will include in its budget and levy an *ad valorem* tax upon all the
477 property within the county subject to taxation in an amount that will be sufficient,
478 together with all other revenues and money of the county legally available for such
479 purposes, to pay the principal of and interest on the LTGO Refunding Bonds as the same
480 shall become due. All of such taxes so collected and any other money to be used for such
481 purposes shall be paid into the applicable Bond Fund for the LTGO Refunding Bonds no
482 later than the date such funds are required for the payment of principal of and interest on
483 the LTGO Refunding Bonds.

484 The county irrevocably pledges that the annual tax provided for herein to be
485 levied for the payment of such principal and interest shall be within and as a part of the
486 tax levy permitted to counties without a vote of the people, and that a sufficient portion of
487 each annual levy to be levied and collected by the county prior to the full payment of the
488 principal of and interest on the LTGO Refunding Bonds will be and is hereby irrevocably
489 set aside, pledged and appropriated for the payment of the principal of, premium, if any,
490 and interest on the LTGO Refunding Bonds.

491 The full faith, credit and resources of the county are irrevocably pledged for the
492 annual levy and collection of such taxes and for the prompt payment of such principal
493 and interest as the same shall become due.

494 B. Additional Security Pledge. If a Series of LTGO Refunding Bonds refunds
495 LTGO Refunding Candidates having a pledge of Additional Security under the related

496 Refunded Bond Legislation, such Additional Security also shall be pledged to the
497 payment of that Series of LTGO Refunding Bonds.

498 **SECTION 11. Covenants and Warranties.** The county makes the following
499 covenants and warranties:

500 A. The county has full legal right, power and authority to enact this ordinance, to
501 sell, issue and deliver the Bonds as provided herein, and to carry out and consummate all
502 other transactions contemplated by this ordinance.

503 B. By all necessary official action prior to or concurrently herewith, the county
504 has duly authorized and approved the execution and delivery of, and the performance by
505 the county of its obligations contained in, the Bonds and in this ordinance and the
506 consummation by it of all other transactions necessary to effectuate this ordinance in
507 connection with the issuance of the Bonds, and such authorizations and approvals are in
508 full force and effect and have not been amended, modified or supplemented in material
509 respect.

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

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

513 E. The enactment of this ordinance, and compliance on the county's part with the
514 provisions contained herein, will not conflict with or constitute a breach of or default
515 under any constitutional provisions, law, administrative regulation, judgment, decree,
516 loan agreement, indenture, bond, note, resolution, ordinance, motion, agreement or other
517 instrument to which the county is a party or to which the county or any of its property or
518 assets are otherwise subject, nor will any such adoption, execution, delivery, sale,

519 issuance or compliance result in the creation or imposition of any lien, charge or other
520 security interest or encumbrance of any nature whatsoever upon any of the property or
521 assets of the county or under the terms of any such law, regulation or instrument, except
522 as may be provided by the Bonds and this ordinance.

523 F. The county covenants that each Series of Bonds shall be issued within all
524 statutory and constitutional debt limitations applicable to the county.

525 G. None of the proceeds of the Bonds will be used for any purpose other than as
526 provided in this ordinance, and the county shall not suffer any amendment or supplement
527 to this ordinance, or any departure from the due performance of the obligations of the
528 county hereunder, which might materially adversely affect the rights of the owners from
529 time to time of the Bonds.

530 H. The county covenants to meet any parity requirements under any Refunded
531 Bond Legislation still in effect at the time Bonds are issued to refund the related
532 Refunding Candidates.

533 **SECTION 12. Tax Covenants.** The county covenants that it will take all actions
534 necessary to prevent interest on the Tax-Exempt Bonds from being included in gross
535 income for federal income tax purposes, and it will neither take any action nor make or
536 permit any use of proceeds of the Tax-Exempt Bonds or other funds of the county treated
537 as proceeds of the Tax-Exempt Bonds at any time during the term of the Tax-Exempt
538 Bonds which will cause interest on the Tax-Exempt Bonds to be included in gross income
539 for federal income tax purposes. The county also covenants that it will, to the extent the
540 arbitrage rebate requirement of Section 148 of the Code is applicable to the Tax-Exempt
541 Bonds, take all actions necessary to comply (or to be treated as having complied) with

542 that requirement in connection with the Tax-Exempt Bonds, including the calculation and
543 payment of any penalties that the county has elected to pay as an alternative to
544 calculating rebatable arbitrage, and the payment of any other penalties if required under
545 Section 148 of the Code to prevent interest on the Tax-Exempt Bonds from being
546 included in gross income for federal income tax purposes.

