



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 5, 2018

Ordinance 18737

Proposed No. 2018-0192.1

Sponsors Upthegrove

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 aggregate original principal
4 amount not to exceed \$14,000,000 to provide financing for
5 the Colman Dock Passenger Terminal and Float
6 Replacement Project and the Youth Sports Facility Grants
7 Project, and to pay costs of issuing the bonds; providing for
8 the disposition of the proceeds of sale of the bonds;
9 establishing funds for the receipt and expenditure of bond
10 proceeds and for the payment of the bonds; and providing
11 for the annual levy of taxes to pay the principal thereof and
12 interest thereon.

13 PREAMBLE:

14 The county council previously reviewed and approved the Colman Dock
15 Passenger Terminal and Float Replacement Project and the Youth Sports
16 Facility Grants Project.

17 It is deemed necessary and advisable that the county now authorize the
18 issuance and sale of one or more series of its limited tax general obligation
19 bonds in an aggregate original principal amount not to exceed \$14,000,000

20 to provide financing for the Colman Dock Passenger Terminal and Float
21 Replacement Project and the Youth Sports Facility Grants Project and to
22 pay costs of issuing the bonds.

23 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

24 SECTION 1. Definitions. The following words and terms as used in this
25 ordinance have the following meanings for all purposes of this ordinance, unless some
26 other meaning is plainly intended:

27 "Bond Account" means, with respect to each Series of Bonds, the bond
28 redemption account established therefor pursuant to section 14 of this ordinance.

29 "Bonds" means the limited tax general obligation bonds of the county in an
30 aggregate original principal amount not to exceed \$14,000,000, authorized to be issued in
31 one or more Series by this ordinance to provide financing for the Projects and to pay
32 costs of issuing the Bonds. Each Series of Bonds may be issued as Tax-Exempt Bonds or
33 Taxable Bonds, as provided in section 10 of this ordinance.

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

38 "Colman Dock Passenger Terminal and Float Replacement Project" means the
39 capital projects at Colman Dock, Pier 50 (a) to replace the existing passenger-only ferry
40 terminal and construct a passenger terminal shelter facility, and (b) to construct a
41 replacement float for mooring vessels and passenger loading.

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

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

46 "Government Obligations" means "government obligations," as defined in chapter
47 39.53 RCW, as now in existence or amended from time to time.

48 "Letter of Representations" means the Blanket Issuer Letter of Representations,
49 dated May 1, 1995, from the county to DTC.

50 "Official Notice of Bond Sale" means, with respect to each Series of Bonds sold
51 by competitive bid, the official notice of sale therefor prepared pursuant to section 10 of
52 this ordinance.

53 "Projects" means, collectively, the Colman Dock Passenger Terminal and Float
54 Replacement Project and the Youth Sports Facility Grant Project.

55 "Record Date" means, for an interest or principal payment date or for a maturity
56 date, the 15th day of the calendar month next preceding that date.

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

59 "Registrar" means the fiscal agent of the State appointed from time to time by the
60 Washington State Finance Committee pursuant to chapter 43.80 RCW, serving as the
61 registrar, authenticating agent, paying agent and transfer agent for the Bonds.

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

64 "Sale Motion" means a motion of the county council adopted at the time of sale of
65 each Series of Bonds that ratifies and establishes the terms for that Series of Bonds.

66 "Series" or "Series of Bonds" means a series of Bonds issued pursuant to this
67 ordinance.

68 "State" means the State of Washington.

69 "Taxable Bonds" means the Bonds of any Series determined to be issued on a
70 taxable basis pursuant to section 10 of this ordinance.

71 "Tax-Exempt Bonds" means the Bonds of any Series determined to be issued on a
72 tax-exempt basis pursuant to section 10 of this ordinance.

73 "Youth Sports Facility Grants Project" means the grant program to provide all or
74 part of the funds necessary to fund capital projects throughout the county that support fit
75 and healthy communities and increase access to health-enhancing physical activities.

