



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 22, 2010

Ordinance 16865

Proposed No. 2010-0331.1

**Sponsors Drago, Ferguson, Patterson, Phillips
and Gossett**

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 \$31,000,000 to provide long-term
5 financing for the South Park Bridge Replacement Project;
6 providing for the disposition of the proceeds of sale of the
7 bonds; establishing funds for the receipt and expenditure of
8 bond proceeds and for the payment of the bonds; and
9 providing for the annual levy of taxes to pay the principal
10 thereof and interest thereon.

11 PREAMBLE:

12 The county council has previously reviewed and approved expenditures
13 for the South Park Bridge Replacement Project.

14 It is deemed necessary and advisable that the county now authorize the
15 issuance and sale of one or more series of its limited tax general obligation
16 bonds in an outstanding aggregate principal amount not to exceed
17 \$31,000,000 to provide long-term financing for the South Park Bridge
18 Replacement Project.

19 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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

23 "BABs" means "build America bonds" authorized under Section 54AA of the
24 Code.

25 "Bond Fund" means, with respect to each series of the Bonds, the bond
26 redemption account established therefor pursuant to Section 11 of this ordinance.

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

32 "Bonds" means the limited tax general obligation bonds of the county in an
33 outstanding aggregate principal amount not to exceed \$31,000,000, authorized to be
34 issued in one or more series by this ordinance to provide long-term financing for the
35 South Park Bridge Replacement Project. Each series of Bonds may be issued as Tax-
36 Exempt Obligations, BABs, RZEDBs or other Taxable Obligations, as provided in
37 Section 4.E of this ordinance.

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

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

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

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

49 "Government Obligations" means "government obligations," as defined in chapter
50 39.53 RCW, as now in existence or hereafter amended.

51 "Official Notice of Bond Sale" means, with respect to each series of the Bonds
52 that is sold by competitive bid, the official notice of sale therefor prepared pursuant to
53 Section 4.E of this ordinance.

54 "Rebate Amount" means the amount, if any, determined to be payable by the
55 county to the United States of America with respect to a specified series of Bonds in
56 accordance with Section 148(f) of the Code.

57 "Refundable Credits" means with respect to any series of the Bonds that are
58 issued as BABs or RZEDBs, the amounts which are payable by the federal government
59 under Section 6431 of the Code, which the county has elected to receive under Section
60 54AA(g)(1) of the Code.

61 "Register" means the registration books maintained by the Registrar for purposes
62 of identifying ownership of the Bonds.

63 "Registrar" means the fiscal agency of the State of Washington appointed from
64 time to time by the Washington State Finance Committee pursuant to chapter 43.80
65 RCW.

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

68 "RZEDBs" means "recovery zone economic development bonds" authorized
69 under Section 1400U-2 of the Code.

70 "South Park Bridge Replacement Project" means the capital costs of the project to
71 construct a moveable bridge over the Duwamish Waterway parallel and adjacent to the
72 existing South Park Bridge, as well as related intersection improvements, rain garden
73 construction, roadway and drainage construction, utilities removal and relocation,
74 riverbank mitigation and incorporation of historic/art elements.

75 "Taxable Obligations" means the Bonds of any series determined to be issued on
76 a taxable basis, but not including any BABs or RZEDBs, pursuant to Section 4.E of this
77 ordinance.

78 "Tax-Exempt Obligations" means the Bonds of any series determined to be issued
79 on a tax-exempt basis pursuant to Section 4.E of this ordinance.

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

81 A. The South Park Bridge Replacement Project will contribute to the health,
82 safety and welfare of the citizens of the county. The South Park Bridge is a critical part
83 of our infrastructure linking industrial and manufacturing centers. The bridge carries
84 over 20,000 vehicles a day and links the residential and industrial neighborhoods of
85 Georgetown and South Park. The bridge is important to maintaining mobility in the
86 region and its closure will affect other connections across the Duwamish River including
87 the First Avenue South Bridge.

88 B. The issuance of limited tax general obligation bonds of the county to
89 provide long-term financing for the South Park Bridge Replacement Project, payable
90 from regular property taxes or other revenues, taxes and money of the county legally
91 available for such purposes, will reduce the overall costs of borrowing such funds and is
92 in the best interests of the county and its citizens.

