



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**December 5, 2017**

**Motion 15012**

**Proposed No. 2017-0494.2**

**Sponsors Upthegrove**

1           A MOTION of the county council approving a purchase  
2           contract for the county's Sewer Refunding Revenue Bonds,  
3           2017, in the aggregate principal amount of \$149,485,000,  
4           establishing certain terms of such bonds, and approving a  
5           plan of refunding from proceeds of such bonds, all in  
6           accordance with Ordinance 18587.

7           PREAMBLE

8           Pursuant to Ordinance 16133 and Motion 12944, the county council  
9           authorized the issuance of its Limited Tax General Obligation Bonds  
10          (Payable from Sewer Revenues), 2009 ("the 2009 Bonds"), to finance the  
11          costs of certain capital improvements to the County's Sewer System (the  
12          "System") and to pay the costs of issuing the 2009 Bonds.

13          The county reserved the right to redeem the 2009 Bonds maturing on and  
14          after January 1, 2020, in whole or in part at any time on or after January 1,  
15          2019, at the price of par plus accrued interest, if any, to the date fixed for  
16          redemption.

17          There are presently outstanding \$7,745,000 aggregate principal amount of  
18          2009 Bonds maturing on January 1, 2020, bearing interest at the rate of  
19          5.00% ("the Refunded 2009 Bonds").

20 Pursuant to Ordinance 16868 and Motion 13272, the county council  
21 authorized the issuance of its Sewer Revenue and Refunding Bonds, 2010  
22 ("the 2010 Bonds"), to finance the construction of improvements to the  
23 System, to refund certain outstanding bonds of the System, to pay  
24 capitalized interest, to fund a deposit to the Parity Bond Reserve Account  
25 and to pay the costs of issuing the 2010 Bonds.

26 The county reserved the right to redeem the 2010 Bonds maturing on and  
27 after January 1, 2021, in whole or in part at any time on or after July 1,  
28 2020, at the price of par plus accrued interest, if any, to the date fixed for  
29 redemption.

30 There are presently outstanding \$47,105,000 aggregate principal amount  
31 of 2010 Bonds maturing on January 1 in each of the years 2040, 2045 and  
32 2050, bearing interest at 5.00% ("the Refunded 2010 Bonds").

33 Pursuant to Ordinance 16868 and Motion 13406, the county council  
34 authorized the issuance of its Sewer Revenue Bonds, 2011 ("the 2011  
35 Bonds"), to finance the construction of improvements to the System, to  
36 fund a deposit to the Parity Bond Reserve Account and to pay the costs of  
37 issuing the 2011 Bonds.

38 The county reserved the right to redeem the 2011 Bonds maturing on and  
39 after January 1, 2022, in whole or in part at any time on or after January 1,  
40 2021, at the price of par plus accrued interest, if any, to the date fixed for  
41 redemption.

42 There are presently outstanding \$47,590,000 aggregate principal amount

43 of 2011 Bonds maturing on January 1 in each of the years 2022, 2028  
44 through 2032, inclusive, 2034, 2037 and 2041, bearing interest at rates  
45 ranging from 5.00% to 5.25% ("the Refunded 2011 Bonds").

46 Pursuant to Ordinance 17111 and Motion 13535, the county council  
47 authorized the issuance of its Sewer Revenue and Refunding Bonds, 2011  
48 Series B ("the 2011B Bonds"), to finance the construction of  
49 improvements to the System, to refund certain outstanding bonds of the  
50 System, to fund a deposit to the Parity Bond Reserve Account and to pay  
51 the costs of issuing the 2011B Bonds.

52 The county reserved the right to redeem the 2011B Bonds maturing on and  
53 after January 1, 2022, in whole or in part at any time on or after January 1,  
54 2021, at the price of par plus accrued interest, if any, to the date fixed for  
55 redemption.

56 There are presently outstanding \$48,610,000 aggregate principal amount  
57 of 2011B Bonds maturing on January 1 in each of the years 2028 through  
58 2031, inclusive, 2034 and 2041, bearing interest at the rate of 5.00% ("the  
59 Refunded 2011B Bonds").

60 Pursuant to Ordinance 17111 and Motion 13573, the county council  
61 authorized the issuance of its Sewer Revenue Refunding Bonds, 2011  
62 Series C ("the 2011C Bonds"), to refund certain outstanding bonds of the  
63 System and to pay the costs of issuing the 2011C Bonds.

64 The county reserved the right to redeem the 2011C Bonds maturing on and  
65 after January 1, 2035, in whole or in part at any time on or after January 1,

66 2021, at the price of par plus accrued interest, if any, to the date fixed for  
67 redemption.

68 There are presently outstanding \$8,600,000 aggregate principal amount of  
69 2011C Bonds maturing on January 1, 2035, bearing interest at the rate of  
70 5.00% ("the Refunded 2011C Bonds," and together with the Refunded  
71 2009 Bonds, the Refunded 2010 Bonds, the Refunded 2011 Bonds and the  
72 Refunded 2011B Bonds, all as more particularly described in Attachment  
73 C to this motion, "the Refunded Bonds").

74 It is in the best interest of the County and ratepayers of the System to  
75 effect a savings by refunding the Refunded Bonds.

76 Pursuant to Ordinance 18587, passed on October 23, 2017 ("the  
77 Ordinance"), the county council authorized, among other things, the  
78 issuance of one or more series of bonds to refund certain outstanding  
79 bonds payable from Revenue of the System, including the Refunded  
80 Bonds.

81 The Ordinance provides that such bonds may be publicly sold in one or  
82 more series, as Parity Bonds or Parity Lien Obligations, as Tax-Exempt  
83 Bonds or otherwise, and by negotiated sale or by competitive bid, as  
84 determined by the Finance Director in consultation with the county's  
85 financial advisor.

86 The Finance Director has determined that a series of bonds authorized  
87 pursuant to the Ordinance, designated as the county's Sewer Refunding  
88 Revenue Bonds, 2017, in the aggregate principal amount of \$149,485,000

89 ("the Bonds"), be sold as provided in this motion.

90 To effect the refunding of the Refunded Bonds in the manner that will be  
91 most advantageous to the county, it is found necessary and advisable that a  
92 portion of the proceeds of the Bonds be deposited with the Refunding  
93 Trustee and held in an irrevocable trust account for the benefit of the  
94 holders of the Refunded Bonds.

95 Pursuant to the Ordinance, a preliminary official statement dated  
96 November 17, 2017, has been prepared and distributed for the sale of the  
97 Bonds, and the Finance Director has negotiated the sale of the Bonds to  
98 J.P. Morgan Securities LLC, on behalf of itself and as representative of the  
99 other underwriters (collectively, "the Underwriters") named in the bond  
100 purchase contract attached as Attachment A to this motion ("the Purchase  
101 Contract").

102 It is in the best interest of the county and the ratepayers of the System that  
103 the Bonds be sold to the Underwriters on the terms set forth in the  
104 Purchase Contract, the Ordinance, and this motion.

105 BE IT MOVED BY THE COUNCIL OF KING COUNTY:

106 A. **Definitions.** Capitalized words that are used in this motion but not  
107 defined in this motion have the meanings set forth in the Ordinance for all purposes of  
108 this motion, unless some other meaning is plainly intended. The words and terms defined  
109 in the preamble to this motion, as used in this motion, have the meanings assigned such  
110 terms in the preamble to this motion, for all purposes of this motion, unless some other  
111 meaning is plainly intended. The following words and terms as used in this motion have

112 the following meanings for all purposes of this motion, unless some other meaning is  
113 plainly intended.

114 "Acquired Obligations" means the United States Treasury Certificates of  
115 Indebtedness, Notes, and Bonds-State and Local Government Series or other Government  
116 Obligations described in the Refunding Trust Agreement and purchased to accomplish  
117 the refunding of the Refunded Bonds as authorized by the Ordinance and in accordance  
118 with the ordinances authorizing the issuance of the Refunded Bonds.