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

78 A. The Projects will contribute to the health, safety and welfare of the
79 citizens of the county.

80 B. The issuance of limited tax general obligation bonds of the county,
81 payable from regular property taxes or other revenues and money of the county legally
82 available for such purposes, to provide financing for the Projects and to pay costs of
83 issuing the bonds will reduce the overall costs of borrowing such funds and is in the best
84 interests of the county and its citizens.

85 SECTION 3. Authorization of the Projects. The county council has previously
86 authorized the undertaking of the Projects. The Projects shall also include (a) capitalized
87 interest, interest on interim financing for such Projects pending receipt of Bond proceeds
88 and costs and expenses incurred in issuing the Bonds; (b) the capitalizable costs of sales

89 tax, acquisition and contingency allowances, financing and any and all surveys,
90 explorations, engineering and architectural studies, drawings, designs and specifications
91 incidental, necessary or convenient to the implementation of the Projects; and (c) the
92 purchase of all materials, supplies, appliances, equipment and facilities, and the permits,
93 franchises, property and property rights and capitalizable administrative costs, incidental,
94 necessary or convenient to the implementation of the Projects.

95 Any of the Projects may be modified where deemed advisable or necessary in the
96 judgment of the county council, and implementation or completion of any component
97 thereof will not be required if the county council determines that it has become
98 inadvisable or impractical. If all components of the Projects have been completed, their
99 completion has been duly provided for or completion of all or any of them is found to be
100 inadvisable or impractical, the county may pay, redeem or defease Bonds, or apply any
101 remaining proceeds of the Bonds, or any portion thereof, to the acquisition or
102 improvement of other county capital projects as the county council may determine. In
103 the event that the proceeds of the sale of the Bonds, plus any other money of the county
104 legally available therefor, are insufficient to accomplish all of the Projects, the county
105 shall use the available funds to finance those components of the Projects deemed by the
106 county council to be most necessary and in the best interest of the county.

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

108 A. Purpose and Authorization of Bonds. The county authorizes the issuance
109 of the Bonds to provide financing for the Projects and to pay costs of issuing the Bonds.

110 B. Description of Bonds. The Bonds may be issued in one or more Series so
111 long as the aggregate original principal amount of all Series of Bonds does not exceed

112 \$14,000,000. Each Series of Bonds will be designated "King County, Washington,
113 Limited Tax General Obligation Bonds," with the year and any applicable series
114 designation, all as established by the related Sale Motion. Each Series of Bonds will be
115 dated as of such date, will mature on the date or dates in each of the years and in the
116 principal amounts, will bear interest (computed on the basis of a 360-day year of twelve
117 30-day months) from their date or the most recent interest payment date to which interest
118 has been paid or duly provided for, whichever is later, at the rates and payable on such
119 dates, will be subject to redemption and/or purchase prior to maturity in the amounts, in
120 the manner and at the prices and will be subject to such other terms and provisions as the
121 county council will establish by the related Sale Motion. Each Series of Bonds will be
122 fully registered as to both principal and interest, will be in the denomination of \$5,000
123 each or any integral multiple thereof (but no Bond shall represent more than one maturity
124 within a Series) and will be numbered separately in such manner and with any additional
125 designation as the Registrar deems necessary for purposes of identification.

126 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of
127 each Series will initially be held in fully immobilized form by DTC acting as depository
128 pursuant to the terms and conditions set forth in the Letter of Representations. Neither
129 the county nor the Registrar will have any responsibility or obligation to DTC
130 participants or the persons for whom they act as nominees with respect to such Bonds
131 with respect to the accuracy of any records maintained by DTC or any DTC participant,
132 the payment by DTC or any DTC participant of any principal or redemption price of or
133 interest on such Bonds, any notice that is permitted or required to be given to registered
134 owners under this ordinance (except such notice as is required to be given by the county

135 to the Registrar or to DTC), the selection by DTC or any DTC participant of any person
136 to receive payment in the event of a partial redemption of such Bonds or any consent
137 given or other action taken by DTC as registered owner of such Bonds.