547 The county also covenants that the county will not take or permit to be taken on
548 its behalf any action that would adversely affect the entitlement of the county to receive
549 from the United States Treasury the applicable Federal Credit Payments in respect of
550 Tax-Advantaged Bonds, or the entitlement of the beneficial owners to receive tax credits
551 in respect of Tax-Advantaged Bonds.

552 **SECTION 13. Bond Funds.**

553 A. General. There previously have been created and established the Bond Funds,
554 which shall each at all times be completely segregated and set apart from all other funds
555 and accounts of the county. Bond Redemption Accounts are authorized to be created
556 within the Bond Fund for each Series, except within the PTST Bond Fund. There
557 previously has been created in the PTST Bond Fund the Interest Account, the Serial Bond
558 Principal Account and the Term Bond Principal Account. Accrued interest on the Bonds
559 received from the sale and delivery of the Bonds, if any, together with any net premium
560 received from the sale and delivery of the Bonds that is not necessary to carry out the
561 Refunding Plan, shall be paid or allocated into the applicable Bond Fund prior to the first
562 debt service payment date with respect to those Bonds. All taxes and Additional Security
563 collected for and allocated to the payment of the principal of and interest on a Series of
564 Bonds shall be deposited in the applicable Bond Fund. With respect to any PTST LTGO

565 Refunding Bonds, payments into and out of the PTST Bond Fund and accounts therein
566 shall be in accordance with the provisions of the related Refunded Bond Legislation. In
567 addition, payments into or out of a special bond fund created for any future LTGO
568 Refunding Candidates shall be in accordance with the provisions of the related Refunded
569 Bond Legislation.

570 C. Payments to the Bond Registrar; Investments. Money on deposit in the Bond
571 Funds shall be transmitted to the Bond Registrar at such times and in such amounts as
572 shall be necessary to pay when due the principal of and interest and premium, if any, on
573 any related Bonds and with respect to the PTST Bond Fund, any PTST Parity Bonds.
574 Money in the Bond Funds shall be invested in any legal investments of the county
575 maturing in such amounts and at such times as the finance Director may determine so that
576 payments required to be made from the Bond Funds may be made when due.

577 D. Using Bond Fund Money to Pay Rebate. Notwithstanding any provisions of
578 this ordinance regarding the use of money deposited in a Bond Fund, such money may be
579 withdrawn from a Bond Fund as necessary to pay the Rebate Amount.

580 **SECTION 14. Execution of Refunding Plan.**

581 A. Appointment of Escrow Agent. The Finance Director may serve as, or
582 appoint separately, the Escrow Agent for each Series of Bonds.

583 B. Use of Bond Proceeds; Acquisition and Substitution of Acquired Obligations.
584 There is authorized to be created a special account of the county for each Series of the
585 Bonds to be maintained with the Escrow Agent therefor, each of which will be known as
586 a "King County [Unlimited/Limited] Tax General Obligation Refunding Bond Refunding
587 Account," with the same year and series designation as that corresponding to the related

588 Series of Bonds (each hereinafter call a "Refunding Account"). Each Refunding Account
589 shall be used for the sole purpose of providing for the payment of the principal of and
590 redemption premium, if any, and interest on the Refunded Bonds to be refunded by the
591 related Series of Bonds as hereinafter set forth in this section, paying costs related to the
592 refunding of such Refunded Bonds, and paying costs of issuing the related Series of
593 Bonds. The net principal proceeds from the sale of each Series of Bonds shall be credited
594 to the related Refunding Account.