119 "Refunding Plan" means:

120 1. the deposit with the Refunding Trustee of sufficient proceeds of  
121 the Bonds, together with other money of the county, if necessary;

122 2. the purchase by the Refunding Trustee of the Acquired  
123 Obligations;

124 3. the application by the Refunding Trustee of sufficient amounts  
125 held by it to the payment of interest on the Refunded 2009 Bonds when due up to and  
126 including January 1, 2019;

127 4. the call, payment and redemption on January 1, 2019, of all of the  
128 Refunded 2009 Bonds at a price of par;

129 5. the application by the Refunding Trustee of sufficient amounts  
130 held by it to the payment of interest on the Refunded 2010 Bonds when due up to and  
131 including July 1, 2020;

132 6. the call, payment and redemption on July 1, 2020, of all of the  
133 Refunded 2010 Bonds at a price of par;

134 7. the application by the Refunding Trustee of sufficient amounts

135 held by it to the payment of interest on the Refunded 2011 Bonds, the Refunded 2011B  
136 Bonds and the Refunded 2011C Bonds when due up to and including January 1, 2021;

137 8. the call, payment and redemption on January 1, 2021, of all of the  
138 Refunded 2011 Bonds, the Refunded 2011B Bonds and the Refunded 2011C Bonds at a  
139 price of par; and

140 9. the payment of the costs of issuing the Bonds and the costs of  
141 carrying out the foregoing elements of the Refunding Plan.

142 "Refunding Trust Agreement" means a refunding trust agreement between the  
143 county and the Refunding Trustee entered into pursuant to Section D.1. of this motion.

144 **B. Approval of Bond Purchase Contract and Authorization of Bonds.**

145 The issuance of the Bonds, designated as set forth in the recitals of this motion, and the  
146 terms and conditions thereof as set forth in the Purchase Contract, are hereby ratified and  
147 confirmed, and the Purchase Contract is hereby approved. The Bonds will be dated their  
148 date of issue and delivery, will be subject to redemption, will mature on the dates and in  
149 the amounts, and will bear interest at the rates, all as specified in Attachment B to this  
150 motion. The Bonds shall conform in all other respects to the terms and conditions  
151 specified in the Purchase Contract and the Ordinance.

152 **C. Satisfaction of Parity Conditions.** In accordance with the Ordinance and  
153 the provisions of the ordinances authorizing the issuance of the outstanding Parity Bonds,  
154 which permit the issuance of Future Parity Bonds upon compliance with the conditions  
155 set forth therein, the county council hereby finds and determines, as follows:

156 1. There is not now, and when the Bonds are issued there will not  
157 then be, any deficiency in the Parity Bond Fund or any account therein.

158                   2.       All money held in the Refunding Account will be used to pay the  
159 principal of and interest on the Refunded Bonds and costs of issuance in accordance with  
160 the Refunding Plan.

161                   3.       The Ordinance provides for payment of the principal of and  
162 interest on the Bonds out of the Parity Bond Fund.

163                   4.       The amount that will be on deposit in the Parity Bond Reserve  
164 Account at the Closing of the Bonds will satisfy the Reserve Requirement, without the  
165 need for any additional deposit.

166                   5.       The county will have on file at the Closing of the Bonds a  
167 certificate of the Finance Director demonstrating that, during any 12 consecutive calendar  
168 months out of the immediately preceding 18 calendar months, Net Revenue was at least  
169 equal to 1.25 times the amount required to pay, in each year that the Bonds will be  
170 outstanding, the Annual Parity Debt Service for such year.

171                   6.       The Finance Director will provide to the registered owner of the  
172 county's Junior Lien Variable Rate Demand Sewer Revenue Bond, Series 2012, a  
173 certificate showing that Net Revenue in any 12 consecutive months out of the most recent  
174 18 months preceding the issuance of the Bonds, based on financial statements of the  
175 System prepared by the county, is at least equal to 1.0 times the Annual Debt Service for  
176 the Bonds and all then outstanding obligations of the System secured by a lien on  
177 Revenue of the System, in each year during the life of the Bonds.

178                   The applicable conditions for Future Parity Bonds having been complied with in  
179 connection with the issuance of the Bonds, the pledge contained in the Ordinance of  
180 Revenue of the System to pay and secure the payment of the Bonds will constitute a lien



181 and charge on Revenue of the System equal in rank with the lien and charge on the  
182 Revenue of the System to pay and secure the payment of the outstanding Parity Bonds.

183           D.       **Refunding and Redemption of Refunded Bonds.**

184                   1.       **Refunding Plan.** In accordance with Sections 16 and 28 of the  
185 Ordinance, the Finance Director has determined, in consultation with the county's  
186 financial advisor, that the proceeds of the Bonds will be used to refund the Refunded  
187 Bonds pursuant to the Refunding Plan, which is ratified and confirmed hereby.

188                   As provided in Section 16 of the Ordinance, the King County 2017 Sewer  
189 Revenue Bonds Refunding Account ("the Refunding Account") will be established and  
190 maintained with the Refunding Trustee. Proceeds of the Bonds will be irrevocably  
191 deposited with the Refunding Trustee in the Refunding Account and used, together with  
192 other funds of the county, if necessary, to carry out the Refunding Plan.

193                   The appointment of U.S. Bank National Association as Refunding Trustee is  
194 hereby ratified and confirmed. In accordance with Section 16.B. of the Ordinance, the  
195 Finance Director is authorized and directed to enter into the Refunding Trust Agreement  
196 in a form approved by the county's bond counsel.

197                   The proceeds of the Bonds and other money of the county remaining in the  
198 Refunding Account after providing for the necessary beginning cash balance will be  
199 utilized to pay expenses of the Refunding Trustee and other costs of issuing the Bonds.  
200 Payment of the costs of issuing the Bonds may be provided for in the Refunding Trust  
201 Agreement or in a separate agreement, as the Finance Director may determine.

202                   The county may, from time to time, transfer, or cause to be transferred, from the  
203 Refunding Account any money not thereafter required to carry out the Refunding Plan,

204 subject to the provisions of the Refunding Trust Agreement, or if not therein provided,  
205 then subject to verification in writing by an independent certified public accountant that  
206 the transfer will not result in inadequate funds being available to make the required  
207 payments therefrom.

208           2.       **Redemption of Refunded Bonds.** The county hereby irrevocably  
209 sets aside sufficient money to carry out the Refunding Plan.

210           The county hereby calls the Refunded 2009 Bonds for redemption on January 1,  
211 2019. The county hereby calls the Refunded 2010 Bonds for redemption on July 1, 2020.  
212 The county hereby calls the Refunded 2011 Bonds, the Refunded 2011B Bonds and the  
213 Refunded 2011C Bonds for redemption on January 1, 2021.

214           Each such call for redemption of the Refunded Bonds will be irrevocable after the  
215 final establishment of the Refunding Account and delivery of the requisite money to the  
216 Refunding Trustee. The Finance Director is authorized and requested to provide  
217 whatever assistance is necessary to accomplish the defeasance and redemption of the  
218 Refunded Bonds.

219           The Refunding Trustee is hereby authorized and directed to notify the fiscal agent  
220 of the state of Washington to give notice of the defeasance and redemption of the  
221 Refunded Bonds in accordance with the applicable provisions of the ordinances  
222 authorizing their issuance. The Finance Director is authorized and requested to provide  
223 whatever assistance is necessary to accomplish the defeasance and redemption and the  
224 giving of notices therefor. The costs of publication of the notices will be an expense of  
225 the county.

226           The Refunding Trustee is hereby authorized and directed to pay to the fiscal agent

227 of the state of Washington money sufficient to carry out the Refunding Plan. All such  
228 money will be paid from the money deposited with the Refunding Trustee in the  
229 Refunding Account. All money so paid will be credited to the Refunding Account. All  
230 money deposited with the Refunding Trustee and any income therefrom will be held and  
231 applied in accordance with the provisions of the Ordinance, the Refunding Trust  
232 Agreement and the laws of the state of Washington for the benefit of the county and the  
233 registered owners of the Refunded Bonds.

234           3.       **Findings.** The county council hereby finds and determines that the  
235 issuance and sale of the Bonds at this time to effect a savings is in the best interest of the  
236 county and the ratepayers of the System. In making this finding and determination, the  
237 county council has given consideration to the interest on and the fixed maturities of the  
238 Bonds and the Refunded Bonds and the costs of issuance of the Bonds and the known  
239 earned income from the investment of the proceeds of the sale of the Bonds pending  
240 redemption and payment of the Refunded Bonds.

241           The county council hereby further finds and determines that the money to be  
242 deposited with the Refunding Trustee will be sufficient to defease and redeem the  
243 Refunded Bonds and will discharge and satisfy the obligations of the county with respect  
244 to the Refunded Bonds under the ordinances authorizing their issuance and the pledges of  
245 the county therein. Immediately upon the deposit of such money with the Refunding  
246 Trustee, the Refunded Bonds will be deemed not to be outstanding under the ordinances  
247 authorizing their issuance and will cease to be entitled to any lien, benefit or security  
248 under those ordinances except the right to receive payment from the money and Acquired  
249 Obligations so set aside and pledged.

