



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

October 20, 2009

Ordinance 16681

Proposed No. 2009-0560.1

Sponsors Patterson, Gossett and Constantine

1 AN ORDINANCE authorizing the issuance and public sale
2 of one or more series of limited tax general obligation
3 bonds of the county in an outstanding aggregate principal
4 amount not to exceed \$29,000,000 to provide long-term
5 financing for the costs of the Green River Flood Mitigation
6 Project; authorizing the issuance and public sale of one or
7 more series of limited tax general obligation bond
8 anticipation notes of the county in an outstanding aggregate
9 principal amount not to exceed \$29,000,000 to provide
10 interim financing for such costs pending the sale of such
11 bonds; providing for the disposition of the proceeds of sale
12 of the notes; establishing funds for the receipt and
13 expenditure of note proceeds and for the payment of the
14 notes; and providing for the annual levy of taxes to pay the
15 principal thereof and interest thereon.

16

17 PREAMBLE:

18 The county council has previously reviewed and approved expenditures
19 for the Green River Flood Mitigation Project.

20 It is deemed necessary and advisable that the county now authorize the
21 issuance of one or more series of its limited tax general obligation bonds
22 in an outstanding aggregate principal amount not to exceed \$29,000,000 to
23 provide long-term financing for the Green River Flood Mitigation Project,
24 and that the county now authorize the issuance and public sale of one or
25 more series of its limited tax general obligation bond anticipation notes in
26 an outstanding aggregate principal amount not to exceed \$29,000,000 to
27 provide interim financing for such costs pending the issuance of the bonds.

28 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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

32 "BABs" means "Build America Bonds" authorized under the federal American
33 Recovery and Reinvestment Act of 2009.

34 "Bond Fund" means, with respect to each series of the Bonds, the bond
35 redemption account established therefor pursuant to Section 12 hereof.

36 "Bond Sale Motion" means a motion of the council adopted at the time of sale of
37 each series of the Bonds that establishes, with respect thereto, the following, among other
38 things: the year and, if applicable, a series designation, dates, principal amounts and
39 maturity dates, the interest rates and interest payment dates, and the redemption
40 provisions therefor.

41 "Bonds" means the limited tax general obligation bonds of the county in an
42 outstanding aggregate principal amount not to exceed \$29,000,000, authorized to be
43 issued in one or more series by this ordinance to provide long-term financing for the
44 Green River Flood Mitigation Project. Each series of Bonds may be issued as either Tax-
45 Exempt Obligations or Taxable Obligations, as provided in Section 4.E of this ordinance.

46 "Code" means the federal Internal Revenue Code of 1986, as amended, together
47 with corresponding and applicable final, temporary or proposed regulations and revenue
48 rulings issued or amended with respect thereto by the United States Treasury Department
49 or the Internal Revenue Service.

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

51 "Federal Tax Certification" means, with respect to each series of Notes or Bonds,
52 the certificate executed by the Finance Director pertaining to the county's expectations in
53 connection with the federal tax treatment of interest on such series of Notes or Bonds.

54 "Finance Director" means the director of the finance and business operations
55 division of the department of executive services of the county or any other county officer
56 who succeeds to the duties now delegated to that office or the designee of such officer.

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

59 "Green River Flood Mitigation Project" means the costs of flood planning and
60 mitigation measures intended to prevent damage to facilities owned, and disruption of
61 services provided, by the County at locations in the Green River valley that might result
62 from possible flooding due to structural damage to the Howard Hanson Dam.

63 "Note Fund" means, with respect to each series of the Notes, the note redemption
64 account established therefor pursuant to Section 12 hereof.

65 "Note Sale Motion" means a motion of the council adopted at the time of sale of
66 each series of the Notes that establishes, with respect thereto, the following, among other
67 things: the year and, if applicable, a series designation, dates, principal amounts and
68 maturity dates, the interest rates and interest payment dates, and the redemption
69 provisions therefor.

70 "Notes" means the limited tax general obligation bond anticipation notes of the
71 county in an outstanding aggregate principal amount not to exceed \$29,000,000,
72 authorized to be issued in one or more series by this ordinance to provide interim
73 financing for the Green River Flood Mitigation Project. Each series of Notes may be
74 issued as either Tax-Exempt Obligations or Taxable Obligations, as provided in Section
75 5.E of this ordinance.

76 "Official Notice of Bond Sale" means, with respect to each series of the Bonds
77 that is sold by competitive bid, the official notice of sale therefor prepared pursuant to
78 Section 4.E hereof.

79 "Official Notice of Note Sale" means, with respect to each series of the Notes that
80 is sold by competitive bid, the official notice of sale therefor prepared pursuant to Section
81 5.E hereof.

82 "Rebate Amount" means the amount, if any, determined to be payable with
83 respect to the Notes or the Bonds, as applicable, by the county to the United States of
84 America in accordance with Section 148(f) of the Code.

85 "Register" means the registration books maintained by the Registrar for purposes
86 of identifying ownership of the Notes and the Bonds.

87 "Registrar" means the fiscal agency of the State of Washington appointed from
88 time to time by the Washington State Finance Committee pursuant to chapter 43.80
89 RCW.

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

92 "Taxable Obligations" means the Notes or Bonds, as applicable, of any series
93 determined to be issued on a taxable basis (including, but not limited to, any BABs)
94 pursuant to Section 5.E or Section 4.E of this ordinance, as applicable.

95 "Tax-Exempt Obligations" means the Notes or Bonds, as applicable, of any series
96 determined to be issued on a tax-exempt basis pursuant to Section 5.E or Section 4.E of
97 this ordinance, as applicable.

98 **SECTION 2. Findings.** The county council hereby makes the following
99 findings:

100 A. The Green River Flood Mitigation Project will contribute to the health, safety
101 and welfare of the citizens of the county.

102 B. The issuance of limited tax general obligation bonds of the county to provide
103 long-term financing for the Green River Flood Mitigation Project, payable from regular
104 property taxes, and the issuance and sale of limited tax general obligation bond
105 anticipation notes of the county to provide interim financing therefor, payable from the
106 proceeds of the sale of such bonds or other revenues, taxes and money of the county

107 legally available for such purposes, will reduce the overall costs of borrowing such funds
108 and is in the best interests of the county and its citizens.

109 SECTION 3. Authorization of Green River Flood Mitigation Project. The
110 county has previously authorized the undertaking of the Green River Flood Mitigation
111 Project. The costs of the Green River Flood Mitigation Project shall also include (a)
112 capitalized interest, interest on the Notes or other interim financing for such projects
113 pending receipt of Bond proceeds, and costs and expenses incurred in issuing the Notes
114 and the Bonds; (b) the capitalizable costs of sales tax, acquisition and contingency
115 allowances, financing, and any and all surveys, explorations, engineering and
116 architectural studies, drawings, designs and specifications incidental, necessary or
117 convenient to the implementation of the Green River Flood Mitigation Project; and (c)
118 the purchase of all materials, supplies, appliances, equipment and facilities, and the
119 permits, franchises, property and property rights and administrative costs, necessary,
120 incidental or convenient to the implementation of the Green River Flood Mitigation
121 Project.