138 The Bonds of each Series will initially be issued in denominations equal to the
139 aggregate principal amount of each maturity and will initially be registered in the name of
140 Cede & Co., as the nominee of DTC. Such Bonds so registered will be held in fully
141 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
142 immobilized form, DTC, its successor or any substitute depository appointed by the
143 county, as applicable, will be deemed to be the registered owner for all purposes
144 hereunder and all references to registered owners, bondowners, bondholders or owners
145 will mean DTC or its nominees and will not mean the owners of any beneficial interests
146 in the Bonds. Registered ownership of such Bonds, or any portions thereof, may not
147 thereafter be transferred except:

- 148 (1) To any successor of DTC or its nominee, if that successor will be
149 qualified under any applicable laws to provide the services proposed to be provided by it;
- 150 (2) To any substitute depository appointed by the county pursuant to
151 this subsection or such substitute depository's successor; or
- 152 (3) To any person as provided in this ordinance if such Bonds are no
153 longer held in immobilized form.

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

158 successor), the county may appoint a substitute depository. Any such substitute
159 depository will be qualified under any applicable laws to provide the services proposed to
160 be provided by it.

161 In the case of any transfer pursuant to clause (1) or (2) of the second paragraph of
162 this subsection, the Registrar, upon receipt of all outstanding Bonds of such Series
163 together with a written request on behalf of the county, will issue a single new Bond
164 certificate for each maturity of Bonds of such Series then outstanding, registered in the
165 name of such successor or such substitute depository, or its nominees, as the case may be,
166 all as specified in such written request of the county.

167 In the event that DTC or its successor (or substitute depository or its successor)
168 resigns from its functions as depository and no substitute depository can be obtained, or
169 the county determines that it is in the best interests of the beneficial owners of the Bonds
170 of any Series that they be able to obtain Bond certificates, the ownership of such Bonds
171 may be transferred to any person as provided in this ordinance and such Bonds will no
172 longer be held in fully immobilized form. The county will deliver a written request to the
173 Registrar, together with a supply of physical Bonds of such Series, to issue Bonds of such
174 Series as provided in this ordinance in any authorized denomination. Upon receipt of all
175 then outstanding Bonds of any Series by the Registrar, together with a written request on
176 behalf of the county to the Registrar, new Bonds of such Series will be issued in such
177 denominations and registered in the names of such persons as are requested in such a
178 written request.

179 D. Registration, Transfer and Exchange. The county hereby adopts for the
180 Bonds the system of registration specified and approved by the Washington State Finance

181 Committee. The Registrar will keep, or cause to be kept, at its principal corporate trust
182 office, the Register, which will at all times be open to inspection by the county. The
183 Register will contain the name and mailing address of the owner (or nominee thereof) of
184 each Bond and the principal amount and number of Bonds held by each owner or
185 nominee. The Registrar is authorized, on behalf of the county, to authenticate and deliver
186 Bonds transferred or exchanged for other Bonds in accordance with the provisions
187 thereof and this ordinance and to carry out all of the Registrar's powers and duties under
188 this ordinance.

189 The Registrar will be responsible for its representations contained in the
190 Certificate of Authentication on the Bonds. The Registrar may become the owner of
191 Bonds with the same rights it would have if it were not the Registrar and, to the extent
192 permitted by law, may act as depository for and permit any of its officers or directors to
193 act as a member of, or in any other capacity with respect to, any committee formed to
194 protect the rights of Bond owners.

195 Upon surrender thereof to the Registrar, the Bonds of each Series are
196 exchangeable for other Bonds of the same Series, maturity and interest rate and in the
197 same aggregate principal amount, in any authorized denomination. Bonds may be
198 transferred only if endorsed in the manner provided thereon and surrendered to the
199 Registrar. Upon such surrender, the Registrar will cancel the surrendered Bond and will
200 authenticate and deliver, without charge to the owner or transferee therefor (other than
201 taxes, if any, payable on account of such transfer), one or more (at the option of the new
202 registered owner) new Bonds of the same Series, maturity and interest rate and in the
203 same aggregate principal amount, in any authorized denomination, naming as registered

204 owner the person or persons listed as the assignee on the assignment form appearing on
205 the canceled and surrendered Bond, in exchange therefor. The Registrar will not be
206 obligated to transfer or exchange any Bond during the period beginning at the opening of
207 business on the Record Date for a maturity date and ending at the close of business on
208 such maturity date.