250           E.       **Designation as Refunding Candidates.** The Bonds are hereby  
251 designated as "Refunding Candidates" for purposes of the Ordinance.

252           F.       **Continuing Disclosure Undertaking.** In accordance with Section 31 of  
253 the Ordinance, the county will enter into an undertaking for continuing disclosure for the  
254 Bonds in substantially the form described in the Official Statement for the Bonds.

255           G.       **Further Authority.** The county officials and their agents, attorneys and  
256 representatives are hereby authorized and directed to do everything necessary for the  
257 prompt issuance and delivery of the Bonds and for the proper use and application of the  
258 proceeds of the sale of the Bonds.

259           H.       **Severability.** If any provision in this motion is declared by any court of  
260 competent jurisdiction to be contrary to law, then that provision will be null and void and

261 will be deemed separable from the remaining provisions of this motion and will in no  
262 way affect the validity of the other provisions of this motion or of the Bonds.  
263

Motion 15012 was introduced on 12/4/2017 and passed by the Metropolitan King  
County Council on 12/4/2017, by the following vote:

Yes: 9 - Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn,  
Mr. McDermott, Mr. Dembowski, Mr. Upthegrove, Ms. Kohl-Welles  
and Ms. Balducci

No: 0

Excused: 0



KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

A handwritten signature in blue ink, appearing to read "Joseph McDermott", is written over a horizontal line.

J. Joseph McDermott, Chair

ATTEST:

A handwritten signature in black ink, appearing to read "Melani Pedroza", is written over a horizontal line.

Melani Pedroza, Clerk of the Council

**Attachments:** A. Bond Purchase Contract, B. Description of the Bonds, C. Refunded Bonds

## KING COUNTY, WASHINGTON

**\$149,485,000**  
**SEWER REFUNDING REVENUE BONDS, 2017**

## BOND PURCHASE CONTRACT

December 4, 2017

King County, Washington  
500 Fourth Avenue  
Seattle, Washington 98104

To the Metropolitan King County Council:

J.P. Morgan Securities LLC (the "Representative"), on our own behalf and on behalf of Citigroup Global Markets Inc. and Siebert Cisneros Shank & Co., L.L.C. (each, a "Co-Manager" and, together with the Representative, the "Underwriters"), offers to enter into this Bond Purchase Contract (the "Purchase Contract") with King County, Washington (the "County"). This offer is subject to the County's acceptance by execution and delivery of this Purchase Contract to the Representative at or prior to 8:00 p.m., Pacific Time, on the date first above written, and if not so accepted will be subject to withdrawal by the Underwriters upon notice delivered to the County by the Representative at any time prior to the County's acceptance hereof. Upon the County's acceptance of this offer in accordance with the terms hereof, this Purchase Contract will be binding on the County and the Underwriters.

Any capitalized terms used in this Purchase Contract and not otherwise defined herein have the meanings given those terms in the Bond Legislation (as defined in Section 3 of this Purchase Contract).

1. **Purchase and Sale.** On the terms and conditions and on the basis of the representations, warranties, covenants and agreements hereinafter set forth, the Underwriters agree to purchase from the County for offering to the public, and the County agrees to sell to the Underwriters for that purpose, all of the County's Sewer Refunding Revenue Bonds, 2017, in the aggregate principal amount of \$149,485,000 (the "Bonds").

The Bonds will be dated the date of their delivery to the Underwriters, will bear interest payable January 1, 2018, and semiannually on each July 1 and January 1 thereafter until maturity or earlier redemption, at the rates, and will mature on the dates in the years and principal amounts, all as set forth in Exhibit A hereto.

The purchase price for the Bonds is \$173,357,000.99, which represents the aggregate principal amount of the Bonds, plus an original issue premium of \$24,188,354.95, less underwriter's discount of \$316,353.96.

The County acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the County and the Underwriters, (ii) in connection with this transaction, each of the Underwriters is acting solely as a principal and not as an agent or a fiduciary of the County, (iii) the Underwriters have not assumed (individually or collectively) a fiduciary responsibility in favor of the County with respect to the offering of the Bonds or the process leading thereto (whether or not any Underwriter or any affiliate of any Underwriter has advised or is currently advising the County on other matters), (iv) the County has consulted with its own legal and municipal advisors to the extent it has deemed appropriate in connection with the sale of the Bonds, and (v) the Underwriters have financial and other interests that differ from those of the County.

## 2. **Public Offering; Establishing the Issue Price.**

(a) It is a condition to the County's obligation to sell and deliver the Bonds to the Underwriters that the entire \$149,485,000 aggregate principal amount of the Bonds will be purchased, accepted and paid for by the Underwriters at the Closing (as defined in Section 6), and it is a condition to the Underwriters' obligation to purchase, to accept delivery of and to pay for the Bonds that the entire \$149,485,000 aggregate principal amount of the Bonds will be issued, sold and delivered by the County at the Closing.

(b) The Underwriters will make a bona fide initial public offering of all the Bonds, at prices no higher and yields no lower than those shown in the Official Statement. The Underwriters reserve the right to change the offering prices or yields as they deem necessary in connection with the marketing of the Bonds; the Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price or the prices set forth in the Official Statement; and the Underwriters may (A) over-allot or effect transactions that stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (B) discontinue such stabilizing, if commenced, at any time without prior notice.

(c) The Representative, on behalf of the Underwriters, agrees to assist the County in establishing the issue price of the Bonds and will execute and deliver to the County at the Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the County, and Foster Pepper PLLC ("Bond Counsel"), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the County under this section to establish the issue price of the Bonds may be taken on behalf of the County by Piper Jaffray & Co., municipal advisor to the County (the "Municipal Advisor"), and any notice or report to be provided to the County may be provided to the Municipal Advisor.

(d) The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A hereto. As of the date of this Purchase Contract, the 10% test has been satisfied for all of the Bonds

(e) The Underwriters acknowledge that sales of any Bonds to any person that is a related party to the Underwriter will not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Purchase Contract by all parties.

3. **The Bonds; Bond Legislation.** The Bonds will be issued in accordance with chapters 35.58, 36.67, 39.46 and 39.53 of the Revised Code of Washington (“RCW”), as amended, the County Charter, County Ordinance 18587 (the “Bond Ordinance”), and a motion of the Metropolitan King County Council (the “County Council”) approving this Purchase Contract and the issuance and sale of the Bonds passed on December 4, 2017 (the “Sale Motion”). Together, the Bond Ordinance and the Sale Motion are referred to in this Purchase Contract as the “Bond Legislation.” The Bonds are being issued to refund for savings certain bonds of the County (the “Refunded Bonds”) payable from revenues of the County’s sewer system (the “System”) and pay costs of issuing the Bonds and refunding the Refunded Bonds, all as described in the Bond Legislation and the Official Statement (as defined herein).

#### 4. **Preliminary and Final Official Statements.**

(a) The County ratifies, approves and confirms the distribution by the Underwriters of the Preliminary Official Statement of the County dated November 17, 2017 (together with the appendices thereto, any documents incorporated therein by reference, and any



supplements or amendments thereto, the "Preliminary Official Statement"), in connection with the public offering and sale of the Bonds by the Underwriters prior to the availability of the Official Statement. The County represents and warrants that the Preliminary Official Statement furnished to the Underwriters was deemed final by the County as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission ("SEC") promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for the omission of information permitted to be omitted by Rule 15c2-12.

(b) The County shall provide, or cause to be provided, to the Underwriters within seven business days after the date of this Purchase Contract (or within such shorter period as may be agreed by the County and the Representative or required by applicable rule), a final Official Statement, which shall be in the form of the Preliminary Official Statement with those changes reflecting the terms of this Purchase Contract and other changes as have been approved by the Representative (together with any appendices thereto, any documents incorporated therein by reference, and any supplements or amendments thereto on or prior to the Closing, the "Official Statement"). The County will provide enough copies of the Official Statement to permit the Underwriters to comply with Rule 15c2-12 and other applicable rules of the SEC and the Municipal Securities Rulemaking Board ("MSRB").