595 For each Series of Bonds, sufficient proceeds of the sale of the Bonds, together
596 with other money of the county, if any, required by the Refunding Plan, shall be
597 deposited immediately upon the receipt thereof with the Escrow Agent and used to
598 discharge the obligations of the county relating to the Refunded Bonds to be refunded
599 therewith under the respective Refunded Bond Legislation by providing for the payment
600 of the amounts required to be paid by the Refunding Plan. The Refunding Plan shall be
601 carried out, and proceeds of the Bonds shall be applied, in accordance with this
602 ordinance, the respective Refunded Bond Legislation, and the laws of the State. To the
603 extent practicable, such obligations shall be discharged fully by the Escrow Agent's
604 simultaneous purchase of the Acquired Obligations, bearing such interest and maturing as
605 to principal and interest in such amounts and at such times so as to provide, together with
606 a beginning cash balance, if necessary, for the payment of the amounts required to be
607 paid by the Refunding Plan. The Acquired Obligations shall be listed and more
608 particularly described in a schedule attached to the Refunding Escrow Agreement, but are
609 subject to substitution as set forth below.

610 Prior to the purchase of any such Acquired Obligations, the county reserves the
611 right to substitute other Government Obligations for any of the Acquired Obligations and
612 to use any savings created thereby for any lawful county purpose if, (i) in the opinion of
613 Bond Counsel, such substitution shall not result in the interest on the applicable Series of
614 Bonds (if issued as Tax-Exempt Bonds) and the applicable series of Refunded Bonds (if
615 issued as tax-exempt obligations) becoming includable in gross income for federal
616 income tax purposes under the Code, and (ii) such substitution shall not impair the timely
617 payment of the amounts required to be paid by the Refunding Plan, as verified by a
618 nationally recognized firm of independent certified public accountants.

619 After the purchase of the Acquired Obligations by the Escrow Agent, the county
620 reserves the right to substitute therefor cash or Government Obligations subject to the
621 conditions that such money or securities held by the Escrow Agent shall be sufficient to
622 carry out the Refunding Plan, that such substitution will not cause the Bonds or the
623 Refunded Bonds issued as tax-exempt obligations to be arbitrage bonds within the
624 meaning of Section 148 of the Code and regulations thereunder in effect on the date of
625 such substitution and applicable to obligations issued on the issue date of the Bonds, and
626 that the county obtain: (i) verification by a nationally recognized independent certified
627 public accounting firm reasonably acceptable to the Escrow Agent confirming that the
628 payments of principal of and interest on the Government Obligations, if paid when due,
629 and any other money held by the Escrow Agent will be sufficient to carry out the
630 Refunding Plan; and (ii) an opinion from Bond Counsel to the effect that the disposition
631 and substitution or purchase of such securities, under the statutes, rules and regulations
632 then in force and applicable to the Bonds, will not cause the interest on the Bonds or the

633 Refunded Bonds issued as tax-exempt obligations to be included in gross income for
634 federal income tax purposes and that such disposition and substitution or purchase is in
635 compliance with the statutes and regulations applicable to the Bonds. Any surplus money
636 resulting from the sale, transfer, other disposition or redemption of the Acquired
637 Obligations and the substitutions therefor shall be released from the trust estate and may
638 be used for any lawful county purpose.

639 C. Administration of Refunding Plan. The Escrow Agent is authorized and
640 directed to purchase the Acquired Obligations (or substitute obligations) and to make the
641 payments required to be made by the Refunding Plan from the Acquired Obligations (or
642 substitute obligations) and money deposited with the Escrow Agent pursuant to this
643 ordinance. All Acquired Obligations (or substitute obligations) and the money deposited
644 with the Escrow Agent and any income therefrom shall be held irrevocably, invested and
645 applied in accordance with the provisions of the respective Refunded Bond Legislation,
646 this ordinance, chapter 39.53 RCW and other applicable statutes of the State of
647 Washington and the Refunding Escrow Agreement. All necessary and proper fees,
648 compensation and expenses of the Escrow Agent and all other costs incidental to the
649 setting up of the escrow to accomplish the refunding of the Refunded Bonds and costs
650 related to the issuance and delivery of the Bonds, including bond printing, verification
651 fees, Bond Counsel's fees and other related expenses, may be paid out of the proceeds of
652 the Bonds.