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

212 E. Place, Manner and Medium of Payment. Both principal of and interest on
213 the Bonds will be payable in lawful money of the United States of America. For so long
214 as any outstanding Bonds are registered in the name of Cede & Co., or its registered
215 assigns, as nominee of DTC, payments of principal of and interest on such Bonds will be
216 made in immediately available funds on the date such payment is due and payable at the
217 place and in the manner provided in the operational arrangements of DTC referenced in
218 the Letter of Representations.

219 In the event that the Bonds of any Series are no longer held in fully immobilized
220 form by DTC or its successor (or substitute depository or its successor), interest on such
221 Bonds will be paid by check or draft mailed, or by wire transfer, to the registered owners
222 of such Bonds at the addresses for such registered owners appearing on the Register on
223 the Record Date for that interest payment date, or by electronic transfer on the interest
224 payment date to an account within the United States designated by a registered owner of
225 at least \$1,000,000 in principal amount of such Bonds. The county shall not be required
226 to make electronic transfers except to a registered owner of Bonds pursuant to a request

227 in writing received on or prior to the Record Date for that interest payment date and any
228 such electronic transfer shall be at the sole expense of that registered owner. Principal of
229 the Bonds will be payable at maturity or on such dates as may be fixed for prior
230 redemption upon presentation and surrender of such Bonds by the owners to the
231 Registrar.

232 F. Form, Execution and Authentication of Bonds. The Bonds will be
233 prepared in a form consistent with the provisions of this ordinance and State law. The
234 Bonds will be executed on behalf of the county with the manual or facsimile signatures of
235 the county executive and the clerk of the county council and will have the seal of the
236 county or a facsimile reproduction thereof impressed or printed thereon.

237 In case any officer who has executed the Bonds ceases to be an officer of the
238 county authorized to sign the Bonds before the Bonds bearing his or her signature are
239 authenticated or delivered by the Registrar or issued by the county, those Bonds may
240 nevertheless be authenticated, issued and delivered and, when authenticated, issued and
241 delivered, will be as binding upon the county as though that person had continued to be
242 an officer of the county authorized to sign the Bonds. Any Bond also may be signed on
243 behalf of the county by any person who, on the actual date of signing of the Bond, is an
244 officer of the county authorized to sign the Bonds, although he or she did not hold the
245 required office on the date of issuance of the Bonds.

246 Only such Bonds as shall bear thereon a Certificate of Authentication
247 substantially in the following form, manually executed by an authorized representative of
248 the Registrar, will be valid or obligatory for any purpose or entitled to the benefits of this
249 ordinance: "CERTIFICATE OF AUTHENTICATION. This Bond is one of the King

250 County, Washington, Limited Tax General Obligation Bonds, [Year][, Series __],
251 described in the Bond Ordinance." Such Certificate of Authentication will be conclusive
252 evidence that the Bonds so authenticated have been duly executed, authenticated and
253 delivered hereunder and are entitled to the benefits of this ordinance.

254 SECTION 5. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond becomes
255 mutilated, the Registrar will authenticate and deliver one or more (at the option of the
256 registered owner) new Bonds of the same Series, maturity and interest rate and for the
257 same aggregate principal amount, in any authorized denomination, in exchange and
258 substitution therefor, upon the owner's paying the expenses and charges of the county and
259 the Registrar in connection therewith and upon surrender to the Registrar of the mutilated
260 Bond. Every mutilated Bond so surrendered will be canceled and destroyed by the
261 Registrar.