122 The Green River Flood Mitigation Project may be modified where deemed
123 advisable or necessary in the judgment of the county council, and implementation or
124 completion of any authorized component thereof shall not be required if the county
125 council determines that it has become inadvisable or impractical. If all of the Green
126 River Flood Mitigation Project has been completed, or its completion duly provided for,
127 or their completion found to be inadvisable or impractical, the county may apply any
128 remaining proceeds of the Notes or the Bonds, or any portion thereof, to the acquisition
129 or improvement of other county projects as the county council in its discretion may

130 determine. In the event that the proceeds of the sale of the Notes and the Bonds, plus any
131 other money of the county legally available therefor, are insufficient to accomplish all of
132 the Green River Flood Mitigation Project, the county shall use the available funds for
133 paying the cost of those components of the Green River Flood Mitigation Project deemed
134 by the county council most necessary and in the best interest of the county.

135 **SECTION 4. Purpose, Authorization and Description of Bonds.**

136 A. Purpose and Authorization of Bonds. The county authorizes the issuance of
137 the Bonds to provide long-term financing the Green River Flood Mitigation Project. The
138 long-term financing provided by the Bonds may be in the form of new money financing
139 for the Green River Flood Mitigation Project, or in the form of a current refunding of
140 outstanding Notes, or any combination thereof.

141 B. Description of Bonds. The Bonds may be issued in one or more series so long
142 as the aggregate principal amount of the Bonds to be outstanding on the date of issuance
143 of each series of the Bonds does not to exceed the remainder of \$29,000,000 less the
144 aggregate principal amount of any Notes to be outstanding on the date of issuance of such
145 series of the Bonds. Each series of the Bonds shall be designated "King County,
146 Washington, Limited Tax General Obligation Bonds," with the year and any applicable
147 series designation and with the additional designation of "Taxable" for any series of
148 Bonds issued as Taxable Obligations, all as established by the related Bond Sale Motion.
149 Each series of the Bonds shall be dated as of such date, shall mature on the date or dates
150 in each of the years and in the principal amounts, shall bear interest (computed on the
151 basis of a 360-day year of twelve 30-day months) from their date or the most recent
152 interest payment date to which interest has been paid or duly provided for, whichever is

153 later, at the rates and payable on such dates, and shall be subject to redemption prior to
154 maturity in the amounts, in the manner and at the prices, and shall be subject to such
155 other terms and provisions as the county shall establish by the related Bond Sale Motion.
156 Each series of the Bonds shall be fully registered as to both principal and interest, shall be
157 in the denomination of \$5,000 each or any integral multiple thereof (but no Bond shall
158 represent more than one maturity), shall be numbered separately in such manner and with
159 any additional designation as the Registrar deems necessary for purposes of
160 identification.

161 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of each
162 series shall initially be held in fully immobilized form by DTC acting as depository
163 pursuant to the terms and conditions set forth in the Blanket Issuer Letter of
164 Representations heretofore executed on behalf of the county. Neither the county nor the
165 Registrar shall have any responsibility or obligation to DTC participants or the persons
166 for whom they act as nominees with respect to such Bonds with respect to the accuracy of
167 any records maintained by DTC or any DTC participant, the payment by DTC or any
168 DTC participant of any amount in respect of principal or redemption price or interest on
169 such Bonds, any notice that is permitted or required to be given to registered owners
170 under this ordinance (except such notice as is required to be given by the county to the
171 Registrar or to DTC), the selection by DTC or any DTC participant of any person to
172 receive payment in the event of a partial redemption of such Bonds or any consent given
173 or other action taken by DTC as owner of such Bonds.

174 The Bonds of each series shall initially be issued in denominations equal to the
175 aggregate principal amount of each maturity and initially shall be registered in the name

176 of CEDE & Co., as the nominee of DTC. Such Bonds so registered shall be held in fully
177 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
178 immobilized form, DTC, its successor or any substitute depository appointed by the
179 county, as applicable, shall be deemed to be the registered owner for all purposes
180 hereunder and all references to registered owners, bondowners, bondholders, owners or
181 the like shall mean DTC or its nominees and shall not mean the owners of any beneficial
182 interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may
183 not thereafter be transferred except:

184 (1) To any successor of DTC or its nominee, if that successor shall be qualified
185 under any applicable laws to provide the services proposed to be provided by it;

186 (2) To any substitute depository appointed by the county pursuant to this
187 subsection or such substitute depository's successor; or

188 (3) To any person as herein provided if such Bonds are no longer held in
189 immobilized form.

190 Upon the resignation of DTC or its successor (or any substitute depository or its
191 successor) from its functions as depository, or a determination by the county that it is no
192 longer in the best interests of beneficial owners of such Bonds to continue the system of
193 book entry transfers through DTC or its successor (or any substitute depository or its
194 successor), the county may appoint a substitute depository. Any such substitute
195 depository shall be qualified under any applicable laws to provide the services proposed
196 to be provided by it.

197 In the case of any transfer pursuant to clause (1) or (2) of the second paragraph of
198 this subsection, the Registrar, upon receipt of all outstanding Bonds of such series

199 together with a written request on behalf of the county, shall issue a single new Bond
200 certificate for each maturity of Bonds of such series then outstanding, registered in the
201 name of such successor or such substitute depository, or their nominees, as the case may
202 be, all as specified in such written request of the county.

203 In the event that DTC or its successor (or substitute depository or its successor)
204 resigns from its functions as depository, and no substitute depository can be obtained; or
205 the county determines that it is in the best interests of the beneficial owners of the Bonds
206 of any series that they be able to obtain Bond certificates, the ownership of such Bonds
207 may be transferred to any person as herein provided, and such Bonds shall no longer be
208 held in fully immobilized form. The county shall deliver a written request to the
209 Registrar, together with a supply of definitive Bonds of such series, to issue Bonds of
210 such series as herein provided in any authorized denomination. Upon receipt of all then
211 outstanding Bonds of any series by the Registrar, together with a written request on
212 behalf of the county to the Registrar, new Bonds of such series shall be issued in such
213 denominations and registered in the names of such persons as are requested in such a
214 written request.

215 D. Place, Manner and Medium of Payment. Both principal of and interest on the
216 Bonds shall be payable in lawful money of the United States of America. For so long as
217 any outstanding Bonds are registered in the name of CEDE & Co., or its registered
218 assigns, as nominee of DTC, payments of principal of and interest on such Bonds shall be
219 made in next day funds on the date such payment is due and payable at the place and in
220 the manner provided in the Letter of Representations.

221 In the event that the Bonds of any series are no longer held in fully immobilized
222 form by DTC or its successor (or substitute depository or its successor), interest on such
223 Bonds shall be paid by checks or drafts mailed, or by wire transfer, to the owners of such
224 Bonds at the addresses for such owners appearing on the Register on the 15th day of the
225 calendar month preceding the interest payment date. Wire transfer will be made only if
226 so requested in writing and if the owner owns at least \$1,000,000 par value of such
227 Bonds. Principal of the Bonds shall be payable at maturity or on such dates as may be
228 fixed for prior redemption upon presentation and surrender of such Bonds by the owners
229 to the Registrar.

230 E. Sale of Bonds. The county hereby authorizes the public sale of the Bonds.
231 The Bonds shall be sold in one or more series, any of which may be sold in a combined
232 offering with other bonds and/or notes of the county, at the option of the Finance
233 Director. The Finance Director shall determine, in consultation with the county's
234 financial advisors, whether each series of the Bonds shall be sold by negotiated sale or
235 competitive bid, and whether such series of Bonds shall be issued and sold as Tax-
236 Exempt Obligations or Taxable Obligations.