93 SECTION 3. Authorization of South Park Bridge Replacement Project. The
94 county has previously authorized the undertaking of the South Park Bridge Replacement
95 Project. The South Park Bridge Replacement Project shall also include (a) capitalized
96 interest, interest on interim financing for such projects pending receipt of Bond proceeds,
97 and costs and expenses incurred in issuing the Bonds; (b) the capitalizable costs of sales
98 tax, acquisition and contingency allowances, financing, and any and all surveys,
99 explorations, engineering and architectural studies, drawings, designs and specifications
100 incidental, necessary or convenient to the implementation of the South Park Bridge
101 Replacement Project; and (c) the purchase of all materials, supplies, appliances,
102 equipment and facilities, and the permits, franchises, property and property rights and
103 capitalizable administrative costs, necessary, incidental or convenient to the
104 implementation of the South Park Bridge Replacement Project.

105 The South Park Bridge Replacement Project may be modified where deemed
106 advisable or necessary in the judgment of the county council, and implementation or
107 completion of any authorized component thereof shall not be required if the county
108 council determines that it has become inadvisable or impractical. If all of the South Park
109 Bridge Replacement Project has been completed, or its completion duly provided for, or
110 their completion found to be inadvisable or impractical, the county may apply any

111 remaining proceeds of the Bonds, or any portion thereof, to the acquisition or
112 improvement of other county capital projects as the county council in its discretion may
113 determine. In the event that the proceeds of the sale of the Bonds, plus any other money
114 of the county legally available therefor, are insufficient to accomplish all of the South
115 Park Bridge Replacement Project, the county shall use the available funds for paying the
116 cost of those components of the South Park Bridge Replacement Project deemed by the
117 county council most necessary and in the best interest of the county.

118 SECTION 4. Purpose, Authorization and Description of Bonds.

119 A. Purpose and Authorization of Bonds. The county authorizes the issuance
120 of the Bonds to provide long-term financing for the South Park Bridge Replacement
121 Project.

122 B. Description of Bonds. The Bonds may be issued in one or more series so
123 long as the aggregate principal amount of the Bonds to be outstanding on the date of
124 issuance of each series of the Bonds does not exceed \$31,000,000. Each series of the
125 Bonds shall be designated "King County, Washington, Limited Tax General Obligation
126 Bonds," with the year and any applicable series designation and with the additional
127 designations of "(Federally Tax-Exempt)" for any series of Bonds issued as Tax-Exempt
128 Obligations, "(Federally Taxable Build America Bonds)" for any series of Bonds issued
129 as BABs, "(Federally Taxable Recovery Zone Economic Development Bonds)" for any
130 series of Bonds issued as RZEDBs, or "(Federally Taxable)" for any series of Bonds
131 issued as any other sort of Taxable Obligations, as applicable, all as established by the
132 related Bond Sale Motion. Each series of the Bonds shall be dated as of such date, shall
133 mature on the date or dates in each of the years and in the principal amounts, shall bear

134 interest (computed on the basis of a 360-day year of twelve 30-day months) from their
135 date or the most recent interest payment date to which interest has been paid or duly
136 provided for, whichever is later, at the rates and payable on such dates, and shall be
137 subject to redemption prior to maturity in the amounts, in the manner and at the prices,
138 and shall be subject to such other terms and provisions as the county shall establish by the
139 related Bond Sale Motion. Each series of the Bonds shall be fully registered as to both
140 principal and interest, shall be in the denomination of \$5,000 each or any integral
141 multiple thereof (but no Bond shall represent more than one maturity), shall be numbered
142 separately in such manner and with any additional designation as the Registrar deems
143 necessary for purposes of identification.

144 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of
145 each series shall initially be held in fully immobilized form by DTC acting as depository
146 pursuant to the terms and conditions set forth in the Blanket Issuer Letter of
147 Representations heretofore executed on behalf of the county. Neither the county nor the
148 Registrar shall have any responsibility or obligation to DTC participants or the persons
149 for whom they act as nominees with respect to such Bonds with respect to the accuracy of
150 any records maintained by DTC or any DTC participant, the payment by DTC or any
151 DTC participant of any amount in respect of principal or redemption price or interest on
152 such Bonds, any notice that is permitted or required to be given to registered owners
153 under this ordinance (except such notice as is required to be given by the county to the
154 Registrar or to DTC), the selection by DTC or any DTC participant of any person to
155 receive payment in the event of a partial redemption of such Bonds or any consent given
156 or other action taken by DTC as owner of such Bonds.