262 If any Bond is lost, stolen or destroyed, the Registrar may authenticate and deliver
263 one or more (at the option of the registered owner) new Bonds of the same Series,
264 maturity and interest rate and for the same aggregate principal amount, in any authorized
265 denomination, to the registered owner thereof upon the owner's paying the expenses and
266 charges of the county and the Registrar in connection therewith, upon his or her filing
267 with the Registrar evidence satisfactory to the Registrar that such Bond was actually lost,
268 stolen or destroyed and of his or her ownership thereof, and upon furnishing the county
269 and the Registrar with indemnity satisfactory to the Finance Director and the Registrar.

270 SECTION 6. Pledge of Taxation and Credit. The county hereby irrevocably
271 covenants and agrees that, for as long as any of the Bonds are outstanding and unpaid,
272 each year it will include in its budget and levy an *ad valorem* tax upon all the property

273 within the county subject to taxation in an amount that will be sufficient, together with all
274 other revenues and money of the county legally available for such purposes, to pay the
275 principal of and interest on the Bonds as the same shall become due.

276 The county hereby irrevocably pledges that the annual tax provided for in this
277 ordinance to be levied for the payment of such principal and interest will be within and as
278 a part of the tax levy permitted to counties without a vote of the people and that a
279 sufficient portion of the taxes to be levied and collected annually by the county prior to
280 the full payment of the principal of and interest on the Bonds will be and is hereby
281 irrevocably set aside, pledged and appropriated for the payment of the principal of and
282 interest on the Bonds.

283 The full faith, credit and resources of the county are hereby irrevocably pledged
284 for the annual levy and collection of said taxes and for the prompt payment of the
285 principal of and interest on the Bonds as the same will become due.

286 SECTION 7. General Covenants and Warranties. The county makes the
287 following covenants with and warranties to the owners of the Bonds:

288 A. The county has full legal right, power and authority to adopt this
289 ordinance, to sell, issue and deliver each Series of Bonds as provided in this ordinance
290 and to carry out and consummate all other transactions contemplated by this ordinance.

291 B. By all necessary official action prior to or concurrently herewith, the
292 county has duly authorized and approved the execution and delivery of, and the
293 performance by the county of its obligations contained in, the Bonds and this ordinance
294 and the consummation by it of all other transactions necessary to effectuate this
295 ordinance in connection with the issuance of each Series of Bonds, and such

296 authorizations and approvals are in full force and effect and have not been amended,
297 modified or supplemented in any material respect.

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

300 D. When issued, sold, authenticated and delivered, each Series of Bonds will
301 constitute legal, valid and binding general obligations of the county.

302 E. The enactment of this ordinance, and compliance on the county's part with
303 the provisions contained in this ordinance, will not conflict with, constitute a breach of or
304 constitute a default under, any constitutional provisions, law, administrative regulation,
305 judgment, decree, loan agreement, indenture, bond, note, resolution, ordinance, motion,
306 agreement or other instrument to which the county is a party or to which the county or
307 any of its property or assets are otherwise subject.

308 F. Each Series of Bonds will be issued within all statutory and constitutional
309 debt limitations applicable to the county.

310 SECTION 8. Federal Tax Law Covenants. The county covenants that it will
311 take all actions necessary to prevent interest on any Tax-Exempt Bonds from being
312 included in gross income for federal income tax purposes and that it will neither take any
313 action nor make or permit any use of proceeds from the sale of such Tax-Exempt Bonds
314 (or of any other funds that may be deemed to be proceeds of such Tax-Exempt Bonds
315 pursuant to Section 148 of the Code), at any time during the term thereof, that will cause
316 interest on such Tax-Exempt Bonds to be included in gross income for federal income tax
317 purposes. The county also covenants that it will, to the extent the arbitrage rebate
318 requirement of Section 148 of the Code is applicable to any Tax-Exempt Bonds, take all

319 actions necessary to comply (or to be treated as having complied) with that requirement
320 in connection with such Tax-Exempt Bonds, including the calculation and payment of
321 any penalties that the county has elected to pay as an alternative to calculating rebatable
322 arbitrage and the payment of any other penalties if required under Section 148 of the
323 Code to prevent interest on such Tax-Exempt Bonds from being included in gross income
324 for federal income tax purposes. The county will maintain or cause to be maintained a
325 system of registration of all Tax-Exempt Bonds issued under this ordinance that complies
326 with the applicable provisions of the Code until all of the Tax-Exempt Bonds shall have
327 been surrendered and canceled.