237 If the Finance Director determines that any series of the Bonds shall be sold by
238 negotiated sale, the Finance Director shall, in accordance with applicable county
239 procurement procedures, solicit one or more underwriting firms with which to negotiate
240 the sale of the Bonds. The purchase contract for each series of the Bonds shall specify
241 whether the Bonds of such series are being issued and sold as Tax-Exempt Obligations or
242 Taxable Obligations, and shall also establish the year and any applicable series
243 designation, date, principal amounts and maturity dates, interest rates and interest

244 payment dates, redemption provisions and delivery date for such series of the Bonds, so
245 long as the aggregate principal amount of the Bonds to be outstanding on the date of
246 issuance of such series of the Bonds does not exceed the remainder of \$29,000,000 less
247 the aggregate principal amount of any Notes to be outstanding on the date of issuance of
248 such series of the Bonds. The county council, by Bond Sale Motion, shall approve the
249 bond purchase contract and ratify whether the Bonds of such series are being issued and
250 sold as Tax-Exempt Obligations or Taxable Obligations and the other terms for the series
251 of the Bonds established thereby.

252 If the Finance Director determines that any series of the Bonds shall be sold by
253 competitive bid, bids for the purchase of each series of the Bonds shall be received at
254 such time and place and by such means as the Finance Director shall direct.

255 Upon the date and time established for the receipt of bids for each series of the
256 Bonds, the Finance Director or his designee shall open the bids for the Bonds, shall cause
257 the bids to be mathematically verified and shall report to the county council regarding the
258 bids received. Such bids shall then be considered and acted upon by the county council
259 in an open public meeting. The county council reserves the right to reject any and all
260 bids for any series of the Bonds. The county council shall, by Bond Sale Motion, ratify
261 and confirm whether the Bonds of such series are being issued and sold as Tax-Exempt
262 Obligations or Taxable Obligations, and shall also ratify and confirm the year and any
263 applicable series designation, date, principal amounts and maturity dates, interest rates
264 and interest payment dates, redemption provisions and delivery date for such series of the
265 Bonds, and accept the bid for the purchase of such series of the Bonds.

266 The Finance Director is hereby authorized and directed to prepare an Official
267 Notice of Bond Sale for each series of the Bonds to be sold pursuant to competitive bid,
268 which notice shall be filed with the clerk of the council and shall be ratified and
269 confirmed by the Bond Sale Motion therefor. The Finance Director is hereby authorized
270 to specify whether the Bonds of such series are being issued and sold as Tax-Exempt
271 Obligations or Taxable Obligations and also to establish the year and any applicable
272 series designation, date, principal amounts and maturity dates, interest payment dates,
273 redemption provisions and delivery date for such series of the Bonds in such Official
274 Notice of Bond Sale so long as the aggregate principal amount of the Bonds to be
275 outstanding on the date of issuance of such series of the Bonds does not exceed the
276 remainder of \$29,000,000 less the aggregate principal amount of any Notes to be
277 outstanding on the date of issuance of such series of the Bonds.

278 F. Form of Bonds. The Bonds shall be in substantially the following form:

279 NO. \$ _____

280 UNITED STATES OF AMERICA

281 STATE OF WASHINGTON

282 KING COUNTY

283 LIMITED TAX GENERAL OBLIGATION BOND,

284 [Year][, Series][TAXABLE]

285 INTEREST RATE: MATURITY DATE: CUSIP NO. :

286 REGISTERED OWNER:

287 PRINCIPAL AMOUNT:

288 KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to
289 owe and for value received promises to pay to the registered owner identified above, or
290 registered assigns, on the Maturity Date specified above, the Principal Amount specified
291 above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-
292 day months) from _____, or the most recent date to which interest has been
293 paid or duly provided for until payment of this Bond at the Interest Rate set forth above,
294 payable on _____, and semiannually thereafter on the ____ day of each succeeding
295 _____ and _____ to the maturity or prior redemption of this Bond.

296 Both principal of and interest on this Bond are payable in lawful money of the
297 United States of America. While Bonds are held on immobilized "book entry" system of
298 registration, the principal of this Bond is payable to the order of the registered owner in
299 same day funds received by the registered owner on the maturity date of this Bond, and
300 the interest on this Bond is payable to the order of the registered owner in same day funds
301 received by the registered owner on each interest payment date. When Bonds are no
302 longer held in an immobilized "book entry" registration system, the principal shall be
303 paid to the registered owner or nominee of such owner upon presentation and surrender
304 of this Bond to the fiscal agency of the State of Washington (the "Registrar"), and the
305 interest shall be paid by mailing a check or draft (on the date such interest is due) to the
306 registered owner or nominee of such owner at the address shown on the registration
307 books maintained by the Registrar (the "Register") as of the 15th day of the month prior
308 to the interest payment date; provided, however, that if so requested in writing by the
309 registered owner of at least \$1,000,000 par value of the Bonds, interest will be paid by
310 wire transfer.

311 This Bond is one of an authorized issue of Bonds of like date and tenor, except as
312 to number, amount, rate of interest and date of maturity[, and redemption provisions], in
313 the aggregate principal amount of \$ _____, and is issued to provide long-term
314 financing for the Green River Flood Mitigation Project defined and described in King
315 County Ordinance _____ (the "Bond Ordinance"). Capitalized words and phrases used
316 but not defined herein shall have the meanings set forth in the Bond Ordinance.

317 The Bonds of this issue are issued under and in accordance with the provisions of
318 the Constitution and applicable statutes of the State of Washington, the County Charter
319 and applicable ordinances duly adopted by the County.

320 [The Bonds of this issue are subject to redemption prior to maturity as follows:
321 (information to come from related Bond Sale Motion)].

322 The County has irrevocably covenanted in the Bond Ordinance that, for as long as
323 any of the Bonds are outstanding and unpaid, each year it will include in its budget and
324 levy an *ad valorem* tax within the constitutional and statutory tax limitations provided by
325 law without a vote of the people upon all the property within the County subject to
326 taxation in an amount that will be sufficient, together with all other revenues, taxes and
327 money of the County legally available for such purposes, to pay the principal of and
328 interest on the Bonds as the same shall become due. The County has irrevocably pledged
329 its full faith, credit and resources for the annual levy and collection of such taxes and for
330 the prompt payment of the principal of and interest on the Bonds as the same shall
331 become due.

332 The pledge of tax levies for repayment of principal of and interest on the Bonds
333 may be discharged prior to maturity of the Bonds by making provisions for the payment
334 thereof on the terms and conditions set forth in the Bond Ordinance.

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

338 It is hereby certified that all acts, conditions and things required by the
339 Constitution and statutes of the State of Washington and the Charter and ordinances of
340 the County to exist, to have happened, been done and performed precedent to and in the
341 issuance of this Bond have happened, been done and performed and that the issuance of
342 this Bond and the Bonds of this series does not violate any constitutional, statutory or
343 other limitation upon the amount of bonded indebtedness that the County may incur.

344 [Add so long as Bonds are held in fully immobilized form by DTC: Unless this
345 certificate is presented by an authorized representative of The Depository Trust
346 Company, a New York corporation ("DTC"), to the Registrar for registration of transfer,
347 exchange or payment, and any certificate issued is registered in the name of Cede & Co.
348 or in such other name as is requested by an authorized representative of DTC (and any
349 payment is made to Cede & Co. or to such other entity as is requested by an authorized
350 representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR
351 VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as
352 the registered owner hereof, Cede & Co., has an interest herein.]