157 The Bonds of each series shall initially be issued in denominations equal to the
158 aggregate principal amount of each maturity and initially shall be registered in the name
159 of CEDE & Co., as the nominee of DTC. Such Bonds so registered shall be held in fully
160 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
161 immobilized form, DTC, its successor or any substitute depository appointed by the
162 county, as applicable, shall be deemed to be the registered owner for all purposes
163 hereunder and all references to registered owners, bondowners, bondholders, owners or
164 the like shall mean DTC or its nominees and shall not mean the owners of any beneficial
165 interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may
166 not thereafter be transferred except:

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

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

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

173 Upon the resignation of DTC or its successor (or any substitute depository or its
174 successor) from its functions as depository, or a determination by the county that it is no
175 longer in the best interests of beneficial owners of such Bonds to continue the system of
176 book entry transfers through DTC or its successor (or any substitute depository or its
177 successor), the county may appoint a substitute depository. Any such substitute
178 depository shall be qualified under any applicable laws to provide the services proposed
179 to be provided by it.

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

186 In the event that DTC or its successor (or substitute depository or its successor)
187 resigns from its functions as depository, and no substitute depository can be obtained; or
188 the county determines that it is in the best interests of the beneficial owners of the Bonds
189 of any series that they be able to obtain Bond certificates, the ownership of such Bonds
190 may be transferred to any person as herein provided, and such Bonds shall no longer be
191 held in fully immobilized form. The county shall deliver a written request to the
192 Registrar, together with a supply of definitive Bonds of such series, to issue Bonds of
193 such series as herein provided in any authorized denomination. Upon receipt of all then
194 outstanding Bonds of any series by the Registrar, together with a written request on
195 behalf of the county to the Registrar, new Bonds of such series shall be issued in such
196 denominations and registered in the names of such persons as are requested in such a
197 written request.

198 D. Place, Manner and Medium of Payment. Both principal of and interest on
199 the Bonds shall be payable in lawful money of the United States of America. For so long
200 as any outstanding Bonds are registered in the name of CEDE & Co., or its registered
201 assigns, as nominee of DTC, payments of principal of and interest on such Bonds shall be

202 made in next day funds on the date such payment is due and payable at the place and in
203 the manner provided in the Letter of Representations.

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

213 E. Sale of Bonds. The county hereby authorizes the public sale of the Bonds.
214 The Bonds shall be sold in one or more series, any of which may be sold in a combined
215 offering with other bonds and/or notes of the county, at the option of the Finance
216 Director. The Finance Director shall determine, in consultation with the county's
217 financial advisors, whether each series of the Bonds shall be sold by negotiated sale or
218 competitive bid, and whether such series of Bonds shall be issued and sold as Tax-
219 Exempt Obligations, BABs, RZEDBs or other Taxable Obligations.

220 If the Finance Director determines that any series of the Bonds shall be sold by
221 negotiated sale, the Finance Director shall, in accordance with applicable county
222 procurement procedures, solicit one or more underwriting firms with which to negotiate
223 the sale of such Bonds. The purchase contract for each series of the Bonds shall specify
224 whether the Bonds of such series are being issued and sold as Tax-Exempt Obligations,

225 BABs, RZEDBs or other Taxable Obligations, and shall also establish the year and any
226 applicable series designation, date, principal amounts and maturity dates, interest rates
227 and interest payment dates, redemption provisions and delivery date for such series of the
228 Bonds, so long as the aggregate principal amount of all Bonds to be outstanding on the
229 date of issuance of such series of the Bonds does not exceed \$31,000,000. The county
230 council, by Bond Sale Motion, shall approve the bond purchase contract and ratify
231 whether the Bonds of such series are being issued and sold as Tax-Exempt Obligations,
232 BABs, RZEDBs or other Taxable Obligations, and the other terms for the series of the
233 Bonds established thereby.

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

237 Upon the date and time established for the receipt of bids for each series of the
238 Bonds, the Finance Director or his designee shall open the bids for the Bonds, shall cause
239 the bids to be mathematically verified and shall report to the county council regarding the
240 bids received. Such bids shall then be considered and acted upon by the county council
241 in an open public meeting. The county council reserves the right to reject any and all
242 bids for any series of the Bonds. The county council shall, by Bond Sale Motion, ratify
243 and confirm whether the Bonds of such series are being issued and sold as Tax-Exempt
244 Obligations, BABs, RZEDBs or other Taxable Obligations, and shall also ratify and
245 confirm the year and any applicable series designation, date, principal amounts and
246 maturity dates, interest rates and interest payment dates, redemption provisions and

270 DEVELOPMENT BONDS)]

271 [(FEDERALLY TAXABLE)]

272 INTEREST RATE: MATURITY DATE: CUSIP NO. :

273 REGISTERED OWNER:

274 PRINCIPAL AMOUNT:

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

283 Both principal of and interest on this Bond are payable in lawful money of the
284 United States of America. While Bonds are held on immobilized "book entry" system of
285 registration, the principal of this Bond is payable to the order of the registered owner in
286 same day funds received by the registered owner on the maturity date of this Bond, and
287 the interest on this Bond is payable to the order of the registered owner in same day funds
288 received by the registered owner on each interest payment date. When Bonds are no
289 longer held in an immobilized "book entry" registration system, the principal shall be
290 paid to the registered owner or nominee of such owner upon presentation and surrender
291 of this Bond to the fiscal agency of the State of Washington (the "Registrar"), and the
292 interest shall be paid by mailing a check or draft (on the date such interest is due) to the