(c) The County authorizes the Representative to file, to the extent required by applicable SEC or MSRB rule, and the Representative agrees to file or cause to be filed, the Official Statement with (i) the MSRB or its designee (including submission to the MSRB's Electronic Municipal Market Access system ("EMMA")) or (ii) other repositories approved from time to time by the SEC (either in addition to or in lieu of the filings referred to above). If an amended Official Statement is prepared in accordance with Section 4(e) of this Purchase Contract during the "primary offering disclosure period" (as defined in MSRB Rule G-32) and if required by applicable SEC or MSRB rule, the Representative will make the required submission of the amended Official Statement to EMMA.

(d) The Preliminary Official Statement and the Official Statement may be delivered in printed or electronic form to the extent permitted by applicable rules of the MSRB and as may be agreed by the County and the Representative.

(e) During the period ending on the 25<sup>th</sup> day after the End of the Underwriting Period (as defined herein) (or such other period as may be agreed to by the County and the Representative), the County (i) may not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Representative and (ii) must notify the Representative promptly if any event occurs, or information comes to the attention of the County, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Representative, the event requires the preparation and distribution of a supplement or amendment to the Official Statement, the County shall prepare and furnish to the Underwriters, at the County's expense, the number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the County and the Representative, as the Underwriters may reasonably request. If such notification is given after the Closing, the

County also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Representative may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

(f) For purposes of this Purchase Contract, the "End of the Underwriting Period" is used as defined in Rule 15c2-12 and will occur on the later of (A) the Closing or (B) when the Underwriters no longer retain an unsold balance of the Bonds. Unless otherwise advised in writing by the Representative on or prior to the Closing, or otherwise agreed to by the County and the Representative, the County may assume that the End of the Underwriting Period is the date of the Closing.

**5. Representations, Warranties, Covenants and Agreements of the County.** The County represents and warrants to and (as applicable) covenants and agrees with the Underwriters that, as of the date hereof:

(a) The County is a duly created and existing political subdivision of the State of Washington (the "State") and has all requisite legal right, power and authority (i) to enter into this Purchase Contract; (ii) to pass the Bond Legislation; (iii) to execute, issue, sell and deliver the Bonds as provided herein and to perform its obligations with respect thereto; (iv) to execute, deliver and perform this Purchase Contract, the Continuing Disclosure Undertaking dated as of the Closing (in the form summarized in the Preliminary Official Statement and the Official Statement, together, the "Continuing Disclosure Undertaking"), and the Refunding Trust Agreement dated as of the Closing (the "Refunding Trust Agreement"), by and between the County and U.S. Bank National Association, as Refunding Trustee (the "Refunding Trustee"); (v) to execute and deliver the Official Statement; and (vi) to consummate the transactions to which it is or is to be a party as contemplated by this Purchase Contract and by the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, and the Refunding Trust Agreement. The execution, delivery and performance of this Purchase Contract, the Bonds, the Continuing Disclosure Undertaking and the Refunding Trust Agreement, the passage of the Bond Legislation, and the issuance of the Bonds thereunder, the execution and delivery by the County of the Official Statement and the use and distribution by the Underwriters of the Preliminary Official Statement and the Official Statement, and the consummation by the County of the transactions to which it is or is to be a party as contemplated by this Purchase Contract and by the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, and the Refunding Trust Agreement have been duly authorized by all necessary action on the part of the County.

(b) This Purchase Contract, the Continuing Disclosure Undertaking, the Refunding Trust Agreement, the Official Statement, and the Bonds (when delivered and paid for at the Closing) have been or at the Closing shall be duly authorized, approved, executed, delivered and (in the case of the Bonds) registered and issued. This Purchase Contract constitutes, and the Bonds, when registered, issued, executed and delivered, and the Continuing Disclosure Undertaking and the Refunding Trust Agreement (assuming due execution and delivery thereof by the Refunding Trustee), when executed and delivered, will constitute, legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except to the extent that enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and by the application of equitable principles and the exercise of judicial discretion in appropriate cases. The performance by the County of its obligations

contained in this Purchase Contract, the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, and the Refunding Trust Agreement and the consummation by it of all transactions contemplated by this Purchase Contract, the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, and the Refunding Trust Agreement to have been performed or consummated at or prior to the Closing, as the case may be, have been duly authorized and approved by the County. The Bond Legislation has been duly and lawfully passed by the County, is in full force and effect, and is valid and binding upon the County and enforceable in accordance with its terms, except to the extent that enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and by the application of equitable principles and the exercise of judicial discretion in appropriate cases. When delivered and paid for at the Closing, the Bonds will constitute valid, legally binding limited obligations of the County entitled to the benefits and security of, and subject only to the terms and conditions set forth in, the Bond Legislation and described in the Preliminary Official Statement and the Official Statement. The issuance of the Bonds is authorized by, and the Bonds when issued will be issued in compliance with, the provisions of the Bond Legislation.

(c) The County is not in material breach of, or in material default under, any indenture, bank loan or credit agreement, bond or note, nor is the County in default under any statute, ordinance, resolution or (in any material respect) any other agreement or instrument, regulation, order, decree, license, permit, judgment, ruling or law or constitutional provision to which the County is subject, which breach or default would adversely affect the validity or enforceability of the Bonds.

(d) The passage of the Bond Legislation, the execution, delivery and performance of this Purchase Contract, the Continuing Disclosure Undertaking, and the Refunding Trust Agreement, the issuance and sale of the Bonds and the consummation of the transactions contemplated by this Purchase Contract and by the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, and the Refunding Trust Agreement will not, in any material respect, conflict with or constitute on the part of the County a material breach of or material default under any agreement, indenture, bond, note, statute, ordinance, resolution or other instrument to which the County is a party or to which it is bound or subject, which breach or default would adversely affect the validity or enforceability of the Bonds.

(e) Except as described in the Preliminary Official Statement and the Official Statement, no litigation or other action, suit, proceeding, inquiry or investigation before or by any court or agency or other administrative body (of either the State or the United States) is pending or, to the knowledge of the County, threatened, that in any way restrains or enjoins, or threatens or seeks to restrain or enjoin, the issuance, sale or delivery of the Bonds or in any way contests, questions or affects (i) the validity or enforceability of any provision of this Purchase Contract, the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, or the Refunding Trust Agreement; (ii) the County's pledge under the Bond Legislation of the Revenue of the System and all money credited to the Parity Bond Fund; (iii) the accuracy, completeness or fairness of the Preliminary Official Statement or the Official Statement; or (iv) the legal existence of the County, the title of its elected officers to their respective offices, or the County's authority to perform its obligations hereunder or with respect to the Bonds, or to consummate any of the transactions to which it is or is to be a party as contemplated by this Purchase Contract, the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, or the

Refunding Trust Agreement; and to the best knowledge of the Finance Director, after due inquiry, there is no other event or circumstance that would have a material adverse effect on the power or ability of the County to perform its obligations hereunder or with respect to the Bonds or to consummate the transactions to which it is or is to be a party as contemplated by this Purchase Contract, the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, or the Refunding Trust Agreement.

(f) The Bonds and the Bond Legislation conform in all material respects to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement.

(g) As of the date thereof, the Preliminary Official Statement (except for information regarding The Depository Trust Company ("DTC") and its book-entry only system and the Underwriters, as to which no representation is being given) did not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. However, no representation, warranty, covenant, or agreement is given or made with respect to the information under the captions "THE BONDS — Book-Entry System," "LEGAL AND TAX INFORMATION --- Limitations on Remedies and Municipal Bankruptcy," "-- Tax Exemption" and "-- Certain Other Federal Tax Consequences," and "OTHER BOND INFORMATION — Underwriters of the Bonds" and in Appendix F --- "Book-Entry System."

(h) As of the date of this Purchase Contract, the Official Statement (except for information regarding DTC and its book-entry only system and the Underwriters, as to which no representation is being given) will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. However, no representation, warranty, covenant, or agreement is given or made with respect to the information under the captions "THE BONDS — Book-Entry System," "LEGAL AND TAX INFORMATION — Limitations on Remedies and Municipal Bankruptcy," "-- Tax Exemption" and "-- Certain Other Federal Tax Consequences," and "OTHER BOND INFORMATION — Underwriters of the Bonds" and in Appendix F — "Book-Entry System."