328 SECTION 9. Refunding or Defeasance of Bonds. The county may issue
329 refunding obligations pursuant to the laws of the State or use money available from any
330 other lawful source to pay when due the principal of, premium, if any, and interest on the
331 Bonds of any Series, or any portion thereof included in a refunding or defeasance plan
332 and to redeem and retire, refund or defease all or a portion of such then-outstanding
333 Bonds of such Series (hereinafter collectively called the "defeased Bonds"), and to pay
334 the costs of the refunding or defeasance.

335 If money and/or noncallable Government Obligations maturing at such time or
336 times and bearing interest to be earned thereon in amounts (together with such money, if
337 necessary) sufficient to redeem and retire, refund or defease the defeased Bonds in
338 accordance with their terms are set aside in a special trust or escrow fund or account
339 irrevocably pledged to that redemption, retirement or defeasance of defeased Bonds
340 (hereinafter called the "trust account"), then the defeased Bonds will be deemed not to be
341 outstanding hereunder, no further payments need be made into the related Bond Account

342 for the payment of the principal of and interest on the defeased Bonds and the Owners of
343 the defeased Bonds will cease to be entitled to any covenant, pledge, benefit or security
344 of this ordinance. The owners of defeased Bonds will have the right to receive payment
345 of the principal of, premium, if any, and interest on the defeased Bonds from the trust
346 account.

347 The county will provide or cause to be provided notice of defeasance of such
348 Bonds to the Municipal Securities Rulemaking Board in accordance with the undertaking
349 for ongoing disclosure to be adopted pursuant to section 12 of this ordinance.

350 SECTION 10. Sale of Bonds. The county hereby authorizes the public sale of
351 the Bonds. The Bonds will be sold in one or more Series, any of which may be sold in a
352 combined offering with other bonds and/or notes of the county, at the option of the
353 Finance Director. The Finance Director will determine, in consultation with the county's
354 financial advisors, whether each Series of Bonds will be sold by competitive bid or
355 negotiated sale and whether such Series of Bonds will be issued and sold as Tax-Exempt
356 Bonds or Taxable Bonds.

357 A. Competitive Bid. If the Finance Director determines that any Series of
358 Bonds will be sold by competitive bid, bids for the purchase of such Series of Bonds will
359 be received at such time and place and by such means as the Finance Director will direct.
360 The Finance Director is authorized to prepare an Official Notice of Bond Sale for each
361 Series of Bonds to be sold pursuant to competitive bid, which notice will be filed with the
362 clerk of the county council and will be ratified and confirmed by the Sale Motion
363 therefor. The Official Notice of Bond Sale will specify whether the Bonds of such Series
364 are being issued and sold as Tax-Exempt Bonds or Taxable Bonds and will identify the

365 year and any applicable Series designation, date, principal amounts and maturity dates,
366 interest payment dates, redemption and/or purchase provisions and delivery date for such
367 Series of Bonds.

368 Upon the date and time established for the receipt of bids for such Series of
369 Bonds, the Finance Director or his/her designee will review the bids received, will cause
370 the bids to be mathematically verified and will report to the county council regarding the
371 bids received. Such bids will then be considered and acted upon by the county council in
372 an open public meeting. The county council reserves the right to reject any and all bids
373 for such Series of Bonds. Alternatively, the county council will, by Sale Motion, accept
374 the winning bid for the purchase of such Series of Bonds and will also ratify and establish
375 the year and any applicable Series designation, date, principal amounts and maturity
376 dates, interest rates and interest payment dates, redemption and/or purchase provisions
377 and delivery date for such Series of Bonds.