293 registered owner or nominee of such owner at the address shown on the registration
294 books maintained by the Registrar (the "Register") as of the 15th day of the month prior
295 to the interest payment date; provided, however, that if so requested in writing by the
296 registered owner of at least \$1,000,000 par value of the Bonds, interest will be paid by
297 wire transfer.

298 This Bond is one of an authorized issue of Bonds of like date and tenor, except as
299 to number, amount, rate of interest and date of maturity[, and redemption provisions], in
300 the aggregate principal amount of \$_____, and is issued to provide long-term
301 financing for the South Park Bridge Replacement Project defined and described in King
302 County Ordinance _____ (the "Bond Ordinance"). Capitalized words and phrases used
303 but not defined herein shall have the meanings set forth in the Bond Ordinance.

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

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

309 The County has irrevocably covenanted in the Bond Ordinance that, for as long as
310 any of the Bonds are outstanding and unpaid, each year it will include in its budget and
311 levy an *ad valorem* tax within the constitutional and statutory tax limitations provided by
312 law without a vote of the people upon all the property within the County subject to
313 taxation in an amount that will be sufficient, together with all other revenues, taxes and
314 money of the County legally available for such purposes, to pay the principal of and
315 interest on the Bonds as the same shall become due. The County has irrevocably pledged

316 its full faith, credit and resources for the annual levy and collection of such taxes and for
317 the prompt payment of the principal of and interest on the Bonds as the same shall
318 become due.

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

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

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

331 [Add so long as Bonds are held in fully immobilized form by DTC: Unless this
332 certificate is presented by an authorized representative of The Depository Trust
333 Company, a New York corporation ("DTC"), to the Registrar for registration of transfer,
334 exchange or payment, and any certificate issued is registered in the name of Cede & Co.
335 or in such other name as is requested by an authorized representative of DTC (and any
336 payment is made to Cede & Co. or to such other entity as is requested by an authorized
337 representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR

338 VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as
339 the registered owner hereof, Cede & Co., has an interest herein.]

340 IN WITNESS WHEREOF, the County has caused this Bond to be executed by
341 the manual or facsimile signatures of the County Executive and the Clerk of the County
342 Council, and the seal of the County to be impressed or imprinted hereon, as of this
343 [] day of [].

344 KING COUNTY, WASHINGTON

345 By _____

346 County Executive

347 ATTEST:

348 _____

349 Clerk of the Council

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

352 CERTIFICATE OF AUTHENTICATION

353 This Bond is one of the King County, Washington, Limited Tax General
354 Obligation Bonds, [Year][, Series __][(Federally Tax-Exempt)][(Federally Taxable Build
355 America Bonds)][(Federally Taxable Recovery Zone Economic Development
356 Bonds)][(Federally Taxable)], described in the within mentioned Bond Ordinance.

357 WASHINGTON STATE FISCAL

358 AGENCY, as Registrar

359 By _____

360 Authorized Officer

361

ASSIGNMENT

362

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

363

unto

364

365

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION

366

NUMBER OF TRANSFEREE

367

[]

368

369

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

370

371

the within Bond and does hereby irrevocably constitute and appoint _____

372

DATED: _____, _____.

373

374

NOTE: The signature on this

375

Assignment must correspond with

376

the name of the registered owner as

377

it appears upon the face of the within

378

note in every particular, without

379

alteration or enlargement or any

380

change whatever.

381

SIGNATURE GUARANTEED:

382

383

NOTE: Signature must be guaranteed by an eligible guarantor.

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

387 If definitive Bonds of any series are not ready for delivery by the date established
388 for their delivery to the initial purchasers thereof, then the Finance Director, upon the
389 approval of the purchasers, may cause to be issued and delivered to the purchasers one or
390 more temporary Bonds of the same series with appropriate omissions, changes and
391 additions. Any such temporary Bond or Bonds shall be entitled and subject to the same
392 benefits and provisions of this ordinance with respect to the payment, security and
393 obligation thereof as definitive Bonds authorized thereby. Such temporary Bond or
394 Bonds shall be exchangeable without cost to the owners thereof for definitive Bonds of
395 the same series when the latter are ready for delivery.