(i) If the Official Statement is supplemented or amended pursuant to Section 4(e) hereof, at the time of each supplement or amendment thereto, the Official Statement as so supplemented or amended (except for information regarding DTC and its book-entry only system and the Underwriters, as to which no representation is being given) will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. However, no warranty, covenant, or agreement is given or made with respect to the information under the captions "THE BONDS — Book-Entry System," "LEGAL AND TAX INFORMATION — Limitations on Remedies and Municipal Bankruptcy," "-- Tax Exemption" and "-- Certain Other Federal Tax Consequences," and "OTHER BOND INFORMATION — Underwriters of the Bonds" and in Appendix F — "Book-Entry System."

(j) Except as described in the Preliminary Official Statement and the Official Statement, the County does not intend to issue or incur, and the County is not aware of any plans

to issue or incur, prior to the issuance of the Bonds, any other bonds, notes or other obligations for borrowed money the repayment of which is secured by a pledge of or lien on Revenue of the System or any material liabilities, direct or contingent, that will have a material adverse effect on the financial condition of the System, nor does the County expect, prior to the issuance of the Bonds, there to be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the System.

(k) The Preliminary Official Statement and the Official Statement describe accurately and completely any instances in the previous five years in which the County failed to comply in all material respects with any of its previous undertakings to provide annual reports and notices of specified events in accordance with Rule 15c2-12.

(l) Except as described in the Preliminary Official Statement and the Official Statement, all approvals, consents and other actions by, and all filings or registrations with or notices to, any governmental or administrative authority or agency having jurisdiction in the matter required to be obtained by the County as a condition precedent to the performance by the County of its obligations under this Purchase Contract, the Bond Legislation, the Bonds, the Continuing Disclosure Undertaking, or the Refunding Trust Agreement have been obtained and are in full force and effect (except no representation is made as to compliance with Blue Sky laws).

(m) The Underwriters may deem any certificate signed by any official of the County and delivered to the Representative as a representation and warranty by the County to the Underwriters as to the statements made therein.

(n) The County will furnish such information, execute such instruments and take such other action not inconsistent with law or established policy of the County in cooperation with the Underwriters as may be requested (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as may be designated by the Representative; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, that the County shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction. The County consents to the use of this Purchase Contract, the Bond Legislation, the Continuing Disclosure Undertaking, the Refunding Trust Agreement, and the Official Statement by the Underwriters in obtaining such qualifications.

(o) The financial statements of the System contained in the Preliminary Official Statement and the Official Statement fairly present the financial position of the System as of the dates and for the periods therein set forth; those financial statements have been prepared in accordance with generally accepted accounting principles applicable to governmental entities in the State, except to the extent described therein; and, except as otherwise disclosed in the Preliminary Official Statement and the Official Statement, there has been no material adverse change in the financial position or results of operations of the System from the financial statements of the System contained in the Preliminary Official Statement and the Official Statement.

(p) The County will undertake, pursuant to the Continuing Disclosure Undertaking, to provide certain annual financial information and notices of the occurrence of certain events, pursuant to paragraph (b)(5) of Rule 15c2-12. An accurate description of the Continuing Disclosure Undertaking is set forth in the Preliminary Official Statement and the Official Statement.

6. **Closing.** At 8:30 a.m., Pacific Time, on December 19, 2017, or at such other date or time as may be mutually agreed upon by the County and the Representative, the County will deliver or cause to be delivered (through DTC's FAST delivery system) to the Representative the Bonds duly executed by the County, together with the other documents described in Section 7(d) of this Purchase Contract, and the Representative will accept such delivery (through DTC's FAST delivery system) and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer, in an aggregate amount equal to that purchase price.

Payment for the Bonds as aforesaid and delivery of the documents described in Section 7(d) of this Purchase Contract will be made at the offices of the County, in Seattle, Washington, or at such other place as may be mutually agreed upon by the County and the Representative. Such payment and delivery is herein called the "Closing." The Representative will order CUSIP identification numbers and the County will cause such CUSIP identification numbers to be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto will constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Bonds in accordance with the terms of this Purchase Contract. The Bonds will be prepared and delivered in registered form and will be registered in the name of Cede & Co., as nominee of DTC. Copies of the executed Bonds will be made available for checking by the Representative and its counsel not less than one business day prior to the Closing.

7. **Closing Conditions.** The obligations of the Underwriters hereunder are subject to the performance by the County of its obligations hereunder at or prior to the Closing and are also subject to the following conditions:

(a) The representations of the County contained in this Purchase Contract must be true, complete and correct at the date hereof and on and as of the date of Closing as if made on the date of Closing.

(b) At the time of the Closing, (i) the Bond Legislation and the Refunding Trust Agreement must be in full force and effect, and must not have been amended, modified or supplemented since the date hereof, except as may be agreed to in writing by the Representative; and (ii) the County must perform or have performed its obligations required under or specified in this Purchase Contract, the Refunding Trust Agreement, and the Bond Legislation to be performed at or prior to the Closing.

(c) At the time of the Closing, no material adverse change will have occurred in the business, operations or financial or physical condition of the System.

(d) At or prior to the Closing, the Representative must receive the following documents, in each case satisfactory in form and substance to the Representative and to its

counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation ("Underwriters' Counsel"):

(1) The Official Statement and each supplement or amendment thereto, if any, executed on behalf of the County by the Finance Director;

(2) A certificate of the County's Prosecuting Attorney in substantially the form attached hereto as Exhibit C;

(3) Copies of the Bond Ordinance and the Sale Motion, each certified by the Clerk of the County Council as having been duly passed by the County Council and as being in full force and effect, with such changes or amendments as may have been agreed to in writing by the Representative;

(4) The final approving legal opinion of Bond Counsel, dated the date of Closing, in substantially the form attached to the Official Statement as Appendix B, together with a reliance letter addressed to the Underwriters;

(5) The supplemental opinion of Bond Counsel, addressed to the Underwriters and dated the date of Closing, in substantially the form attached hereto as Exhibit D, and a reliance letter addressed to the Underwriters with respect to any other opinions delivered by Bond Counsel in connection with the issuance of the Bonds;

(6) The opinion of Bond Counsel, dated the date of Closing, to the effect that the money and obligations set aside in the Refunding Account pursuant to the Refunding Trust Agreement to defease the Refunded Bonds are irrevocably set aside and pledged for such purpose, that the Refunded Bonds are legally defeased and deemed not to be outstanding under the ordinances pursuant to which they were issued, and that such defeasance will not cause interest on the Bonds or the Refunded Bonds to become included in gross income for federal income tax purposes;

(7) An opinion of Underwriters' Counsel, dated the date of the Closing and addressed to the Underwriters, to the effect that (i) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and the Bond Legislation is exempt from qualification under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and (ii) the Continuing Disclosure Undertaking, together with Section 5(p) of this Purchase Contract, satisfies the requirements contained in paragraph (b)(5) of Rule 15c2-12 for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by paragraph (b)(5) of Rule 15c2-12; in addition, such counsel shall state in its letter containing the foregoing opinions that, although such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement and makes no representation that such counsel has independently verified the accuracy, completeness or fairness of any such statements, in such counsel's capacity as Underwriters' Counsel, to assist the Underwriters as part of their responsibilities with respect to the Preliminary Official Statement and the Official Statement, such counsel participated in conferences with representatives of the Underwriters, the County,



the County's internal counsel, disclosure counsel, the Municipal Advisor, Bond Counsel, and others, during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed, and based on such counsel's participation in those conferences and in reliance thereon and on the records, documents, certificates, opinions and matters set forth in such counsel's letter, and as a matter of fact and not opinion, during the course of such counsel's representation of the Underwriters, no facts came to the attention of the attorneys in such counsel's firm rendering legal services to the Underwriters in connection with the Preliminary Official Statement or the Official Statement that caused them to believe that the Preliminary Official Statement as of its date or the Official Statement as of its date and as of the date of Closing contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that such counsel need express no opinion, view or belief regarding any CUSIP numbers, financial, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions, or expressions of opinion contained therein, information regarding environmental matters, litigation, tax exemption, historical compliance with the Issuer's continuing disclosure undertakings, or DTC and its book-entry only system, or regarding the appendices thereto; and provided further that such letter and the opinions and representations therein may not be used, circulated, quoted or otherwise referred to or relied upon by owners of the Bonds or by any other party to whom it is not specifically addressed;