653 D. Authorization for Refunding Escrow Agreement. To carry out the Refunding
654 Plan provided for by this ordinance, the Finance Director is authorized and directed to
655 execute and deliver to an Escrow Agent that is not the Finance Director, in connection

656 with each Series of Bonds, one or more Refunding Escrow Agreements setting forth the
657 duties, obligations and responsibilities of the Escrow Agent in connection with the
658 payment, redemption and retirement of the Refunded Bonds as provided herein and in the
659 Sale Instrument and stating that the provisions for payment of the fees, compensation and
660 expenses of such Escrow Agent set forth therein are satisfactory to it. Prior to executing
661 any such Refunding Escrow Agreement, the Finance Director is authorized to make such
662 changes therein which do not change the substance and purpose thereof or which assure
663 that the escrow provided therein and the Bonds are in compliance with the requirements
664 of federal law governing the exclusion of interest on the Tax-Exempt Bonds from gross
665 income for federal income tax purposes.

666 **SECTION 15. Redemption of the Refunded Bonds.** As a part of the Refunding
667 Plan, the county may call Refunded Bonds for redemption, which call shall be
668 determined by the Finance Director, in consultation with the county's financial advisor.
669 Such call for redemption of the Refunded Bonds shall specify the Refunded Bonds, call
670 dates and redemption prices (expressed as a percentage of par, plus accrued interest). If
671 authorized under the Refunded Bond Legislation, such call for redemption of the
672 Refunded Bonds may be subject to revocation by the county prior to and/or conditioned
673 upon, delivery to the initial purchaser of the applicable Series of Bonds and receipt of the
674 proceeds thereof by the county, but shall be irrevocable thereafter. The dates on which
675 the Refunded Bonds are called for redemption shall be, in the judgment of the Finance
676 Director, the earliest practical dates on which those bonds may be called for redemption.

677 The proper county officials are authorized and directed to give or cause to be
678 given such notices as may be required, at the times and in the manner required pursuant

679 to the related Refunded Bond Legislation, in order to effect the defeasance and
680 redemption prior to maturity of the Refunded Bonds. The costs of publication of such
681 notice shall be an expense of the county.

682 SECTION 16. County Findings with Respect to Refunding. Prior to the
683 issuance of any Series of Bonds, the Finance Director must execute a Certificate of
684 Finance Director making a finding and determination on behalf of the county that the
685 issuance and sale of those Bonds will effect a savings to the county, consistent with the
686 Debt Management Policy. In making such finding and determination, the Finance
687 Director shall give consideration to the fixed maturities of the Bonds and the Refunded
688 Bonds, the costs of issuance and sale of the Bonds, and the known earned income from
689 the investment of the proceeds of the issuance and sale of the Bonds and other money of
690 the county used in the Refunding Plan pending payment and redemption of the Refunded
691 Bonds.

692 In the Certificate of Finance Director, the Finance Director must further find and
693 determine that the money to be deposited with the Escrow Agent in accordance with this
694 ordinance and the Sale Instrument will discharge and satisfy the obligations of the county
695 with respect to the Refunded Bonds under the respective Refunded Bond Legislation,
696 and, if applicable, that the pledges, charges, trusts, covenants, and agreements of the
697 county therein made or provided for as to the Refunded Bonds shall be discharged, and, if
698 applicable, that the Refunded Bonds shall no longer be deemed to be outstanding under
699 the respective Refunded Bond Legislation immediately upon the irrevocable deposit of
700 such money with the Escrow Agent. The Finance Director may rely on the advice of

701 Bond Counsel and/or a verification report in making the determination described in this
702 paragraph.

703 **SECTION 17. Sale of Bonds.**

704 A. Determination by Finance Director. The Finance Director shall identify, in
705 consultation with the county's financial advisor, the Refunding Candidates eligible to be
706 refunded by each Series of Bonds. The Finance Director may determine, in consultation
707 with the county's financial advisor, the principal amount of each Series of the Bonds,
708 whether the Bonds should be sold separately or in one or more combined Series, and
709 whether each Series of Bonds should be sold by negotiated sale or by competitive bid.

710 The Finance Director, in consultation with the county's financial advisor, may
711 determine it is in the county's best interest to provide for bond insurance or other credit
712 enhancement, and may provide conditions or covenants relating thereto, including
713 additional terms, conditions, and covenants relating to the Bonds that are required by the
714 bond insurer, and are consistent with the provisions of this ordinance, including but not
715 limited to restrictions on investments and requirements of notice to and consent of the
716 bond insurer.