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

399 In case either or both of the officers who shall have executed the Bonds shall
400 cease to be an officer or officers of the county before the Bonds so signed shall have been
401 authenticated or delivered by the Registrar, or issued by the county, such Bonds may
402 nevertheless be authenticated, delivered and issued and upon such authentication,
403 delivery and issuance, shall be as binding upon the county as though those who signed
404 the same had continued to be such officers of the county. Any Bond also may be signed
405 and attested on behalf of the county by such persons as at the actual date of execution of

406 such Bond shall be the proper officers of the county although at the original date of such
407 Bond any such person shall not have been such officer of the county.

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

414 SECTION 5. Open Market Purchase. The county reserves the right to purchase
415 any or all of the Bonds of any series on the open market at any time and at any price.

416 SECTION 6. Registration, Transfer and Exchange. The county hereby adopts for
417 the Bonds the system of registration specified and approved by the Washington State
418 Finance Committee. The Registrar shall keep, or cause to be kept, at its principal
419 corporate trust office, sufficient books for the registration and transfer of the Bonds,
420 which shall at all times be open to inspection by the county. Such Register shall contain
421 the name and mailing address of the owner (or nominee thereof) of each Bond, and the
422 principal amount and number of Bonds held by each owner or nominee. The Registrar is
423 authorized, on behalf of the county, to authenticate and deliver Bonds transferred or
424 exchanged for other Bonds in accordance with the provisions thereof and this ordinance,
425 and to carry out all of the Registrar's powers and duties under this ordinance.

426 The Registrar shall be responsible for its representations contained in the
427 Certificate of Authentication on the Bonds. The Registrar may become the owner of
428 Bonds with the same rights it would have if it were not the Registrar, and to the extent

429 permitted by law may act as depository for and permit any of its officers or directors to
430 act as a member of, or in any other capacity with respect to, any committee formed to
431 protect the rights of Bond owners.

432 Upon surrender thereof to the Registrar, the Bonds of each series are
433 exchangeable for other Bonds of the same series, maturity and interest rate and for the
434 same aggregate principal amount, in any authorized denomination. Bonds may be
435 transferred only if endorsed in the manner provided thereon and surrendered to the
436 Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and
437 shall authenticate and deliver, without charge to the owner or transferee therefor (other
438 than taxes, if any, payable on account of such transfer), one or more (at the option of the
439 new registered owner) new Bonds of the same series, maturity and interest rate and for
440 the same aggregate principal amount, in any authorized denomination, naming as
441 registered owner the person or persons listed as the assignee on the assignment form
442 appearing on the canceled and surrendered Bond, in exchange therefor. The Registrar
443 shall not be obligated to transfer or exchange any Bond during the period beginning at the
444 opening of business on the 15th day of the month next preceding the maturity date
445 thereof and ending at the close of business on such maturity date.

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

449 SECTION 7. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond shall
450 become mutilated, the Registrar shall authenticate and deliver one or more (at the option
451 of the new registered owner) new Bonds of the same series, maturity and interest rate and

452 for the same aggregate principal amount, in any authorized denomination, in exchange
453 and substitution therefor, upon the owner's paying the expenses and charges of the county
454 and the Registrar in connection therewith and upon surrender to the Registrar of the
455 mutilated Bond. Every mutilated Bond so surrendered shall be canceled and destroyed
456 by the Registrar.

457 If any Bond shall be lost, stolen or destroyed, the Registrar may authenticate and
458 deliver one or more (at the option of the new registered owner) new Bonds of the same
459 series, maturity and interest rate and for the same aggregate principal amount, in any
460 authorized denomination, to the registered owner thereof upon the owner's paying the
461 expenses and charges of the county and the Registrar in connection therewith and upon
462 his/her filing with the Registrar evidence satisfactory to the Registrar that such Bond was
463 actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing
464 the county and the Registrar with indemnity satisfactory to the Finance Director and the
465 Registrar.

466 SECTION 8. Pledge of Taxation and Credit. The county hereby irrevocably
467 covenants and agrees for as long as any of the Bonds are outstanding and unpaid, that
468 each year it will include in its budget and levy an *ad valorem* tax within the constitutional
469 and statutory tax limitations provided by law without a vote of the people upon all the
470 property within the county subject to taxation in an amount that will be sufficient,
471 together with all other revenues, taxes and money of the county legally available for such
472 purposes, to pay the principal of and interest on the Bonds as the same shall become due.

473 The county hereby irrevocably pledges that the annual tax provided for herein to
474 be levied for the payment of such principal and interest shall be within and as a part of

475 the tax levy to counties without a vote of the people, and that a sufficient portion of each
476 annual levy to be levied and collected by the county prior to the full payment of the
477 principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged
478 and appropriated for the payment of the principal of and interest on the Bonds.