(8) A certificate of the County, executed by the Finance Director or other authorized representative of the County, dated as of the Closing, to the effect that (A) the representations and warranties of the County contained in this Purchase Contract are true and correct in all material respects on and as of the Closing with the same effect as if made as of the Closing; (B) to the best knowledge of the Finance Director (or other authorized representative), as of the date of this Purchase Contract and as of the Closing, the Official Statement was and is true and complete in all material respects and did not and does not contain an untrue statement of a material fact or omit or fail to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no representation or warranty need be made with respect to the information contained under the captions "THE BONDS — Book-Entry System," "LEGAL AND TAX INFORMATION — Limitations on Remedies and Municipal Bankruptcy," "— Tax Exemption" and "— Certain Other Federal Tax Consequences," and "OTHER BOND INFORMATION — Underwriters of the Bonds" and in Appendix F — "Book-Entry System"); (C) the County is not in default as to any covenant, obligation or agreement contained in any ordinance or other proceeding relating to any obligations of the County for borrowed money payable from and secured by a pledge of and lien on the Revenue of the System; (D) all payments into all funds or accounts created and established for the payment and security of all outstanding obligations of the County for borrowed money payable from and secured by a pledge of and lien on the Revenue of the System have been made in full and the amounts on deposit in such funds or accounts are the amounts then required to be deposited therein; (E) to the best knowledge of the Finance Director (or other authorized representative), the County has never defaulted in the payment of principal of or interest on any of its obligations for borrowed money payable from and secured by a pledge of and lien on the Revenue of the System; and (F) the County has complied in all material respects with all agreements and satisfied in all material respects all conditions contemplated by this Purchase Contract, the Bond Legislation and the



Refunding Trust Agreement on its part to be performed or satisfied at or prior to the delivery of the Bonds;

(9) A letter from Pacifica Law Group LLP, as the County's disclosure counsel in connection with the sale and issuance of the Bonds, dated the date of the Closing and addressed to the County and each Underwriter, stating that as disclosure counsel to the County such counsel reviewed the Preliminary Official Statement and the Official Statement and certain other documents and have participated in conferences in which the contents of the Preliminary Official Statement and the Official Statement and other matters were discussed; that the purpose of such counsel's professional engagement was not to establish or to confirm factual matters set forth in the Preliminary Official Statement and the Official Statement, and such counsel has not undertaken to verify independently any of such factual matters; and that, subject to the foregoing and on the basis of the information gained by such counsel in the course of performing the services rendered to the County, such counsel confirms that no facts have come to the attention of the attorneys in the firm rendering legal services in connection with the matter that cause them to believe that the Preliminary Official Statement as of its date and as of the date of this Purchase Contract, and the Official Statement, as of its date of and the date of Closing, contained or contain an untrue statement of a material fact or omitted or omit to state a material fact necessary to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that no view is expressed as to (A) any financial and statistical data and forecasts, projections, numbers, estimates, assumptions or expressions of opinion contained or incorporated by reference in the Preliminary Official Statement or the Official Statement and its Appendices; (B) any CUSIP numbers or information relating thereto; (C) any information with respect to DTC and DTC's book entry system; and (D) the information that is set forth in Appendices B, C, E, and F, each of which are expressly excluded from the scope of this paragraph;

(10) The Refunding Trust Agreement executed by the County and an authorized officer of the Escrow Agent;

(11) An incumbency certificate of the Refunding Trustee;

(12) A Blue Sky Memorandum prepared by Underwriters' Counsel and addressed to the Underwriters;

(13) A written report prepared by Causey Demgen & Moore P.C. (the "Verification Agent") verifying the accuracy of certain mathematical computations with respect to the refunding of the Refunded Bonds;

(14) A tax certificate and IRS Form 8038-G in form satisfactory to Bond Counsel and duly executed by the County;

(15) The Letter of Representations, executed by the County and accepted by DTC;

(16) A complete transcript of all proceedings relating to the authorization and issuance of the Bonds;

(17) Evidence satisfactory to the Representative that Moody's Investors Service and S&P Global Ratings have assigned ratings of "Aa1" and "AA+," respectively, to the Bonds; and

(18) Such additional legal opinions, certificates, instruments and other documents as the Representative may reasonably deem necessary to evidence the truth and accuracy as of the time of the Closing of the representations and warranties of the County contained in Section 5 of this Purchase Contract and the due performance or satisfaction by the County at or prior to such time of all covenants and agreements then to be performed and all conditions then to be satisfied by the County pursuant to this Purchase Contract.

8. **Termination.** The Representative may terminate this Purchase Contract, without liability therefor, by notice to the County if at any time after the date of this Purchase Contract and at or prior to the Closing, in the Representative's sole and reasonable judgment, any of the following events occurs (each a "Termination Event"):

(a) the market price or marketability of the Bonds, or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds, are materially adversely affected by any of the following events:

(i) legislation is enacted by the Congress of the United States or the legislature of the State or is favorably reported out of committee of either body or pending in committee of either body, or is recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision is rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement is made or proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or State taxation upon interest received on obligations of the general character of the Bonds; or

(ii) there occurs (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war, (2) any other calamity or crisis in the financial markets of the United States or elsewhere, (3) a downgrade of the sovereign debt rating of the United States by any major credit rating agency or a payment default on United States Treasury obligations, or (4) a default with respect to the debt obligations of any state of the United States; or

(iii) a general suspension of trading on the New York Stock Exchange or other major exchange, or minimum or maximum prices for trading are fixed and in force, or maximum ranges for prices for securities are required and in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(iv) legislation is enacted by the Congress of the United States or is favorably reported out of committee or pending in committee, or is recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States is rendered, or a ruling, regulation,

proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter is made, to the effect that any obligations of the general character of the Bonds or the Bond Legislation, or any comparable obligations of the County, are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act, or would be in violation of any provision of the federal securities laws; or

(v) except as disclosed in or contemplated by the Official Statement, any material adverse change occurs in the financial affairs of the System; or

(vi) any rating of bonds, notes or other obligations of the County secured by a pledge of or lien on Revenue of the System (including, without limitation, the Bonds) is downgraded, suspended or withdrawn, or a negative credit watch is publicly announced, by Moody's Investors Service or S&P Global Ratings; or

(b) any event or circumstance exists that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriters) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the County refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented materially adversely affects the market price or marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds; or

(c) a general banking moratorium is declared by federal or State authorities having jurisdiction and is in force; or

(d) a material disruption occurs in securities settlement, payment or clearance services affecting the Bonds; or

(e) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters is established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(f) a decision by a court of the United States is rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter is issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Contract, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing, including the Securities Act, the Securities Exchange Act of 1934, as amended, and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Purchase Contract by the Representative, all obligations of the County and the Underwriters under this Purchase Contract shall terminate, without further liability, except that the County and the Underwriters shall pay their respective expenses as set forth in Section 9.

9. **Expenses.** The Underwriters are under no obligation to pay and the County will pay or cause to be paid the expenses incident to the performance of the County's obligations hereunder including but not limited to: (a) the cost of preparing the Bond Legislation; (b) the fees and disbursements of Foster Pepper PLLC, the Refunding Trustee, the Verification Agent, the Municipal Advisor, disclosure counsel, and any other experts or consultants retained by the County; (c) the costs of preparing, printing and signing the Bonds and the cost of registering ownership of the Bonds; (d) the cost of preparing and printing the Preliminary Official Statement and the Official Statement and any supplements or amendments thereto; (e) charges of rating agencies for the ratings of the Bonds; and (f) expenses (included in the expense component of the spread) incurred on behalf of County employees that are directly related to the offering of the Bonds, including, but not limited to, meals, transportation and lodging. The Underwriters shall pay (from the expense component of the spread): (1) the cost of preparing any Blue Sky and legal investment memoranda to be used by them; (2) all advertising expenses incurred by them in connection with the public offering of the Bonds; (3) the fees and disbursements of Underwriters' Counsel; and (4) all other expenses incurred by them in connection with their public offering and distribution of the Bonds.

10. **Representations, Warranties and Agreements of Underwriters.** The Underwriters represent and warrant to and agree with the County that the Underwriters are authorized to take any action under this Purchase Contract required to be taken by the Underwriters. The Underwriters represent that they are duly organized, validly existing and in good standing under the laws of the jurisdictions of their organization and are licensed by and registered with the Financial Industry Regulatory Authority as broker-dealers and with the MSRB as municipal bond dealers.