378 B. Negotiated Sale. If the Finance Director determines that any Series of
379 Bonds will be sold by negotiated sale, the Finance Director will, in accordance with
380 applicable county procurement procedures, solicit one or more underwriting firms with
381 which to negotiate the sale of such Bonds. The bond purchase contract for such Series of
382 Bonds will specify whether the Bonds of such Series are being issued and sold as Tax-
383 Exempt Bonds or Taxable Bonds and will also identify the year and any applicable Series
384 designation, date, principal amounts and maturity dates, interest rates and interest
385 payment dates, redemption and/or purchase provisions and delivery date for such Series
386 of Bonds. The county council, by Sale Motion, will approve the bond purchase contract
387 and ratify and establish the terms for such Series of Bonds identified in such bond

388 purchase contract.

389 SECTION 11. Preliminary Official Statement and Final Official Statement. The
390 county hereby authorizes and directs the Finance Director: (i) to review and approve the
391 information contained in the preliminary official statement (each, a "Preliminary Official
392 Statement") prepared in connection with the sale of each Series of Bonds; and (ii) for the
393 sole purpose of compliance by the purchasers of such Series of Bonds with subsection
394 (b)(1) of the Rule, to "deem final" the related Preliminary Official Statement as of its
395 date, except for such omissions as are permitted under the Rule. After each Preliminary
396 Official Statement has been reviewed and approved in accordance with the provisions of
397 this section, the county hereby authorizes the distribution of such Preliminary Official
398 Statement to prospective purchasers of such related Series of Bonds.

399 Following the sale of each Series of Bonds, the Finance Director is hereby
400 authorized to review and approve on behalf of the county a final official statement with
401 respect to such Series of Bonds. The county agrees to cooperate with the successful
402 bidder for each Series of Bonds to deliver or cause to be delivered, within seven business
403 days from the date of the Sale Motion, and in sufficient time to accompany any
404 confirmation that requests payment from any customer of such successful bidder, copies
405 of a final official statement pertaining to such Bonds in sufficient quantity to comply with
406 paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

407 SECTION 12. Undertaking to Provide Ongoing Disclosure. The county council
408 will undertake to provide ongoing disclosure with respect to each Series of Bonds, as
409 required by subsection (b)(5) of the Rule, in the Sale Motion therefor.

410 SECTION 13. Delivery of Bonds. Following the sale of each Series of Bonds,

411 the county shall cause definitive Bonds of such Series to be prepared, executed and
412 delivered to the purchaser thereof in accordance with the provisions of this ordinance.

413 If definitive Bonds of any Series are not ready for delivery by the date established
414 for their delivery to the initial purchaser, then the Finance Director, upon the approval of
415 the purchaser, may cause to be issued and delivered to the purchaser one or more
416 temporary Bonds of the same Series with appropriate omissions, changes and additions.
417 Any temporary Bond or Bonds shall be entitled and subject to the same benefits and
418 provisions of this ordinance with respect to the payment, security and obligation thereof
419 as definitive Bonds authorized thereby. Such temporary Bond or Bonds shall be
420 exchangeable without cost to the owners thereof for definitive Bonds of the same Series
421 when the latter are ready for delivery.

422 SECTION 14. Bond Accounts. There has heretofore been created in the office
423 of the Finance Director a special fund known as the "King County Limited Tax General
424 Obligation Bond Redemption Fund" to be drawn upon for the purpose of paying the
425 principal of and interest on the limited tax general obligation bonds of the county. There
426 is hereby authorized to be created within said fund a special account for each Series of
427 Bonds to be known as the "Limited Tax General Obligation Bond Redemption Account,
428 [Year][, Series __]" (each, a "Bond Account").

429 Any accrued interest on any Series of Bonds will be deposited in the related Bond
430 Account at the time of delivery of such Series of Bonds and will be applied to the
431 payment of interest thereon.