353 IN WITNESS WHEREOF, the County has caused this Bond to be executed by
354 the manual or facsimile signatures of the County Executive and the Clerk of the County

355 Council, and the seal of the County to be impressed or imprinted hereon, as of this
356 [_____] day of [_____].

357 KING COUNTY, WASHINGTON

358 By _____

359 County Executive

360 ATTEST:

361 _____

362 Clerk of the Council

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

365 CERTIFICATE OF AUTHENTICATION

366 This Bond is one of the King County, Washington, Limited Tax General
367 Obligation Bonds, [Year][, Series][TAXABLE], described in the within mentioned Bond
368 Ordinance.

369 WASHINGTON STATE FISCAL

370 AGENCY, as Registrar

371 By _____

372 Authorized Officer

373 ASSIGNMENT

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

376 _____

377 PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION

378 NUMBER OF TRANSFEREE

379 []

380 _____

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

382 _____

383 the within Bond and does hereby irrevocably constitute and appoint _____

384 _____, or its successor, as Registrar to transfer said Bond on the

385 books kept for registration thereof with full power of substitution in the premises.

386 DATED: _____, _____.

387 _____

388 NOTE: The signature on this
389 Assignment must correspond with
390 the name of the registered owner as
391 it appears upon the face of the within
392 note in every particular, without
393 alteration or enlargement or any
394 change whatever.

395 SIGNATURE GUARANTEED:
396 _____

397 NOTE: Signature must be guaranteed by an eligible guarantor.

398 G. Delivery of Bonds. Following the sale of each series of the Bonds, the county
399 shall cause definitive Bonds of such series to be prepared, executed and delivered, which
400 Bonds may be wordprocessed, typewritten, lithographed or printed.

401 If definitive Bonds of any series are not ready for delivery by the date established
402 for their delivery to the initial purchasers thereof, then the Finance Director, upon the
403 approval of the purchasers, may cause to be issued and delivered to the purchasers one or
404 more temporary Bonds of the same series with appropriate omissions, changes and
405 additions. Any such temporary Bond or Bonds shall be entitled and subject to the same
406 benefits and provisions of this ordinance with respect to the payment, security and
407 obligation thereof as definitive Bonds authorized thereby. Such temporary Bond or
408 Bonds shall be exchangeable without cost to the owners thereof for definitive Bonds of
409 the same series when the latter are ready for delivery.

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

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

422 Only such Bonds as shall bear thereon a Certificate of Authentication in the form
423 hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for

424 any purpose or entitled to the benefits of this ordinance. Such Certificate of
425 Authentication shall be conclusive evidence that the Bonds so authenticated have been
426 duly executed, authenticated and delivered hereunder and are entitled to the benefits of
427 this ordinance.

428 **SECTION 5. Purpose, Authorization and Description of Notes.**

429 A. Purpose and Authorization of Notes. The county authorizes the issuance of
430 the Notes to provide interim financing for the Green River Flood Mitigation Project. The
431 interim financing provided by the Notes may be in the form of new money financing for
432 the Green River Flood Mitigation Project, or in the form of a current refunding (a
433 "rollover") of outstanding Notes pending the issuance of Bonds and the receipt of Bond
434 proceeds to provide long-term financing therefor, or any combination thereof.

435 B. Description of Notes. The Notes may be issued in one or more series so long
436 as the aggregate principal amount of the Notes to be outstanding on the date of issuance
437 of each series of the Notes does not to exceed the remainder of \$29,000,000 less the
438 aggregate principal amount of any Bonds to be outstanding on the date of issuance of
439 such series of the Notes. Each series of the Notes shall be designated "King County,
440 Washington, Limited Tax General Obligation Bond Anticipation Notes," with the year
441 and any applicable series designation and with the additional designation of "Taxable" for
442 any series of Notes issued as Taxable Obligations, all as established by the related Note
443 Sale Motion. Each series of the Notes shall be dated as of such date, shall mature on the
444 date or dates in each of the years and in the principal amounts, shall bear interest
445 (computed on the basis of a 360-day year of twelve 30-day months) from their date or the
446 most recent interest payment date to which interest has been paid or duly provided for,

447 whichever is later, at the rates and payable on such dates, and shall be subject to
448 redemption prior to maturity in the amounts, in the manner and at the prices, and shall be
449 subject to such other terms and provisions as the county shall establish by the related
450 Note Sale Motion. Each series of the Notes shall be fully registered as to both principal
451 and interest, shall be in the denomination of \$5,000 each or any integral multiple thereof
452 (but no Note shall represent more than one maturity), shall be numbered separately in
453 such manner and with any additional designation as the Registrar deems necessary for
454 purposes of identification.

455 C. Initial Immobilization of Notes; Depository Provisions. The Notes of each
456 series shall initially be held in fully immobilized form by DTC acting as depository
457 pursuant to the terms and conditions set forth in the Blanket Issuer Letter of
458 Representations heretofore executed on behalf of the county. Neither the county nor the
459 Registrar shall have any responsibility or obligation to DTC participants or the persons
460 for whom they act as nominees with respect to such Notes with respect to the accuracy of
461 any records maintained by DTC or any DTC participant, the payment by DTC or any
462 DTC participant of any amount in respect of principal or redemption price or interest on
463 such Notes, any notice that is permitted or required to be given to registered owners
464 under this ordinance (except such notice as is required to be given by the county to the
465 Registrar or to DTC), the selection by DTC or any DTC participant of any person to
466 receive payment in the event of a partial redemption of such Notes or any consent given
467 or other action taken by DTC as owner of such Notes.

468 The Notes of each series shall initially be issued in denominations equal to the
469 aggregate principal amount of each maturity and initially shall be registered in the name

470 of CEDE & Co., as the nominee of DTC. Such Notes so registered shall be held in fully
471 immobilized form by DTC as depository. For so long as any such Notes are held in fully
472 immobilized form, DTC, its successor or any substitute depository appointed by the
473 county, as applicable, shall be deemed to be the registered owner for all purposes
474 hereunder and all references to registered owners, noteowners, noteholders, owners or the
475 like shall mean DTC or its nominees and shall not mean the owners of any beneficial
476 interests in the Notes. Registered ownership of such Notes, or any portions thereof, may
477 not thereafter be transferred except:

478 (1) To any successor of DTC or its nominee, if that successor shall be qualified
479 under any applicable laws to provide the services proposed to be provided by it;

480 (2) To any substitute depository appointed by the county pursuant to this
481 subsection or such substitute depository's successor; or

482 (3) To any person as herein provided if such Notes are no longer held in
483 immobilized form.

484 Upon the resignation of DTC or its successor (or any substitute depository or its
485 successor) from its functions as depository, or a determination by the county that it is no
486 longer in the best interests of beneficial owners of such Notes to continue the system of
487 book entry transfers through DTC or its successor (or any substitute depository or its
488 successor), the county may appoint a substitute depository. Any such substitute
489 depository shall be qualified under any applicable laws to provide the services proposed
490 to be provided by it.

491 In the case of any transfer pursuant to clause (1) or (2) of the second paragraph of
492 this subsection, the Registrar, upon receipt of all outstanding Notes of such series

493 together with a written request on behalf of the county, shall issue a single new Note
494 certificate for each maturity of Notes of such series then outstanding, registered in the
495 name of such successor or such substitute depository, or their nominees, as the case may
496 be, all as specified in such written request of the county.