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

482 SECTION 9. Federal Tax Law Covenants.

483 A. Provisions Applicable to Tax-Exempt Obligations. The county shall
484 comply with the provisions of this section with respect to each series of the Bonds that
485 are issued as Tax-Exempt Obligations unless, in the written opinion of nationally-
486 recognized bond counsel to the county, such compliance is not required.

487 The county hereby covenants that it will not make any use of the proceeds from
488 the sale of such series of the Bonds that are issued as Tax-Exempt Obligations (or of any
489 other funds of the county that may be deemed to be proceeds of such series the Bonds
490 pursuant to Section 148 of the Code and the applicable regulations thereunder) that will
491 cause such series of the Bonds to be "arbitrage bonds" within the meaning of said Section
492 148 of the Code and said regulations. The county will comply with the applicable
493 requirements of Section 148 of the Code (or any successor provision thereof applicable to
494 such series of the Bonds) and the applicable regulations thereunder throughout the term
495 of such series of the Bonds. In particular, the county will compute, if necessary, and pay
496 the Rebate Amount, if any, to the United States of America at the times and in the

497 amounts necessary to meet the requirements of the Code, as set forth in the related
498 Federal Tax Certification for such series of the Bonds.

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

502 B. Provisions Applicable to BABs. The county hereby irrevocably elects to
503 apply the provisions of Section 54AA(d) of the Code to each series of Bonds that are
504 issued as BABs and intends that each series of Bonds that are issued as BABs be treated
505 as "build America bonds" within the meaning of Section 54AA(d) of the Code. In
506 addition, the county hereby irrevocably elects to treat each series of Bonds that are issued
507 as BABs as "qualified bonds" within the meaning of Section 54AA(g)(2) of the Code
508 such that each series of Bonds that are issued as BABs will be eligible for direct payment
509 by the federal government of the Refundable Credits.

510

511

512 The county shall take all actions necessary to assure that the proceeds of each series of
513 Bonds that are issued as BABs are expended and all federal tax requirements are met so
514 as to cause each series of Bonds that are issued as BABs to be treated as "build America
515 bonds" within the meaning of Section 54AA(d) of the Code and "qualified bonds" within
516 the meaning of Section 54AA(g)(2) of the Code, and therefore be eligible for the
517 Refundable Credits.

518 The county shall, within the 45-day period beginning on the date that is 90 days
519 before the next interest payment date for each series of Bonds that are issued as BABs,
520 file Form 8038-CP or any successor form designated by the federal government,
521 requesting payment of the Refundable Credits with respect to the next interest payment
522 on such series of Bonds that are issued as BABs.

523 C. Provisions Applicable to RZEDBs. The county hereby irrevocably elects
524 to apply the provisions of Section 54AA(d) of the Code to each series of Bonds that are
525 issued as RZEDBs and intends that each series of Bonds that are issued as RZEDBs be
526 treated as "build America bonds" within the meaning of Section 54AA(d) of the Code. In
527 addition, the county hereby irrevocably elects to treat each series of Bonds that are issued
528 as RZEDBs as "qualified bonds" within the meaning of Section 54AA(g)(2) of the Code
529 such that each series of Bonds that are issued as RZEDBs will be eligible for direct
530 payment by the federal government of the Refundable Credits. Finally, the county
531 hereby designates each series of Bonds that are issued as RZEDBs as "recovery zone
532 economic development bonds" for purposes of Section 1400U-2 of the Code; provided
533 that the maximum aggregate face amount of all series of Bonds that are so designated and
534 issued as RZEDBs shall not exceed the amount of RZEDB limitation that has been

535 allocated to the county under Section 1400U-1 of the Code, including any amount
536 reallocated to the county by the State or any "large municipality," as defined in Section
537 1400U-1.

538 The county shall take all actions necessary to assure that the proceeds of each
539 series of Bonds that are issued as RZEDBs are expended and all federal tax requirements
540 are met so as to cause each series of Bonds that are issued as RZEDBs to be treated as
541 "Build America Bonds" within the meaning of Section 54AA(d) of the Code that are
542 "recovery zone economic development bonds" within the meaning of Section 1400U-2 of
543 the Code, and "qualified bonds" within the meaning of Section 54AA(g)(2) of the Code,
544 and therefore be eligible for the Refundable Credits.

545 The county shall, within the 45-day period beginning on the date that is 90 days
546 before the next interest payment date for each series of Bonds that are issued as RZEDBs,
547 file Form 8038-CP or any successor form designated by the federal government,
548 requesting payment of the Refundable Credits with respect to the next interest payment
549 on such series of Bonds that are issued as RZEDBs.