432 The taxes hereafter levied for the purpose of paying principal of and interest on
433 each Series of Bonds and other funds to be used to pay such Series of Bonds will be

434 deposited in the related Bond Account no later than the date such funds are required for
435 the payment of principal of and interest on such Series of Bonds; provided, however, that
436 if the payment of principal of and interest on any Series of Bonds is required prior to the
437 receipt of such levied taxes, the county may make an interfund loan to the related Bond
438 Account pending actual receipt of such taxes. Each Bond Account will be drawn upon
439 for the purpose of paying the principal of and interest on the related Series of Bonds.
440 Each Bond Account will be a second tier fund in accordance with Ordinance 7112 and
441 K.C.C. chapter 4.10.

442 SECTION 15. Deposit of Bond Proceeds.

443 A. There is hereby created the "2018 G.O. Bonds Marine Construction
444 Subfund" within the Marine Construction Fund. This subfund will be a first tier fund
445 managed by the director of the marine division of the department of transportation of the
446 county, or any successor to the functions thereof. The exact amount of proceeds from the
447 sale of any Series of Bonds to be deposited into the 2018 G.O. Bonds Marine
448 Construction Subfund to provide long-term financing for all or part of the capital costs of
449 the Colman Dock Passenger Terminal and Float Replacement Project shall be determined
450 by the Finance Director upon the sale of such Series of Bonds.

451 B. There is hereby created the "2018 G.O. Bonds Youth Sports Facility
452 Grants Subfund" within the Youth Sports Facility Grants Fund. This subfund will be a
453 first tier fund managed by the director of the parks division of the department of natural
454 resources and parks of the county, or any successor to the functions thereof. The exact
455 amount of proceeds from the sale of any Series of Bonds to be deposited into the 2018
456 G.O. Bonds Youth Sports Facility Grants Subfund to provide long-term financing for all

457 or part of the capital costs of the Youth Sports Facility Grants Project shall be determined
458 by the Finance Director upon the sale of such Series of Bonds.

459 SECTION 16. Investment of and Accounting for Bond Proceeds. Funds
460 deposited in the funds and accounts described in sections 14 and 15 of this ordinance will
461 be invested as permitted by law for the sole benefit of such funds and accounts.
462 Irrespective of the general provisions of Ordinance 7112 and K.C.C. chapter 4.10, the
463 county current expense fund will not receive any earnings attributable to such funds and
464 accounts. Money other than proceeds of the Bonds may be deposited in the funds and
465 accounts described in sections 14 and 15 of this ordinance; provided, however, that
466 proceeds of each Series of Bonds that are issued as Tax-Exempt Bonds and the earnings
467 thereon will be accounted for separately for purposes of the arbitrage rebate computations
468 required to be made under the Code. For purposes of such computations, Bond proceeds
469 will be deemed to have been expended first, and then any other funds.

470 SECTION 17. General Authorization. The appropriate county officials, agents
471 and representatives are hereby authorized and directed to do everything necessary for the
472 prompt sale, issuance, execution and delivery of each Series of Bonds and for the proper
473 use and application of the proceeds of the sale thereof.

474 SECTION 18. Contract; Severability. The covenants applicable to the Bonds
475 contained in this ordinance will constitute a contract between the county and the owners
476 of each and every Bond. If any one or more of the covenants or agreements provided in
477 this ordinance to be performed on the part of the county will be declared by any court of
478 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement
479 or agreements, will be null and void and will be deemed separable from the remaining

480 covenants and agreements of this ordinance and will in no way affect the validity of the
481 other provisions of this ordinance or the Bonds.

482

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KING COUNTY COUNCIL

Ordinance 18737 was introduced on 4/30/2018 and passed by the Metropolitan King
County Council on 6/4/2018, 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

J. Joseph McDermott, Chair

ATTEST:

Melani Pedroza, Clerk of the Council



APPROVED this 13 day of JUNE, 2018.

Dow Constantine, County Executive

Attachments: None