497 In the event that DTC or its successor (or substitute depository or its successor)
498 resigns from its functions as depository, and no substitute depository can be obtained; or
499 the county determines that it is in the best interests of the beneficial owners of the Notes
500 of any series that they be able to obtain Note certificates, the ownership of such Notes
501 may be transferred to any person as herein provided, and such Notes shall no longer be
502 held in fully immobilized form. The county shall deliver a written request to the
503 Registrar, together with a supply of definitive Notes of such series, to issue Notes of such
504 series as herein provided in any authorized denomination. Upon receipt of all then
505 outstanding Notes of such series by the Registrar, together with a written request on
506 behalf of the county to the Registrar, new Notes of such series shall be issued in such
507 denominations and registered in the names of such persons as are requested in such a
508 written request.

509 D. Place, Manner and Medium of Payment. Both principal of and interest on the
510 Notes shall be payable in lawful money of the United States of America. For so long as
511 any outstanding Notes are registered in the name of CEDE & Co., or its registered
512 assigns, as nominee of DTC, payments of principal of and interest on such Notes shall be
513 made in next day funds on the date such payment is due and payable at the place and in
514 the manner provided in the Letter of Representations.

515 In the event that the Notes of any series are no longer held in fully immobilized
516 form by DTC or its successor (or substitute depository or its successor); interest on such
517 Notes shall be paid by checks or drafts mailed, or by wire transfer, to the owners of such
518 Notes at the addresses for such owners appearing on the Register on the 15th day of the
519 calendar month preceding the interest payment date. Wire transfer will be made only if
520 so requested in writing and if the owner owns at least one million dollars (\$1,000,000)
521 par value of such Notes. Principal of the Notes shall be payable at maturity or on such
522 dates as may be fixed for prior redemption upon presentation and surrender of such Notes
523 by the owners to the Registrar.

524 E. Sale of Notes. The county hereby authorizes the public sale of the Notes. The
525 Notes shall be sold in one or more series, any of which may be sold in a combined
526 offering with other bonds and/or notes of the county, at the option of the Finance
527 Director. The Finance Director shall determine, in consultation with the county's
528 financial advisors, whether each series of the Notes shall be sold by negotiated sale or
529 competitive bid, and whether such series of Notes shall be issued and sold as Tax-Exempt
530 Obligations or Taxable Obligations.

531 If the Finance Director determines that any series of the Notes shall be sold by
532 negotiated sale, the Finance Director shall, in accordance with applicable county
533 procurement procedures, solicit one or more underwriting firms with which to negotiate
534 the sale of the Notes. The purchase contract for each series of the Notes shall specify
535 whether the Notes of such series are being issued and sold as Tax-Exempt Obligations or
536 Taxable Obligations, and shall also establish the year and any applicable series
537 designation, date, principal amounts and maturity dates, interest rates and interest

538 payment dates, redemption provisions and delivery date for such series of the Notes, so
539 long as the aggregate principal amount of the Notes to be outstanding on the date of
540 issuance of such series of the Notes does not exceed the remainder of \$29,000,000 less
541 the aggregate principal amount of any Bonds to be outstanding on the date of issuance of
542 such series of the Notes. The county council, by Note Sale Motion, shall approve the
543 Note purchase contract and ratify whether the Notes of such series are being issued and
544 sold as Tax-Exempt Obligations or Taxable Obligations and the other terms for such
545 series of the Notes established thereby.

546 If the Finance Director determines that any series of the Notes shall be sold by
547 competitive bid, bids for the purchase of each series of the Notes shall be received at such
548 time and place and by such means as the Finance Director shall direct.

549 Upon the date and time established for the receipt of bids for each series of the
550 Notes, the Finance Director or his designee shall open the bids for the Notes, shall cause
551 the bids to be mathematically verified and shall report to the county council regarding the
552 bids received. Such bids shall then be considered and acted upon by the county council
553 in an open public meeting. The county council reserves the right to reject any and all
554 bids for any series of the Notes. The county council shall, by Note Sale Motion, ratify
555 and confirm whether the Notes of such series are being issued and sold as Tax-Exempt
556 Obligations or Taxable Obligations, and shall also ratify and confirm the year and any
557 applicable series designation, date, principal amounts and maturity dates, interest rates
558 and interest payment dates, redemption provisions and delivery date for such series of the
559 Notes, and accept the bid for the purchase of such series of the Notes.

560 The Finance Director is hereby authorized and directed to prepare an Official
561 Notice of Note Sale for each series of the Notes to be sold pursuant to competitive bid,
562 which notice shall be filed with the clerk of the council and shall be ratified and
563 confirmed by the Note Sale Motion therefor. The Finance Director is hereby authorized
564 to specify whether the Notes of such series are being issued and sold as Tax-Exempt
565 Obligations or Taxable Obligations and also to establish the year and any applicable
566 series designation, date, principal amounts and maturity dates, interest payment dates,
567 redemption provisions and delivery date for such series of the Notes in such Official
568 Notice of Note Sale so long as the aggregate principal amount of the Notes to be
569 outstanding on the date of issuance of such series of the Notes does not exceed the
570 remainder of \$29,000,000 less the aggregate principal amount of any Bonds to be
571 outstanding on the date of issuance of such series of the Notes.

572 F. Form of Notes. The Notes shall be in substantially the following form:

573 NO. \$ _____
574 UNITED STATES OF AMERICA
575 STATE OF WASHINGTON
576 KING COUNTY
577 LIMITED TAX GENERAL OBLIGATION
578 BOND ANTICIPATION NOTE, [Year][, Series][TAXABLE]
579 INTEREST RATE: MATURITY DATE: CUSIP NO. :
580 REGISTERED OWNER:
581 PRINCIPAL AMOUNT:

582 KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to
583 owe and for value received promises to pay to the registered owner identified above, or
584 registered assigns, on the Maturity Date specified above, the Principal Amount specified
585 above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-
586 day months) from [_____], at the Interest Rate set forth above, payable on
587 _____.

588 Both principal of and interest on this Note are payable in lawful money of the
589 United States of America. While Notes are held on immobilized "book entry" system of
590 registration, the principal of this Note is payable to the order of the registered owner in
591 same day funds received by the registered owner on the maturity date of this Note, and
592 the interest on this Note is payable to the order of the registered owner in same day funds
593 received by the registered owner on each interest payment date. When Notes are no
594 longer held in an immobilized "book entry" registration system, the principal shall be
595 paid to the registered owner or nominee of such owner upon presentation and surrender
596 of this Note at the fiscal agency of the State of Washington (the "Registrar"), and the
597 interest shall be paid by mailing a check or draft (on the date such interest is due) to the
598 registered owner or nominee of such owner at the address shown on the registration
599 books maintained by the Registrar (the "Register") as of the 15th day of the month prior
600 to the interest payment date; provided, however that if so requested in writing by the
601 registered owner of at least \$1,000,000 par value of the Notes, interest will be paid by
602 wire transfer.

603 This Note is one of an authorized issue of Notes of like date and tenor, except as
604 to number and amount[, rate of interest and date of maturity], in the aggregate principal

605 amount of \$ _____, and is issued to provide interim financing for the Green
606 River Flood Mitigation Project defined and described in King County Ordinance _____
607 (the "Note Ordinance"). Capitalized words and phrases used but not defined herein shall
608 have the meanings set forth in the Note Ordinance.

609 The Notes of this issue are issued under and in accordance with the provisions of
610 the Constitution and applicable statutes of the State of Washington, the County Charter
611 and applicable ordinances duly adopted by the County.

612 [The Notes are subject to redemption prior to their maturity as follows:
613 (information to come related Note Sale Motion)].