11. **Indemnification.** To the extent permitted by law, the County shall indemnify and hold harmless the Underwriters, each of their respective partners, members, officers and employees and each person who controls any Underwriter within the meaning of Section 15 of the Securities Act (each, an "Indemnified Party"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall reimburse any such Indemnified Party for any legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims, damages, liabilities or actions arise out of or are based upon (i) a determination that the Bonds should have been registered under the Securities Act or the Bond Legislation should have been qualified under the Trust Indenture Act, or (ii) any untrue statement of a material fact contained in the Official Statement or any supplement thereto (other than any statement provided by the Underwriters), or the omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The indemnity as described in this paragraph is limited to such losses or damages as are directly the result of the acts or omissions of the County and, should any Indemnified Party make a claim for indemnity under this Purchase Contract, the County shall have the right to (i) retain counsel to defend any such action and (ii) control and direct any defense of such claims in such action. This indemnity shall not be construed as a limitation on any other liability that the County may otherwise have to any Indemnified Party; provided, that in no event shall the County be obligated for double indemnification.

12. **Notices.** Any notice or other communication to be given to the County under this Purchase Contract (other than the acceptance hereof as specified in Section 1 hereof) may be given by delivering the same in writing to the Finance Director, King County Department of Finance, 500 Fourth Avenue ADM-FI-0611, Seattle, Washington 98104; any notice or other communication to be given to the Representative or the Underwriters under this Purchase Contract may be given by delivering the same in writing to J.P. Morgan Securities LLC, 1301 Second Avenue, Floor 24, Seattle, Washington 98101, Attention: Isaac Sine, Executive Director.

13. **Governing Law.** The validity, interpretation and performance of this Purchase Contract are governed by the laws of the State.

14. **Parties in Interest.** This Purchase Contract, when accepted by the County in writing as heretofore specified, shall constitute the entire agreement between the County and the Underwriters and is solely for the benefit of the County and the Underwriters (including the successors and assigns thereof). No other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements of the County in this Purchase Contract shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the Underwriters, (b) delivery of and payment for the Bonds hereunder, and (c) any termination of this Purchase Contract.

15. **Entire Agreement.** This Purchase Contract constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties. This Purchase Contract shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

16. **Headings.** The headings of the Sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

17. **Counterparts.** This Purchase Contract may be executed in several counterparts, which together will constitute one and the same instrument.

J.P. MORGAN SECURITIES LLC,  
as Representative of the Underwriters

By: \_\_\_\_\_  
Executive Director

Accepted by the Director of Finance and Business  
Operations Division, Department of Executive  
Services, on December 4, 2017, at \_\_\_\_\_ p.m.

KING COUNTY, WASHINGTON

By: \_\_\_\_\_  
Director of Finance and Business Operations  
Division, Department of Executive Services

## EXHIBIT A

**\$149,485,000**  
**KING COUNTY, WASHINGTON**  
**SEWER REFUNDING REVENUE BONDS, 2017**

*True Interest Cost. 3.579463%*

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Initial Reoffering Yield</u>
1/1/2018	\$ 2,810,000	5.00%	1.140%
7/1/2018	6,175,000	5.00	1.210
7/1/2019	12,660,000	5.00	1.490
7/1/2020	5,535,000	5.00	1.580
7/1/2021	4,440,000	5.00	1.650
7/1/2030	7,220,000	5.00	2.450 <sup>(2)</sup>
7/1/2031	7,575,000	5.00	2.510 <sup>(2)</sup>
7/1/2032	10,540,000	5.00	2.560 <sup>(2)</sup>
7/1/2033	12,985,000	5.00	2.610 <sup>(2)</sup>
7/1/2034	11,735,000	5.00	2.660 <sup>(2)</sup>
7/1/2035	4,155,000	5.00	2.710 <sup>(2)</sup>
7/1/2036	7,645,000	5.00	2.740 <sup>(2)</sup>
7/1/2037	8,050,000	5.00	2.770 <sup>(2)</sup>
7/1/2042 <sup>(1)</sup>	24,400,000	5.00	2.830 <sup>(2)</sup>
7/1/2049 <sup>(1)</sup>	23,560,000	5.00	2.910 <sup>(2)</sup>
<u>\$ 149,485,000</u>			

<sup>(1)</sup> Term Bonds, subject to mandatory redemption.

<sup>(2)</sup> Priced to the call date of 7/1/2027.

*Redemption.* The Bonds are subject to optional and mandatory redemption as provided in the Sale Motion.

## EXHIBIT B

Form of Issue Price Certificate

\$149,485,000

KING COUNTY, WASHINGTON  
Sewer Refunding Revenue Bonds, 2017

## ISSUE PRICE CERTIFICATE

The undersigned, on behalf of J.P. Morgan Securities LLC (the "Representative"), on behalf of itself, Citigroup Global Markets Inc., and Siebert Cisneros Shank & Co., L.L.C. (each, a "Co-Manager" and, together with the Representative, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. ***Sale of General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Attachment A.

2. ***Defined Terms.***

(a) ***General Rule Maturities*** means all of the Bonds.

(b) ***Issuer*** means King County, Washington.

(c) ***Maturity*** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(d) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(e) ***Underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds,



and by Foster Pepper PLLC, Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: \_\_\_\_\_, 2017

J.P. MORGAN SECURITIES LLC

By: \_\_\_\_\_  
Isaac Sine, Executive Director

Attachment A: Initial Offering Prices/Yields

Attachment B: Preliminary Pricing Wire

## ATTACHMENT A

## SALE PRICES OF THE GENERAL RULE MATURITIES

Maturity	Principal Amount	Sales Prices of General Rule Maturities (10% sold to Public <sup>(2)</sup> )
1/1/2018	\$ 2,810,000	100.127%
7/1/2018	6,175,000	102.008
7/1/2019	12,660,000	105.300
7/1/2020	5,535,000	108.459
7/1/2021	4,440,000	111.451
7/1/2030	7,220,000	121.561
7/1/2031	7,575,000	120.994
7/1/2032	10,540,000	120.523
7/1/2033	12,985,000	120.055
7/1/2034	11,735,000	119.588
7/1/2035	4,155,000	119.124
7/1/2036	7,645,000	118.847
7/1/2037	8,050,000	118.570
7/1/2042 <sup>(1)</sup>	24,400,000	118.019
7/1/2049 <sup>(1)</sup>	23,560,000	117.289

<sup>(1)</sup> Term Bonds.

<sup>(2)</sup> Represents a percentage of the principal (or par) amount of the Bonds.

**ATTACHMENT B**  
**PRICING WIRE OR EQUIVALENT COMMUNICATION**  
*(ATTACHED)*

EXHIBIT C

Certificate of the King County Prosecuting Attorney

I, Kevin Wright, the duly appointed and qualified Chief Civil Deputy Prosecuting Attorney of King County, Washington (the "County"), in connection with the issuance by the County of its Sewer Refunding Revenue Bonds, 2017, in the aggregate principal amount of \$149,485,000 (the "Bonds"), DO HEREBY CERTIFY as follows:

1. That as of the time and date written below, to the best of my knowledge, there is no litigation pending or threatened affecting the issuance and delivery of the Bonds, the collection of revenues pledged to pay the principal thereof and interest thereon, or in any manner questioning or contesting the proceedings and authority under which the Bonds are issued, the validity of the Bonds, the corporate existence or boundaries of the County, or the title of the present officers to their respective offices, which litigation would prevent the payment by the County of the principal of or interest on the Bonds when due.

2. That as of the time and date written below, no authority or proceedings for the issuance of the Bonds has or have been repealed, revoked or rescinded.

3. That as of the time and date written below, the statements contained in the Official Statement relating to the Bonds dated December 4, 2017, under the captions "LEGAL AND TAX INFORMATION — Litigation" insofar as such statements purport to summarize litigation affecting the County, present a fair and accurate summary of that litigation, and are true and correct.

DATED: [Date of Closing], at \_\_\_\_\_ a.m.

For DAN SATTERBERG,  
King County Prosecuting Attorney

By: \_\_\_\_\_  
Kevin Wright  
Chief Civil Deputy

**EXHIBIT D**

[Letterhead of Foster Pepper PLLC]

[Date of Closing]

King County, Washington

J.P. Morgan Securities LLC  
Seattle, Washington

Citigroup Global Markets Inc.  
Seattle, Washington

Siebert Cisneros Shank & Co., L.L.C.  
Seattle, Washington

Re: King County, Washington, Sewer Refunding Revenue Bonds, 2017

We have served as bond counsel to King County, Washington (the "County"), in connection with the issuance of the above-referenced bonds (the "Bonds"). This letter is delivered to you pursuant to Section 7(d)(5) of the Bond Purchase Contract dated [December 4], 2017 (the "Purchase Contract"), between the County and J.P. Morgan Securities LLC, on behalf of itself and as representative of the underwriters named therein (together, the "Underwriters").

