



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

October 16, 2007

Ordinance 15925

Proposed No. 2007-0479.2

Sponsors Ferguson and Constantine

1 AN ORDINANCE authorizing the issuance and public sale
2 of one or more series of limited tax general obligation
3 bonds of the county in an outstanding aggregate principal
4 amount not to exceed \$46,000,000 to provide long-term
5 financing for the PeopleSoft/Oracle Upgrade Projects and
6 the Solid Waste Projects; providing for the disposition of
7 the proceeds of sale of such bonds; establishing funds for
8 the receipt and expenditure of bond proceeds and for the
9 payment of the bonds; and providing for the annual levy of
10 taxes to pay the principal thereof and interest thereon.

11

12 **PREAMBLE:**

13 The county council has previously reviewed and approved expenditures
14 for the PeopleSoft/Oracle Upgrade Projects and the Solid Waste Projects.

15 It is deemed necessary and advisable that the county now authorize the
16 issuance of one or more series of its limited tax general obligation bonds

17 in an outstanding aggregate principal amount not to exceed \$46,000,000 to
18 provide long-term financing for such projects.

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 "Arbitrage and Tax Certification" means, with respect to each series of the Bonds,
24 the certificate executed by the Finance Director pertaining to the county's expectations
25 with respect to the use, investment and rebate, if any, of the proceeds thereof for purposes
26 of Sections 141 and 148 of the Code.

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

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

33 "Bonds" means the limited tax general obligation bonds of the county in an
34 outstanding aggregate principal amount not to exceed \$46,000,000, authorized to be
35 issued by this ordinance to provide long-term financing for the PeopleSoft/Oracle
36 Upgrade Projects and the Solid Waste Projects.

37 "Code" means the federal Internal Revenue Code of 1986, as amended, together
38 with corresponding and applicable final, temporary or proposed regulations and revenue

39 rulings issued or amended with respect thereto by the United States Treasury Department
40 or the Internal Revenue Service.

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

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

45 "Government Obligations" means "government obligations," as defined in
46 Chapter 39.53 RCW, as now in existence or hereafter amended.

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

50 "PeopleSoft/Oracle Upgrade Projects" means the projects to upgrade the county's
51 PeopleSoft Human Resource Management System and the Oracle financial system.

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

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

57 "Registrar" means the fiscal agency of the State of Washington appointed from
58 time to time by the Washington State Finance Committee pursuant to chapter 43.80
59 RCW.

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

62 "Solid Waste Projects" means capital improvement projects for the county's Solid
63 Waste Division.

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

66 A. The PeopleSoft/Oracle Upgrade Projects and the Solid Waste Projects will
67 contribute to the health, safety and welfare of the citizens of the county.

68 B. The issuance of limited tax general obligation bonds of the county to provide
69 long-term financing for such projects, payable from regular property taxes or other
70 revenues, taxes and money of the county legally available for such purposes, will reduce
71 the overall costs of borrowing such funds and is in the best interests of the county and its
72 citizens.

73 SECTION 3. Authorization of Projects. The county has previously authorized
74 the undertaking of the PeopleSoft/Oracle Upgrade Projects and the Solid Waste Projects.
75 The costs of such projects shall also include capitalized interest and costs and expenses
76 incurred in issuing the Bonds.

77 The costs of such projects shall include the costs of sales tax, acquisition and
78 contingency allowances, financing, and any and all surveys, explorations, engineering
79 and architectural studies, drawings, designs and specifications incidental, necessary or
80 convenient to the improvements herein specified. Such projects shall also include the
81 purchase of all materials, supplies, appliances, equipment and facilities, and the permits,
82 franchises, property and property rights and administrative costs, necessary, incidental or
83 convenient to effect the improvements.