614 The County has irrevocably covenanted in the Note Ordinance that, for as long as
615 the Notes are outstanding and unpaid, each year it will include in its budget and levy an
616 *ad valorem* tax within the constitutional and statutory tax limitations provided by law
617 without a vote of the people upon all the property within the County subject to taxation in
618 an amount that will be sufficient, together with all other revenues, taxes and money of the
619 County legally available for such purposes, to pay the principal of and interest on the
620 Notes as the same shall become due. The County has irrevocably pledged its full faith,
621 credit and resources for the annual levy and collection of such taxes and for the prompt
622 payment of the principal of and interest on the Notes as the same shall become due.

623 The pledge of tax levies for repayment of principal of and interest on the Notes
624 may be discharged prior to maturity of the Notes by making provisions for the payment
625 thereof on the terms and conditions set forth in the Note Ordinance.

626 This Note shall not be valid or become obligatory for any purpose or be entitled to
627 any security or benefit under the Note Ordinance until the Certificate of Authentication
628 hereon shall have been manually signed by the Registrar.

629 It is hereby certified that all acts, conditions and things required by the
630 Constitution and statutes of the State of Washington and the Charter and ordinances of
631 the County to exist, to have happened, been done and performed precedent to and in the
632 issuance of this Note have happened, been done and performed and that the issuance of
633 this Note and the Notes of this series does not violate any constitutional, statutory or
634 other limitation upon the amount of bonded indebtedness that the County may incur.

635 [Add so long as Notes are held in fully immobilized form by DTC: Unless this
636 certificate is presented by an authorized representative of The Depository Trust
637 Company, a New York corporation ("DTC"), to the Registrar for registration of transfer,
638 exchange or payment, and any certificate issued is registered in the name of Cede & Co.
639 or in such other name as is requested by an authorized representative of DTC (and any
640 payment is made to Cede & Co. or to such other entity as is requested by an authorized
641 representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR
642 VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as
643 the registered owner hereof, Cede & Co., has an interest herein.]

644 IN WITNESS WHEREOF, the County has caused this Note to be executed by the
645 manual or facsimile signatures of the County Executive and the Clerk of the County
646 Council, and the seal of the County to be impressed or imprinted hereon, as of this
647 [] day of [].

648 KING COUNTY, WASHINGTON

649 By _____

650 County Executive

651 ATTEST:

652 _____

653 Clerk of the Council

654 The Registrar's Certificate of Authentication on the Notes shall be in substantially
655 the following form:

656 CERTIFICATE OF AUTHENTICATION

657 This Note is one of King County, Washington, Limited Tax General Obligation
658 Bond Anticipation Notes, [Year][, Series][TAXABLE] described in the within mentioned
659 Note Ordinance.

660 WASHINGTON STATE FISCAL
661 AGENCY, as Registrar

662 By _____

663 Authorized Officer

664 ASSIGNMENT

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

667 _____

668 PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION

669 NUMBER OF TRANSFEREE

670 []

671 _____

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

673 _____

674 the within Note and does hereby irrevocably constitute and appoint _____

675 _____, or its successor, as Registrar to transfer said Note on the

676 books kept for registration thereof with full power of substitution in the premises.

677 DATED: _____, _____.

678 _____

679 NOTE: The signature on this

680 Assignment must correspond with

681 the name of the registered owner as

682 it appears upon the face of the within

683 Note in every particular, without

684 alteration or enlargement or any

685 change whatever.

686 SIGNATURE GUARANTEED:

687 _____

688 NOTE: Signature must be guaranteed by an eligible guarantor.

689 G. Delivery of Notes. Following the sale of each series of the Notes, the county

690 shall cause definitive Notes of such series to be prepared, executed and delivered, which

691 Notes may be wordprocessed, typewritten, lithographed or printed.

692 If definitive Notes of any series are not ready for delivery by the date established

693 for their delivery to the initial purchasers thereof, then the Finance Director, upon the

694 approval of the purchasers, may cause to be issued and delivered to the purchasers one or

695 more temporary Notes of the same series with appropriate omissions, changes and
696 additions. Any such temporary Note or Notes shall be entitled and subject to the same
697 benefits and provisions of this ordinance with respect to the payment, security and
698 obligation thereof as definitive Notes authorized thereby. Such temporary Note or Notes
699 shall be exchangeable without cost to the owners thereof for definitive Notes of the same
700 series when the latter are ready for delivery.

701 H. Execution of Notes. The Notes shall be executed on behalf of the county with
702 the manual or facsimile signatures of the county executive and the clerk of the council,
703 and shall have the seal of the county impressed or imprinted thereon.

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

713 Only such Notes as shall bear thereon a Certificate of Authentication in the form
714 hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for
715 any purpose or entitled to the benefits of this ordinance. Such Certificate of
716 Authentication shall be conclusive evidence that the Notes so authenticated have been

717 duly executed, authenticated and delivered hereunder and are entitled to the benefits of
718 this ordinance.

719 SECTION 6. Open Market Purchase. The county reserves the right to purchase
720 any or all of the Notes or the Bonds of any series on the open market at any time and at
721 any price.

722 SECTION 7. Registration, Transfer and Exchange of Notes and Bonds. The
723 county hereby adopts for the Notes and the Bonds the system of registration specified and
724 approved by the Washington State Finance Commission. The Registrar shall keep, or
725 cause to be kept, at its principal corporate trust office, sufficient books for the registration
726 and transfer of the Notes and the Bonds, which shall at all times be open to inspection by
727 the county. Such Register shall contain the name and mailing address of the owner (or
728 nominee thereof) of each Note and Bond, and the principal amount and number of Notes
729 held by each owner or nominee. The Registrar is authorized, on behalf of the county, to
730 authenticate and deliver Notes and Bonds transferred or exchanged for other Notes and
731 Bonds, respectively, in accordance with the provisions thereof and this ordinance, and to
732 carry out all of the Registrar's powers and duties under this ordinance.

733 The Registrar shall be responsible for its representations contained in the
734 Certificate of Authentication on the Notes and the Bonds. The Registrar may become the
735 owner of Notes or Bonds with the same rights it would have if it were not the Registrar,
736 and to the extent permitted by law may act as depository for and permit any of its officers
737 or directors to act as a member of, or in any other capacity with respect to, any committee
738 formed to protect the rights of Note or Bond owners.

739 Upon surrender thereof to the Registrar; the Notes of each series are exchangeable
740 for other Notes of the same series, maturity and interest rate and for the same aggregate
741 principal amount, in any authorized denomination, and the Bonds of each series are
742 exchangeable for other Bonds of the same series, maturity and interest rate and for the
743 same aggregate principal amount, in any authorized denomination. Notes and Bonds may
744 be transferred only if endorsed in the manner provided thereon and surrendered to the
745 Registrar. Upon such surrender, the Registrar shall cancel the surrendered Note or Bond
746 and shall authenticate and deliver, without charge to the owner or transferee therefor
747 (other than taxes, if any, payable on account of such transfer), one or more (at the option
748 of the new registered owner) new Notes or Bonds, as applicable, of the same series,
749 maturity and interest rate and for the same aggregate principal amount, in any authorized
750 denomination, naming as registered owner the person or persons listed as the assignee on
751 the assignment form appearing on the canceled and surrendered Note or Bond, in
752 exchange therefor. The Registrar shall not be obligated to transfer or exchange any Note
753 or Bond during the period beginning at the opening of business on the 15th day of the
754 month next preceding the maturity date thereof and ending at the close of business on
755 such maturity date.