In connection with the issuance of the Bonds, we have examined a certified transcript of proceedings had by the County relating to the issuance of the Bonds, including Ordinance 18587, and Motion \_\_\_\_\_ passed on December 4, 2017 (together, the "Bond Legislation"), and such other documents as we have deemed necessary to deliver this letter. As to matters of fact material to this letter, we have relied upon representations contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation. Reference is made to the Purchase Contract for the definitions of capitalized terms used and not otherwise defined herein.

Based upon the foregoing, as of the date hereof, it is our opinion that under existing law:

1. The County has all requisite right, power and authority to execute and deliver the Purchase Contract, the Refunding Trust Agreement, and the Continuing Disclosure Undertaking, to perform its obligations thereunder and to carry out the transactions contemplated thereby.

2. The County has duly passed the Bond Legislation and has duly authorized, executed and delivered the Purchase Contract, the Refunding Trust Agreement, and the Continuing Disclosure Undertaking, and the Bond Legislation, Purchase Contract, Refunding Trust Agreement, and Continuing Disclosure Undertaking each constitutes a legal, valid and binding obligation of the County enforceable against the County in accordance with its terms except to the extent that the enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and by the application of equitable principles and the exercise of judicial discretion in appropriate cases.

3. The County has duly authorized the Finance Director to deem the Preliminary Official Statement final in accordance with Rule 15c2-12 and to approve and execute the Official Statement.

4. The Bonds are entitled to the benefits and security provided by the Bond Legislation.

5. The Bond Legislation creates the valid pledges of and liens on Revenue of the System in favor of the Bonds that it purports to create.

6. No consent or approval of, or registration or filing with, any commission, board, authority, body or instrumentality of the State is or was required in connection with any of the actions of the County taken in regard to the issuance, sale, execution and delivery of the Bonds, except those consents, approvals, registrations or filings that have been obtained on or prior to this date, nor is any election or referendum of voters required in connection therewith; provided, however, that no opinion is provided with respect to compliance with any Blue Sky laws.

7. The Bonds and their offer and sale are exempt from the registration requirements of the Securities Act of 1933, as amended, and the Bond Legislation is exempt from qualification under the Trust Indenture Act of 1939, as amended.

8. To the best of our knowledge, the execution and delivery by the County of the Bonds, the Purchase Contract, the Refunding Trust Agreement, and the Continuing Disclosure Undertaking, and the passage by the County of the Bond Legislation and compliance with the provisions on the County's part contained therein, will not conflict with or constitute a material breach of or default under any State constitutional provision, State law applicable to the County, or bond ordinance of the County.

9. The statements contained in the Preliminary Official Statement and in the Official Statement (except for information regarding DTC and its book-entry only system) under the captions "THE BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS," "INITIATIVES AND REFERENDA," "LEGAL AND TAX INFORMATION—Limitations on Remedies and Municipal Bankruptcy," "—Tax Exemption," and "—Certain Other Federal Tax Consequences," and "CONTINUING DISCLOSURE UNDERTAKING," and in Appendix A—"Summary of Bond Ordinance," and Appendix B—"Form of Bond Counsel Opinion," to the extent that such statements purport to describe certain provisions of the Bonds, the Continuing Disclosure Undertaking, the Bond Legislation, State law, and federal tax law, provide accurate summaries of those portions of the documents, State law, and federal tax law purported to be described; provided, however, that those summaries do not purport to summarize all the provisions of, and are qualified in their entirety by, the complete documents that are summarized.

We consent to references to our firm contained in the Preliminary Official Statement and the Official Statement.

This letter is delivered on the date hereof, and we assume no obligation to revise or supplement this letter to reflect any facts or circumstances that may hereafter come to our attention or changes in law that may hereafter occur.

We are members of the bar of the State of Washington. This letter is limited to matters involving the federal laws of the United States (subject to current interpretations, if any, of the United States Supreme Court and the United States Court of Appeals for the Ninth Circuit) and the laws of the State of Washington, and we do not express any opinion as to the laws of any other jurisdictions.

No attorney-client relationship has existed or exists between our firm and the Underwriters in connection with the Bonds or by virtue of this letter.

We bring to your attention the fact that this letter is an expression of our professional judgment on the matters expressly addressed and does not constitute a guarantee of result.

This letter is being delivered solely to the addressees hereof in connection with the issuance of the Bonds and may not be relied on by any addressee hereof for any other purpose or by any other person for any purpose without our prior written consent.

**ATTACHMENT B**  
**DESCRIPTION OF THE BONDS**

- (a) Principal Amount: \$149,485,000
- (b) Purchase Price: \$173,357,000.99, representing the stated principal amount of the Bonds, plus a premium of \$24,188,354.95, less an underwriters' discount of \$316,353.96.
- (c) Interest Payment Dates: January 1 and July 1, commencing January 1, 2018.
- (d) Maturity and Interest Rates: The Bonds shall mature on the dates and bear interest at the rates (computed on the basis of a 360-day year of twelve 30-day months), as follows:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
01/01/2018	\$ 2,810,000	5.00%	07/01/2033	\$12,985,000	5.00%
07/01/2018	6,175,000	5.00	07/01/2034	11,735,000	5.00
07/01/2019	12,660,000	5.00	07/01/2035	4,155,000	5.00
07/01/2020	5,535,000	5.00	07/01/2036	7,645,000	5.00
07/01/2021	4,440,000	5.00	07/01/2037	8,050,000	5.00
07/01/2030	7,220,000	5.00	07/01/2042	24,400,000	5.00
07/01/2031	7,575,000	5.00	07/01/2049	23,560,000	5.00
07/01/2032	10,540,000	5.00			

- (e) Optional Redemption: The County reserves the right to redeem outstanding Bonds maturing on or after July 1, 2030, in whole or in part, at any time on or after July 1, 2027, at the price of par plus accrued interest, if any, to the date fixed for redemption.
- (f) Mandatory Sinking Fund Redemption. The Bonds stated to mature in the years 2042 and 2049 are Term Bonds and, if not redeemed as described above or purchased under the provisions described in the Ordinance, are to be redeemed by the County at par plus accrued interest on July 1 in the years and amounts as follows:

**Term Bonds Stated to Mature in 2042**

<u>Years</u>	<u>Amounts</u>
07/01/2038	\$6,025,000
07/01/2039	6,345,000
07/01/2040	6,685,000
07/01/2041	2,605,000
07/01/2042 <sup>(1)</sup>	2,740,000

(1) Maturity.

**Term Bonds Stated to Mature in 2049**

<u>Years</u>	<u>Amounts</u>
07/01/2043	\$2,880,000
07/01/2044	3,030,000
07/01/2045	3,190,000
07/01/2046	3,350,000
07/01/2047	3,520,000
07/01/2048	3,700,000
07/01 2049 <sup>(1)</sup>	3,890,000

(1) Maturity.



**ATTACHMENT C - 15012**  
**REFUNDED BONDS**

**REFUNDED 2009 BONDS**

Maturity Date (January 1)	Principal Amount
2020	\$ 7,745,000

**REFUNDED 2010 BONDS**

Maturity Date (January 1)	Principal Amount
2040 <sup>(1)</sup>	12,535,000
2045 <sup>(1)</sup>	15,185,000
2050 <sup>(1)</sup>	19,385,000

(1) Term Bonds.

**REFUNDED 2011 BONDS**

Maturity Date (January 1)	Principal Amount
2022	\$ 4,345,000
2028	2,330,000
2029	2,445,000
2030	2,570,000
2031	2,700,000
2032	2,830,000
2034 <sup>(1)</sup>	6,140,000
2037 <sup>(1)</sup>	10,535,000
2041 <sup>(1)</sup>	13,695,000

(1) Term Bonds.

**REFUNDED 2011B BONDS**

Maturity Date (January 1)	Principal Amount
2028 <sup>(2)</sup>	2,505,000
2029 <sup>(2)</sup>	2,695,000
2030 <sup>(2)</sup>	2,805,000
2031 <sup>(2)</sup>	5,515,000
2034 <sup>(1)(2)</sup>	26,335,000
2041 <sup>(1)</sup>	8,755,000

(1) Term Bonds.

(2) Partial maturity.

**REFUNDED 2011C BONDS**

Maturity Date (January 1)	Principal Amount
2035	\$ 8,600,000