550 SECTION 10. Other Covenants and Warranties. The county makes the following
551 additional covenants and warranties:

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

555 B. By all necessary official action prior to or concurrently herewith, the
556 county has duly authorized and approved the execution and delivery of, and the
557 performance by the county of its obligations contained in the Bonds and this ordinance

558 and the consummation by it of all other transactions necessary to effectuate this
559 ordinance in connection with the issuance of each series of the Bonds, and such
560 authorizations and approvals are in full force and effect and have not been amended,
561 modified or supplemented in any material respect.

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

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

566 E. The county will maintain or cause to be maintained a system of
567 registration of the Bonds of each such series of Bonds that are issued as Tax-Exempt
568 Obligations, BABs or RZEDBs that complies with the applicable provisions of the Code
569 until all of the Bonds of each series of Bonds that are issued as Tax-Exempt Obligations,
570 BABs or RZEDBs shall have been surrendered and canceled.

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

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

579 SECTION 11. Bond Funds. There has heretofore been created in the office of
580 the Finance Director a special fund known as the "King County Limited Tax General

581 Obligation Bond Redemption Fund" to be drawn upon for the purpose of paying the
582 principal of and interest on the limited tax general obligation bonds of the county. There
583 is hereby authorized to be created within said fund a special account for each series of the
584 Bonds to be known as the "Limited Tax General Obligation Bond Redemption Account,
585 [Year][, Series __]" (each, a "Bond Fund").

586 Any accrued interest on any series of the Bonds shall be deposited in the related
587 Bond Fund at the time of delivery of such series of the Bonds and shall be applied to the
588 payment of interest thereon.

589 The taxes hereafter levied for the purpose of paying principal of and interest on
590 each series of the Bonds, all Refundable Credits, if any, received by the county in respect
591 of any series of the Bonds that are issued as BABs or RZEDBs and other funds to be used
592 to pay such series of the Bonds shall be deposited in the related Bond Fund no later than
593 the date such funds are required for the payment of principal of and interest on such
594 series of the Bonds; provided, however, that if the payment of principal of and interest on
595 any series of the Bonds is required prior to the receipt of such levied taxes, the county
596 may make an interfund loan to the related Bond Fund pending actual receipt of such
597 taxes; provided, that Refundable Credits, if any, shall only be used for the punctual
598 payment of principal of and interest on the related series of the Bonds that are issued as
599 BABs or RZEDBs, and shall not be used for any other purpose until all of the Bonds have
600 been paid in full; and provided further, that Refundable Credits shall not be used to pay
601 debt service on any tax-exempt obligations of the county, including, but not limited to,
602 any series of the Bonds that are issued as Tax-Exempt Obligations. Each Bond Fund
603 shall be drawn upon for the purpose of paying the principal of and interest on the related

604 series of the Bonds. Money in each Bond Fund not needed to pay the interest or principal
605 next coming due may temporarily be deposited in such institutions or invested in such
606 obligations as may be lawful for the investment of county funds. Each Bond Fund shall
607 be a second tier fund in accordance with Ordinance 7112 and K.C.C. chapter 4.10.

608 SECTION 12. Deposit of Bond Proceeds. There is hereby created the "South
609 Park Bridge Replacement Subfund" within the Road Construction Fund. This subfund
610 shall be a first tier fund managed by the director of the road services division of the
611 department of transportation of the county. The exact amount of proceeds from the sale
612 of any series of the Bonds to be deposited into the South Park Bridge Replacement
613 Subfund to provide long-term financing for the South Park Bridge Replacement Project
614 shall be determined by the Finance Director upon the sale of such series of the Bonds.

615 SECTION 13. Application of Bond Proceeds. Funds deposited in the funds and
616 accounts described in Sections 11 and 12 of this ordinance shall be invested as permitted
617 by law for the sole benefit of such funds and accounts. Irrespective of the general
618 provisions of Ordinance 7112 and K.C.C. chapter 4.10, the county current expense fund
619 shall not receive any earnings attributable to such funds and accounts. Money other than
620 proceeds of the Bonds may be deposited in the funds and accounts described in Sections
621 11 and 12 of this ordinance; provided, however, that proceeds of each series of the Bonds
622 that are issued as Tax-Exempt Obligations, BABs or RZEDBs and the earnings thereon,
623 shall be accounted for separately for purposes of the arbitrage rebate computations
624 required to be made under the Code. For purposes of such computations, Bond proceeds
625 shall be deemed to have been expended first, and then any other funds.