717 The county executive and the Finance Director are each separately authorized to
718 execute and deliver, on behalf of the county, any contracts and other documents
719 consistent with the provisions of this ordinance for which the county's approval is
720 necessary or to which the county is a party and that are related or incidental to the
721 issuance and sale of the Bonds or to the establishment of the interest rate or rates on the
722 Bonds, including but not limited to agreements with bond insurers, underwriters, fiscal
723 agencies and the Bond Registrar. The Finance Director may determine the amount, if

724 any, from the proceeds of or accrued interest on the Bonds to be deposited into specified
725 funds, subfunds, accounts, and subaccounts.

726 B. Procedure for Negotiated Sale. If the Finance Director determines that the any
727 Series of Bonds should be sold by negotiated sale, the Finance Director shall, in
728 accordance with applicable county procurement procedures, solicit one or more
729 underwriting firms with which to negotiate the sale of those Bonds. The purchase
730 contract for each Series of Bonds shall establish the year and Series designation,
731 Additional Security, if applicable, date, aggregate principal amount, interest payment
732 dates, interest rate(s), maturity schedule and principal amounts per maturity, and
733 redemption provisions of such Series of Bonds. The county council authorizes the
734 Finance Director to serve as its designated representative and to accept, on behalf of the
735 county, an offer to purchase the Bonds, which offer must be consistent with the terms of
736 this ordinance and with the Debt Management Policy.

737 C. Procedure for Sale by Competitive Bid. If the Finance Director determines
738 that any Series of the Bonds should be sold by competitive bid, bids for the purchase of
739 each Series of Bonds shall be received at such time or place and by such means as the
740 Finance Director shall direct. The Finance Director is authorized to prepare an official
741 notice of bond sale for each Series of Bonds to be sold pursuant to competitive bid,
742 establishing in such notice the year and series designation, date, estimated aggregate
743 principal amount, interest payment dates, estimated maturity schedule and principal
744 amount per maturity, and redemption provisions of such Bonds. After consultation with
745 the county's financial advisor, the Finance Director may direct that the official notice of

746 bond sale or an abridged form thereof be published in such newspapers or financial
747 journals as may be deemed desirable or appropriate by Finance Director.

748 Upon the date and time established for the receipt of bids for a Series of Bonds,
749 the Finance Director or his or her designee shall open the bids and shall cause the bids to
750 be mathematically verified. The county council authorizes the Finance Director to serve
751 as its designated representative and to accept, on behalf of the county, the winning bid to
752 purchase the Bonds, which may be adjusted with respect to the aggregate principal
753 amount and principal amount per maturity as reflected in the notice of acceptance of
754 winning bid, and which must be consistent with the terms of this ordinance and with the
755 Debt Management Policy.

756 D. Legislative Approval. On the day of each refunding bond sale, the Executive
757 shall forward a motion to the County Council approving the final aggregate principal
758 amount, interest payment dates, interest rate(s), maturity schedule and principal amounts
759 per maturity, and redemption provisions of the series of bonds. Until such a time as this
760 motion has been approved, the bond sale shall not considered final.

761 **SECTION 18. Delivery of Bonds.** Following the sale of each Series of the
762 Bonds, the county shall cause definitive Bonds of such Series to be prepared, executed
763 and delivered to the purchaser thereof in accordance with the provisions of this
764 ordinance, with the approving legal opinion of municipal bond counsel regarding the
765 Bonds.

766 If definitive Bonds of any Series are not ready for delivery by the date established
767 for their delivery to the initial purchaser, then the Finance Director, upon the approval of
768 the purchaser, may cause to be issued and delivered to the purchaser one or more

769 temporary Bonds of the same series with appropriate omissions, changes and additions.
770 Any temporary Bond or Bonds shall be entitled and subject to the same benefits and
771 provisions of this ordinance with respect to the payment, security and obligation thereof a
772 definitive Bonds authorized thereby. Such temporary Bond or Bonds shall be
773 exchangeable without cost to the owners thereof for definitive Bonds of the same series
774 when the latter are ready for delivery.