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

759 SECTION 8. Mutilated, Lost, Stolen or Destroyed Notes and Bonds. If any
760 Note or Bond shall become mutilated, the Registrar shall authenticate and deliver one or
761 more (at the option of the new registered owner) new Notes or Bonds, as applicable, of

762 the same series, maturity and interest rate and for the same aggregate principal amount, in
763 any authorized denomination, in exchange and substitution therefor, upon the owner's
764 paying the expenses and charges of the county and the Registrar in connection therewith
765 and upon surrender to the Registrar of the mutilated Note or Bond. Every mutilated Note
766 or Bond so surrendered shall be canceled and destroyed by the Registrar.

767 If any Note or Bond shall be lost, stolen or destroyed, the Registrar may
768 authenticate and deliver one or more (at the option of the new registered owner) new
769 Notes or Bonds, as applicable, of the same series, maturity and interest rate and for the
770 same aggregate principal amount, in any authorized denomination, to the registered
771 owner thereof upon the owner's paying the expenses and charges of the county and the
772 Registrar in connection therewith and upon his/her filing with the Registrar evidence
773 satisfactory to the Registrar that such Note or Bond was actually lost, stolen or destroyed
774 and of his/her ownership thereof, and upon furnishing the county and the Registrar with
775 indemnity satisfactory to the Finance Director and the Registrar.

776 **SECTION 9. Pledge of Taxation and Credit.** The county hereby irrevocably
777 covenants and agrees for as long as any of the Notes or the Bonds are outstanding and
778 unpaid, that each year it will include in its budget and levy an *ad valorem* tax within the
779 constitutional and statutory tax limitations provided by law without a vote of the people
780 upon all the property within the county subject to taxation in an amount that will be
781 sufficient, together with all other revenues, taxes and money of the county legally
782 available for such purposes, to pay the principal of and interest on the Notes and the
783 Bonds as the same shall become due.

784 The county hereby irrevocably pledges that the annual tax provided for herein to
785 be levied for the payment of such principal and interest shall be within and as a part of
786 the tax levy to counties without a vote of the people, and that a sufficient portion of each
787 annual levy to be levied and collected by the county prior to the full payment of the
788 principal of and interest on the Notes and Bonds will be and is hereby irrevocably set
789 aside, pledged and appropriated for the payment of the principal of and interest on the
790 Notes and the Bonds.

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

794 SECTION 10. Federal Tax Law Covenants. The county shall comply with the
795 provisions of this section with respect to each series of the Notes and the Bonds that are
796 issued as Tax-Exempt Obligations or BABs unless, in the written opinion of nationally-
797 recognized bond counsel to the county, such compliance is not required.

798 The county hereby covenants that it will not make any use of the proceeds from
799 the sale of such series of the Notes or the Bonds that are issued as Tax-Exempt
800 Obligations or BABs or any other funds of the county that may be deemed to be proceeds
801 of such series of the Notes or the Bonds pursuant to Section 148 of the Code and the
802 applicable regulations thereunder that will cause such series of the Notes or the Bonds to
803 be "arbitrage bonds" within the meaning of said Section and said regulations. The county
804 will comply with the applicable requirements of Section 148 of the Code (or any
805 successor provision thereof applicable to such series of the Notes or the Bonds) and the
806 applicable regulations thereunder throughout the term of such series of the Notes or the

807 Bonds. In particular, the county will compute, if necessary, and pay the Rebate Amount,
808 if any, to the United States of America at the times and in the amounts necessary to meet
809 the requirements of the Code, as set forth in the related Federal Tax Certification for such
810 series of the Notes or the Bonds.

811 The county further covenants that it will not take any action or permit any action
812 to be taken that would cause any series of the Notes or the Bonds that are issued as Tax-
813 Exempt Obligations or BABs to constitute "private activity bonds" under Section 141 of
814 the Code.

815 **SECTION 11. Other Covenants and Warranties.** The county makes the
816 following additional covenants and warranties:

817 A. The county has full legal right, power and authority to adopt this ordinance, to
818 sell, issue and deliver each series of the Notes and the Bonds as provided herein, and to
819 carry out and consummate all other transactions contemplated by this ordinance.

820 B. By all necessary official action prior to or concurrently herewith, the county
821 has duly authorized and approved the execution and delivery of, and the performance by
822 the county of its obligations contained in the Notes, the Bonds and this ordinance and the
823 consummation by it of all other transactions necessary to effectuate this ordinance in
824 connection with the issuance of each series of the Notes and the Bonds, and such
825 authorizations and approvals are in full force and effect and have not been amended,
826 modified or supplemented in any material respect.

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

828 D. When issued, sold, authenticated and delivered, each series of the Notes and
829 the Bonds will constitute legal, valid and binding general obligations of the county.

830 E. Until all Notes and Bonds of a series shall have been surrendered and
831 canceled, the county will maintain or cause to be maintained a system of registration of
832 the Notes and the Bonds of such series that complies with the applicable provisions of the
833 Code.

834 F. The adoption of this ordinance, and compliance on the county's part with the
835 provisions contained herein, will not conflict with, constitute a breach of, or constitute a
836 default under, any constitutional provisions, law, administrative regulation, judgment,
837 decree, loan agreement, indenture, bond, note, resolution, ordinance, motion, agreement
838 or other instrument to which the county is a party or to which the county or any of its
839 property or assets are otherwise subject.

840 G. The county finds and covenants that the Notes and the Bonds of each series
841 are issued within all statutory and constitutional debt limitations applicable to the county.

842 **SECTION 12. Note and Bond Funds.** There has heretofore been created in the
843 office of the Finance Director a special fund known as the "King County Limited Tax
844 General Obligation Bond Redemption Fund" to be drawn upon for the purpose of paying
845 the principal of and interest on the limited tax general obligation bonds of the county.
846 There is hereby authorized to be created within said fund a special account for each series
847 of the Notes to be known as the "Limited Tax General Obligation Bond Anticipation
848 Note Redemption Account, [Year][, Series][Taxable]" (each, a "Note Fund"), and a
849 special account for each series of the Bonds to be known as the "Limited Tax General
850 Obligation Bond Redemption Account, [Year][, Series][Taxable]" (each, a "Bond Fund").

851 Any accrued interest on any series of the Notes or the Bonds shall be deposited in
852 the related Note Fund or Bond Fund, as applicable, at the time of delivery of such series
853 of the Notes or the Bonds and shall be applied to the payment of interest thereon.

854 The taxes hereafter levied for the purpose of paying principal of and interest on
855 each series of the Notes or the Bonds and other funds to be used to pay such series of the
856 Notes or the Bonds shall be deposited in the related Note Fund or Bond Fund, as
857 applicable, no later than the date such funds are required for the payment of principal of
858 and interest on such series of the Notes or the Bonds; provided, however, that if the
859 payment of principal of and interest on any series of the Notes or the Bonds is required
860 prior to the receipt of such levied taxes, the county may make an interfund loan to the
861 related Note Fund or Bond Fund, as applicable, pending actual receipt of such taxes.

862 Each Note Fund and Bond Fund shall be drawn upon for the purpose of paying the
863 principal of and interest on the related series of the Notes or the Bonds, as applicable.

864 Money in each Note Fund and Bond Fund not needed to pay the interest or principal next
865 coming due may temporarily be deposited in such institutions or invested in such
866 obligations as may be lawful for the investment of county funds. Each Note Fund and
867 Bond Fund shall be a second tier fund in accordance with Ordinance No. 7112 and
868 K.C.C. 4.10.