84 The authorized projects may be modified where deemed advisable or necessary in
85 the judgment of the county council, and implementation or completion of any authorized
86 project shall not be required if the county council determines that it has become
87 inadvisable or impractical. If all of the projects either have been completed, or their
88 completion duly provided for, or their completion found to be inadvisable or impractical,
89 the county may apply any remaining proceeds of the Bonds, or any portion thereof, to the
90 acquisition or improvement of other county facilities as the county council in its
91 discretion may determine. In the event that the proceeds of the sale of the Bonds, plus
92 any other money of the county legally available therefor, are insufficient to accomplish
93 all of the projects authorized in this section, the county shall use the available funds for
94 paying the cost of those projects for which the Bonds were authorized deemed by the
95 county council most necessary and in the best interest of the county.

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

97 A. Purpose and Authorization of Bonds. The county authorizes the issuance of
98 the Bonds to provide long-term financing for the PeopleSoft/Oracle Upgrade Projects and
99 the Solid Waste Projects, including capitalized interest and costs and expenses incurred in
100 issuing the Bonds.

101 B. Description of Bonds. The Bonds may be issued in one or more series so long
102 as the aggregate principal amount of all Bonds to be outstanding on the date of issuance
103 of each series of the Bonds does not to exceed \$46,000,000. Each series of the Bonds
104 shall be designated "King County, Washington, Limited Tax General Obligation Bonds,"
105 with an applicable year and series designation established by the related Bond Sale
106 Motion. Each series of the Bonds shall be dated as of such date, shall mature on the date

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

118 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of each
119 series shall initially be held in fully immobilized form by DTC acting as depository
120 pursuant to the terms and conditions set forth in the Blanket Issuer Letter of
121 Representations heretofore executed on behalf of the county. Neither the county nor the
122 Registrar shall have any responsibility or obligation to DTC participants or the persons
123 for whom they act as nominees with respect to such Bonds with respect to the accuracy of
124 any records maintained by DTC or any DTC participant, the payment by DTC or any
125 DTC participant of any amount in respect of principal or redemption price or interest on
126 such Bonds, any notice that is permitted or required to be given to registered owners
127 under this ordinance (except such notice as is required to be given by the county to the
128 Registrar or to DTC), the selection by DTC or any DTC participant of any person to

129 receive payment in the event of a partial redemption of such Bonds or any consent given
130 or other action taken by DTC as owner of such Bonds.

131 The Bonds of each series shall initially be issued in denominations equal to the
132 aggregate principal amount of each maturity and initially shall be registered in the name
133 of CEDE & Co., as the nominee of DTC. Such Bonds so registered shall be held in fully
134 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
135 immobilized form, DTC, its successor or any substitute depository appointed by the
136 county, as applicable, shall be deemed to be the registered owner for all purposes
137 hereunder and all references to registered owners, bondowners, bondholders, owners or
138 the like shall mean DTC or its nominees and shall not mean the owners of any beneficial
139 interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may
140 not thereafter be transferred except:

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

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

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

147 Upon the resignation of DTC or its successor (or any substitute depository or its
148 successor) from its functions as depository, or a determination by the county that it is no
149 longer in the best interests of beneficial owners of such Bonds to continue the system of
150 book entry transfers through DTC or its successor (or any substitute depository or its
151 successor), the county may appoint a substitute depository. Any such substitute

152 depository shall be qualified under any applicable laws to provide the services proposed
153 to be provided by it.

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

160 In the event that DTC or its successor (or substitute depository or its successor)
161 resigns from its functions as depository, and no substitute depository can be obtained; or
162 the county determines that it is in the best interests of the beneficial owners of the Bonds
163 of any series that they be able to obtain Bond certificates, the ownership of such Bonds
164 may be transferred to any person as herein provided, and such Bonds shall no longer be
165 held in fully immobilized form. The county shall deliver a written request to the
166 Registrar, together with a supply of definitive Bonds of such series, to issue Bonds of
167 such series as herein provided in any authorized denomination. Upon receipt of all then
168 outstanding Bonds of any series by the Registrar, together with a written request on
169 behalf of the county to the Registrar, new Bonds of such series shall be issued in such
170 denominations and registered in the names of such persons as are requested in such a
171 written request.