626 SECTION 14. Preliminary Official Statements and Final Official Statements.

627 The county hereby authorizes and directs the Finance Director: (i) to review and approve
628 the information contained in the preliminary official statement (each, a "Preliminary
629 Official Statement") prepared in connection with the sale of each series of the Bonds; and
630 (ii) for the sole purpose of compliance by the purchasers of such series of the Bonds with
631 subsection (b)(1) of the Rule, to "deem final" the related Preliminary Official Statement
632 as of its date, except for the omission of information on offering prices, interest rates,
633 selling compensation, delivery dates, any other terms or provisions required by the
634 county to be specified in a competitive bid, ratings, other terms of such series of the
635 Bonds dependent on such matters and the identity of the purchasers. After each
636 Preliminary Official Statement has been reviewed and approved in accordance with the
637 provisions of this section, the county hereby authorizes the distribution of such
638 Preliminary Official Statement to prospective purchasers of such related series of the
639 Bonds.

640 Following the sale of each series of the Bonds, the Finance Director is hereby
641 authorized to review and approve on behalf of the county a final official statement with
642 respect to such series of the Bonds. The county agrees to cooperate with the successful
643 bidder for each series of the Bonds to deliver or cause to be delivered, within seven
644 business days from the date of the Bond Sale Motion, and in sufficient time to
645 accompany any confirmation that requests payment from any customer of such successful
646 bidder, copies of a final official statement pertaining to such Bonds in sufficient quantity
647 to comply with paragraph (b)(4) of the Rule and the rules of the Municipal Securities
648 Rulemaking Board.

649 SECTION 15. Undertaking to Provide Ongoing Disclosure. The county council
650 will set forth an undertaking for ongoing disclosure with respect to each series of the
651 Bonds, as required by subsection (b)(5) of the Rule, in the Bond Sale Motion therefor.

652 SECTION 16. General Authorization. The appropriate county officials, agents
653 and representatives are hereby authorized and directed to do everything necessary for the
654 prompt sale, issuance, execution and delivery of each series of the Bonds, and for the
655 proper use and application of the proceeds of the sale thereof.

656 SECTION 17. Refunding or Defeasance of Bonds. The county may issue
657 refunding obligations pursuant to the laws of the State of Washington or use money
658 available from any other lawful source to pay when due the principal of and interest on
659 any series of the Bonds, or any portion thereof included in a refunding or defeasance
660 plan, and to redeem and retire, refund or defease all such then-outstanding Bonds, and to
661 pay the costs of the refunding or defeasance.

662 In the event that money and/or noncallable Government Obligations maturing at
663 such time or times and bearing interest to be earned thereon in amounts (together with
664 such money, if necessary) sufficient to redeem and retire, refund or defease part or all of
665 the Bonds in accordance with their terms, are set aside in a special account of the county
666 to effect such redemption and retirement, and such money and the principal of and
667 interest on such Government Obligations are irrevocably set aside and pledged for such
668 purpose, then no further payments need be made into the related Bond Fund for the
669 payment of the principal of and interest on the Bonds so provided for, and such Bonds
670 shall cease to be entitled to any lien, benefit or security of this ordinance except the right

671 to receive the money so set aside and pledged, and such Bonds shall be deemed not to be
672 outstanding hereunder.

673 Within 30 days of the defeasance of any of the Bonds, the county shall provide or
674 cause to be provided notice of defeasance of such Bonds to the registered owners thereof
675 and to the Municipal Securities Rulemaking Board, in accordance with the undertaking
676 for ongoing disclosure to be adopted pursuant to Section 15 of this ordinance.

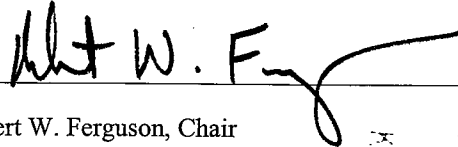
677 SECTION 19. Contract; Severability. The covenants applicable to the Bonds
678 contained in this ordinance shall constitute a contract between the county and the owners
679 of each and every Bond. If any one or more of the covenants or agreements provided in
680 this ordinance to be performed on the part of the county shall be declared by any court of
681 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement
682 or agreements, shall be null and void and shall be deemed separable from the remaining

683 covenants and agreements of this ordinance and shall in no way affect the validity of the
684 other provisions of this ordinance or the Bonds.
685

Ordinance 16865 was introduced on 6/1/2010 and passed by the Metropolitan King
County Council on 6/21/2010, by the following vote:

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

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Robert W. Ferguson, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 25 day of JUNE, 2010.



Dow Constantine, County Executive

Attachments: None

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KING COUNTY COUNCIL