869 **SECTION 13. Establishment of Green River Flood Mitigation Fund;**
870 **Application of Note and Bond Proceeds—New Money.** The county hereby establishes
871 the "Green River Flood Mitigation Fund." This fund is a first tier fund managed by the
872 director of the department of executive services. The exact amount of proceeds from the
873 sale of any series of the Notes or the Bonds to be deposited into the Green River Flood

874 Mitigation Fund to provide new money financing for the Green River Flood Mitigation
875 Project shall be determined by the Finance Director upon the sale of such series of the
876 Notes or the Bonds. Any amounts so deposited may be used to repay interim borrowing
877 (other than the Notes) used to pay the costs of the Green River Flood Mitigation Project.

878 **SECTION 14. Application of Note and Bond Proceeds—Current Refundings.**

879 The exact amount of proceeds from the sale of any series of the Notes or the Bonds to be
880 deposited into the Note Fund for another series of the Notes and applied to the payment
881 of the principal of and interest on such other series of the Notes and the costs related to
882 the current refunding thereof shall be determined by the Finance Director upon the sale of
883 such series of the Notes or the Bonds.

884 **SECTION 15. Application of Note Proceeds—General.** Funds deposited in the

885 funds and accounts described in Sections 12 and 13 hereof shall be invested as permitted
886 by law for the sole benefit of such funds and accounts. Irrespective of the general
887 provisions of Ordinance No. 7112 and K.C.C. 4.10, the county current expense fund shall
888 not receive any earnings attributable to such funds and accounts. Money other than
889 proceeds of the Notes and Bonds may be deposited in the funds and accounts described in
890 Sections 12 and 13 hereof; provided, however, that proceeds of each series of the Notes
891 or the Bonds that are issued as Tax-Exempt Obligations or BABs, and the earnings
892 thereon, shall be accounted for separately for purposes of the arbitrage rebate
893 computations required to be made under the Code. For purposes of such computations,
894 Note proceeds shall be deemed to have been expended first, then Bond proceeds, and
895 then any other funds.

896 **SECTION 16. Preliminary Official Statements and Final Official Statements.**

897 The county hereby authorizes and directs the Finance Director: (i) to review and approve
898 the information contained in the preliminary official statement (each, a "Preliminary
899 Official Statement") prepared in connection with the sale of each series of the Notes or
900 the Bonds; and (ii) for the sole purpose of compliance by the purchasers of such series of
901 the Notes or the Bonds with subsection (b)(1) of the Rule, to "deem final" the related
902 Preliminary Official Statement as of its date, except for the omission of information on
903 offering prices, interest rates, selling compensation, delivery dates, any other terms or
904 provisions required by the county to be specified in a competitive bid, ratings, other terms
905 of such series of the Notes or the Bonds dependent on such matters and the identity of the
906 purchasers. After each Preliminary Official Statement has been reviewed and approved
907 in accordance with the provisions of this section, the county hereby authorizes the
908 distribution of such Preliminary Official Statement to prospective purchasers of such
909 related series of the Notes or the Bonds.

910 Following the sale of each series of the Notes or the Bonds, the Finance Director
911 is hereby authorized to review and approve on behalf of the county a final official
912 statement with respect to such series of the Notes or the Bonds. The county agrees to
913 cooperate with the successful bidder for each series of the Notes or the Bonds to deliver
914 or cause to be delivered, within seven business days from the date of the Note Sale
915 Motion or Bond Sale Motion, as appropriate, and in sufficient time to accompany any
916 confirmation that requests payment from any customer of such successful bidder, copies
917 of a final official statement pertaining to such Notes or Bonds in sufficient quantity to

918 comply with paragraph (b)(4) of the Rule and the rules of the Municipal Securities
919 Rulemaking Board.

920 SECTION 17. Undertaking to Provide Ongoing Disclosure. The county
921 council will set forth an undertaking for ongoing disclosure with respect to each series of
922 the Notes or the Bonds, as required by subsection (b)(5) of the Rule, in the Note Sale
923 Motion or the Bond Sale Motion therefor, as appropriate.

924 SECTION 18. General Authorization. The appropriate county officials, agents
925 and representatives are hereby authorized and directed to do everything necessary for the
926 prompt sale, issuance, execution and delivery of each series of the Notes and each series
927 of the Bonds, and for the proper use and application of the proceeds of the sale thereof.

928 SECTION 19. Refunding or Defeasance of Notes and Bonds. The county may
929 issue refunding obligations pursuant to the laws of the State of Washington or use money
930 available from any other lawful source to pay when due the principal of and interest on
931 any series of the Notes or the Bonds, or any portion thereof included in a refunding or
932 defeasance plan, and to redeem and retire, refund or defease all such then-outstanding
933 Notes or Bonds, as appropriate, and to pay the costs of the refunding or defeasance.

934 In the event that money and/or noncallable Government Obligations maturing at
935 such time or times and bearing interest to be earned thereon in amounts (together with
936 such money, if necessary) sufficient to redeem and retire, refund or defease part or all of
937 the Notes or Bonds in accordance with their terms, are set aside in a special account of
938 the county to effect such redemption and retirement, and such money and the principal of
939 and interest on such Government Obligations are irrevocably set aside and pledged for
940 such purpose, then no further payments need be made into the Note Fund or any Bond

941 Fund, as appropriate, for the payment of the principal of and interest on the Notes or
942 Bonds so provided for, and such Notes or Bonds shall cease to be entitled to any lien,
943 benefit or security of this ordinance except the right to receive the money so set aside and
944 pledged, and such Notes or Bonds shall be deemed not to be outstanding hereunder.

945 Within 30 days of the defeasance of any of the Notes or Bonds, the county shall
946 provide or cause to be provided notice of defeasance of such Notes or Bonds to the
947 registered owners thereof and to the Municipal Securities Rulemaking Board, in
948 accordance with the undertaking for ongoing disclosure to be adopted pursuant to Section
949 17 hereof.

950 SECTION 20. Contract; Severability. The covenants applicable to the Notes
951 contained in this ordinance shall constitute a contract between the county and the owners
952 of each and every Note, and the covenants applicable to the Bonds contained in this
953 ordinance shall constitute a contract between the county and the owners of each and
954 every Bond. If any one or more of the covenants or agreements provided in this
955 ordinance to be performed on the part of the county shall be declared by any court of
956 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement
957 or agreements, shall be null and void and shall be deemed separable from the remaining
958

959 covenants and agreements of this ordinance and shall in no way affect the validity of the
960 other provisions of this ordinance, the Notes or the Bonds.

961

Ordinance 16681 was introduced on 9/21/2009 and passed by the Metropolitan King
County Council on 10/19/2009, by the following vote:

Yes: 9 - Mr. Constantine, Mr. Ferguson, Ms. Hague, Ms. Lambert, Mr. von
Reichbauer, Mr. Gossett, Mr. Phillips, Ms. Patterson and Mr. Dunn

No: 0

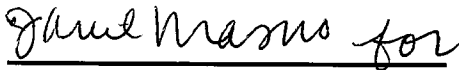
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



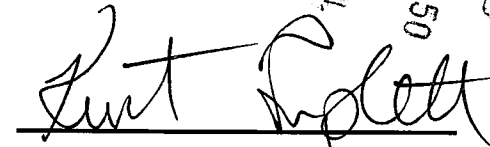
Dow Constantine, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 28 day of October, 2009.



Kurt Triplett, County Executive

RECEIVED
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KING COUNTY CLERK
KING COUNTY COUNCIL

Attachments None