172 D. Place, Manner and Medium of Payment. Both principal of and interest on the
173 Bonds shall be payable in lawful money of the United States of America. For so long as
174 any outstanding Bonds are registered in the name of CEDE & Co., or its registered

175 assigns, as nominee of DTC, payments of principal of and interest on such Bonds shall be
176 made in next day funds on the date such payment is due and payable at the place and in
177 the manner provided in the Letter of Representations.

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

187 E. Sale of Bonds. The county hereby authorizes the public sale of the Bonds.
188 The Bonds shall be sold in one or more series, any of which may be sold in a combined
189 offering of other bonds of the county, at the option of the Finance Director. The Finance
190 Director shall determine, in consultation with the county's financial advisors, whether
191 each series of the Bonds shall be sold by negotiated sale or competitive bid.

192 If the Finance Director determines that any series of the Bonds shall be sold by
193 negotiated sale, the Finance Director shall, in accordance with applicable county
194 procurement procedures, solicit one or more underwriting firms with which to negotiate
195 the sale of the Bonds. The purchase contract for each series of the Bonds shall establish
196 the year and series designation, date, principal amounts and maturity dates, interest rates
197 and interest payment dates, redemption provisions and delivery date for such series of the

198 Bonds, so long as the aggregate principal amount of all Bonds to be outstanding on the
199 date of issuance of such series of the Bonds does not exceed \$46,000,000. The county
200 council, by Bond Sale Motion, shall approve the bond purchase contract and ratify the
201 terms for the series of the Bonds established thereby.

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

205 Upon the date and time established for the receipt of bids for each series of the
206 Bonds, the Finance Director or his designee shall open the bids for the Bonds, shall cause
207 the bids to be mathematically verified and shall report to the county council regarding the
208 bids received. Such bids shall then be considered and acted upon by the county council
209 in an open public meeting. The county council reserves the right to reject any and all
210 bids for any series of the Bonds. The county council shall, by Bond Sale Motion, ratify
211 and confirm the year and series designation, date, principal amounts and maturity dates,
212 interest rates and interest payment dates, redemption provisions and delivery date for
213 such series of the Bonds, and accept the bid for the purchase of such series of the Bonds.

214 The Finance Director is hereby authorized and directed to prepare an Official
215 Notice of Bond Sale for each series of the Bonds to be sold pursuant to competitive bid,
216 which notice shall be filed with the clerk of the council and shall be ratified and
217 confirmed by the Bond Sale Motion therefor. The Finance Director is hereby authorized
218 to establish the year and series designation, date, principal amounts and maturity dates,
219 interest payment dates, redemption provisions and delivery date for such series of the
220 Bonds in such Official Notice of Bond Sale so long as the aggregate principal amount of

221 all Bonds to be outstanding on the date of issuance of such series of the Bonds does not
222 exceed \$46,000,000. The Official Notice of Bond Sale or an abridged form thereof shall
223 be published once prior to such sale date in *The Bond Buyer* and may be published in
224 such other papers or financial journals as may be deemed desirable or appropriate by the
225 financial advisors to the county.

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

227 NO. \$ _____

228 UNITED STATES OF AMERICA

229 STATE OF WASHINGTON

230 KING COUNTY

231 LIMITED TAX GENERAL OBLIGATION BOND,

232 [Year, Series]

233 INTEREST RATE: MATURITY DATE: CUSIP NO.:

234 REGISTERED OWNER:

235 PRINCIPAL AMOUNT:

236 KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to
237 owe and for value received promises to pay to the registered owner identified above, or
238 registered assigns, on the Maturity Date specified above, the Principal Amount specified
239 above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-
240 day months) from _____, or the most recent date to which interest has been
241 paid or duly provided for until payment of this bond at the Interest Rate set forth above,
242 payable on _____, and semiannually thereafter on the ____ days of each
243 succeeding _____ and _____.