775 **SECTION 19. Preliminary Official Statement under SEC Rule 15c2-12.** The
776 county authorizes and directs the Finance Director: (i) to review and approve the
777 information contained in any preliminary official statement (the "Preliminary Official
778 Statement") prepared in connection with the public offer and sale of a Series of Bonds;
779 and (ii) for the sole purpose of the Bond purchasers' compliance with Section (b)(1) of
780 the Rule, to "deem final" that Preliminary Official Statement as of its date, except for the
781 omission of information on offering prices, interest rates, selling compensation, delivery
782 dates, any other terms or provisions subject to final pricing, ratings, and other terms of
783 the Bonds of such Series dependent on such matters and the identity of the Bond
784 purchasers. After any such Preliminary Official Statement has been reviewed and
785 approved in accordance with the provisions of this section, the county hereby authorizes
786 distribution of such Preliminary Official Statement to prospective purchasers of such
787 Series of Bonds.

788 **SECTION 20. Approval of Official Statement.** Following the public offer and
789 sale of a Series of Bonds in accordance with the terms of this ordinance, the Finance
790 Director is hereby authorized to review and approve on behalf of the county a final
791 official statement with respect to such Series of Bonds. The county agrees to cooperate

792 with the purchaser of such Series of Bonds to deliver or cause to be delivered, within
793 such period as may be required by applicable law and in sufficient time to accompany
794 any confirmation that requests payment from any customer of the purchaser, copies of the
795 final official statement pertaining to such Series of Bonds in sufficient quantity to comply
796 with paragraph (b)(4) of the Rule and the rules of the MSRB.

797 **SECTION 21. Undertaking to Provide Ongoing Disclosure.** The Finance
798 Director is hereby authorized and directed to enter into a written Undertaking for the
799 benefit of holders of any publicly offered and sold series of Bonds to the extent required
800 by and consistent with the requirements of paragraph (b)(5) of the Rule, as applicable to a
801 participating underwriter for such Series of Bonds.

802 **SECTION 22. General Authorization.** The appropriate county officials, agents
803 and representatives are hereby authorized and directed to do everything necessary for the
804 prompt sale, issuance, execution and delivery of each Series of Bonds, and for the proper
805 use and application of the proceeds of the sale thereof.

806 **SECTION 23. Refunding or Defeasance of the Bonds.** The county may issue
807 refunding bonds pursuant to the laws of the State of Washington or use money available
808 from any other lawful source to pay when due the principal of, premium, if any, and
809 interest on the Bonds of any Series, or any portion thereof included in a refunding or
810 defeasance plan, and to redeem and retire, refund or defease all such then-outstanding
811 Bonds (hereinafter collectively called the "defeased Bonds") and to pay the costs of the
812 refunding or defeasance. If money and/or Government Obligations maturing at a time or
813 times and bearing interest in amounts (together with money, if necessary) sufficient to
814 redeem and retire, refund or defease the defeased Bonds in accordance with their terms

815 are set aside in a special trust fund or escrow account irrevocably pledged to that
816 redemption, retirement or defeasance of defeased Bonds (hereinafter called the "trust
817 account"), then all right and interest of the owners of the defeased Bonds in the covenants
818 of this ordinance and in the funds and accounts obligated to the payment of the defeased
819 Bonds shall cease and become void. The owners of defeased Bonds shall have the right
820 to receive payment of the principal of and interest on the defeased Bonds from the trust
821 account. The county shall include in the refunding or defeasance plan such provisions as
822 the county deems necessary for the random selection of any defeased Bonds that
823 constitute less than all of a particular maturity of such Series of Bonds, for notice of the
824 defeasance to be given to the owners of the defeased Bonds and to such other persons as
825 the county shall determine, and for any required replacement of Bond certificates for
826 defeased Bonds. The defeased Bonds shall be deemed no longer outstanding, and the
827 county may apply any money in any other fund or account established for the payment or
828 redemption of the defeased Bonds to any lawful purposes as it shall determine.

829 If the defeased Bonds are registered in the name of DTC or its nominee, notice of
830 any defeasance of Bonds shall be given to DTC in the manner prescribed in the Letter of
831 Representations for notices of redemption of Bonds.

832 SECTION 24. Supplemental Ordinances. The county council from time to
833 time and at any time may adopt an ordinance or ordinances amendatory or supplemental
834 to this ordinance for any purpose that the county council may deem necessary or
835 desirable if such amendatory or supplemental ordinance shall not materially adversely
836 affect the interests of the holders and owners of any outstanding Bonds, and such

837 amendatory or supplemental ordinance or ordinances thereafter shall become a part of
838 this ordinance.

839 SECTION 25. Contract; Severability. The covenants contained in this
840 ordinance shall constitute a contract between the county and the owners of each and
841 every Bond. If any one or more of the covenants or agreements provided in this ordinance
842 to be performed on the part of the county are deemed by any court of competent
843 jurisdiction to be contrary to law, then such covenant or covenants, agreement or
844 agreements, shall be null and void and shall be deemed separable from the remaining
845 covenants and agreements of this ordinance and shall in no way affect the validity of the
846 other provisions of this ordinance or of the Bonds.

847 SECTION 26. Complete Alternative. This ordinance shall be deemed to
848 provide a complete, additional and alternative method for the performance of those
849 subjects authorized hereby and shall be regarded as supplemental and additional to
850 powers conferred by other county ordinances. Whenever Bonds are issued and sold in
851 conformance with this ordinance, such issuance and sale need not comply with contrary
852 requirements of any other county ordinance applicable to the issuance and sale of bonds
853 or other obligations.

854 SECTION 27. The process outlined in this ordinance may be used only for
855 refunding those bonds contained in Attachment A to this ordinance.

856 **SECTION 28. Effective Date.** This ordinance shall be effective 10 days after its
857 enactment, in accordance with Article II of the county charter.
858

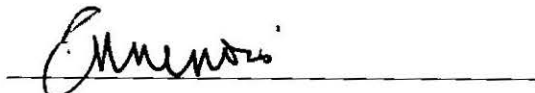
Ordinance 17363 was introduced on 4/30/2012 and passed as amended by the Metropolitan King County Council on 6/25/2012, by the following vote:

Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Patterson,
Ms. Lambert, Mr. Ferguson, Mr. Dunn and Mr. McDermott
No: 0
Excused: 1 - Ms. Hague

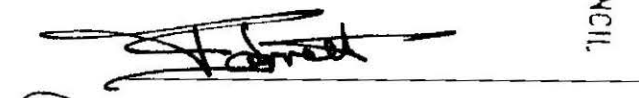
KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Larry Gossett, Chair

ATTEST:


Anne Noris, Clerk of the Council

APPROVED this 27 day of June, 2012.


Dow Constantine, County Executive

RECEIVED
2012 JUN 28 PM 4:19
KING COUNTY COUNCIL
CLERK

Attachments: A. Schedule of Refunding Candidates, dated June 25, 2012

Attachment A**SCHEDULE OF REFUNDING CANDIDATES, June 25, 2012****LTGO REFUNDING CANDIDATES**

Issue Name*	Dated Date	Original Par Amount (\$)	Outstanding Balance (\$) (5/15/2012)	Bond Legislation
LTGO Bonds, 2004, Series B	10/01/2004	82,435,000	61,985,000	ORD: 14167 as amended Motion: 12004
LTGO Refunding Bonds, 2005, Series A	06/29/2005	22,510,000	19,490,000	ORD: 14890 Motion: 12130
Additional Security- Public Transportation Sales Tax				
LTGO (Public Transportation Sales Tax) Refunding Bonds, 2002	11/05/2002	64,285,000	37,195,000	ORD: 14490 Motion: 11602
LTGO (Public Transportation Sales Tax) Bonds, 2004	06/08/2004	49,695,000	43,625,000	ORD: 14887 Motion: 11926

* LTGO – Limited Tax General Obligation
VP – Various Purpose

UTGO REFUNDING CANDIDATES

Issue Name*	Dated Date	Original Par Amount (\$)	Outstanding Balance (\$) (5/15/2012)	Bond Legislation
UTGO Bonds, 2004 (Harborview Medical Center)	05/04/2004	110,000,000	85,465,000	ORD: 14857 Motion: 11902
UTGO Bonds, Series 2004B (Harborview Medical Center)	10/01/2004	54,000,000	43,005,000	ORD: 14857 Motion: 11984

*UTGO – Unlimited Tax General Obligation