244 Both principal of and interest on this bond are payable in lawful money of the
245 United States of America. While bonds are held on immobilized "book entry" system of
246 registration, the principal of this bond is payable to the order of the registered owner in
247 same day funds received by the registered owner on the maturity date of this bond, and
248 the interest on this bond is payable to the order of the registered owner in same day funds
249 received by the registered owner on each interest payment date. When bonds are no
250 longer held in an immobilized "book entry" registration system, the principal shall be
251 paid to the registered owner or nominee of such owner upon presentation and surrender
252 of this bond to the fiscal agency of the State of Washington (the "Registrar"), and the
253 interest shall be paid by mailing a check or draft (on the date such interest is due) to the
254 registered owner or nominee of such owner at the address shown on the registration
255 books maintained by the Registrar (the "Register") as of the 15th day of the month prior
256 to the interest payment date; provided, however, that if so requested in writing by the
257 registered owner of at least \$1,000,000 par value of the bonds, interest will be paid by
258 wire transfer.

259 This bond is one of an authorized issue of bonds of like date and tenor, except as
260 to number, amount, rate of interest and date of maturity, in the aggregate principal
261 amount of \$_____, and is issued to provide long-term financing for the
262 PeopleSoft/Oracle Upgrade Projects and the Solid Waste Projects, including capitalized
263 interest and costs and expenses incurred in issuing the bonds.

264 The bonds of this issue are issued under and in accordance with the provisions of
265 the Constitution and applicable statutes of the State of Washington, the County Charter
266 and applicable ordinances duly adopted by the County.

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

269 The County has irrevocably covenanted in King County Ordinance _____ (the
270 "Bond Ordinance"), that each year it will include in its budget and levy an ad valorem tax
271 within the constitutional and statutory tax limitations provided by law without a vote of
272 the people upon all the property within the County subject to taxation in an amount that
273 will be sufficient, together with all other revenues, taxes and money of the County legally
274 available for such purposes, to pay the principal of and interest on the bonds as the same
275 shall become due. The County has irrevocably pledged its full faith, credit and resources
276 for the annual levy and collection of such taxes and for the prompt payment of the
277 principal of and interest on the bonds as the same shall become due.

278 The pledge of tax levies for repayment of principal of and interest on the bonds
279 may be discharged prior to maturity of the bonds by making provisions for the payment
280 thereof on the terms and conditions set forth in the Bond Ordinance.

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

284 It is hereby certified that all acts, conditions and things required by the
285 Constitution and statutes of the State of Washington and the Charter and ordinances of
286 the County to exist, to have happened, been done and performed precedent to and in the
287 issuance of this bond have happened, been done and performed and that the issuance of
288 this bond and the bonds of this series does not violate any constitutional, statutory or
289 other limitation upon the amount of bonded indebtedness that the County may incur.

290 IN WITNESS WHEREOF, the County has caused this bond to be executed by the
291 manual or facsimile signatures of the County Executive and the Clerk of the County
292 Council, and the seal of the County to be impressed or imprinted hereon, as of this
293 [] day of [].

294 KING COUNTY, WASHINGTON

295 By _____

296 County Executive

297 ATTEST:

298 _____

299 Clerk of the Council

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

302 CERTIFICATE OF AUTHENTICATION

303 This bond is one of the bonds described in the within mentioned Bond Ordinance
304 and is of the Limited Tax General Obligation Bonds, [Year, Series], of King County,
305 Washington, dated [].

306 WASHINGTON STATE FISCAL

307 AGENCY, as Registrar

308 By _____

309 Authorized Officer

310 ASSIGNMENT

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

312 unto

313

314

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION

315

NUMBER OF TRANSFEREE

316

[]

317

318

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

319

320

the within bond and does hereby irrevocably constitute and appoint _____

321

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

322

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

323

DATED: _____, _____.

324

325

NOTE: The signature on this

326

Assignment must correspond with

327

the name of the registered owner as

328

it appears upon the face of the within

329

note in every particular, without

330

alteration or enlargement or any

331

change whatever.

332

SIGNATURE GUARANTEED:

333

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

337 If definitive Bonds of any series are not ready for delivery by the date established
338 for their delivery to the initial purchasers thereof, then the Finance Director, upon the
339 approval of the purchasers, may cause to be issued and delivered to the purchasers one or
340 more temporary Bonds of the same series with appropriate omissions, changes and
341 additions. Any such temporary Bond or Bonds shall be entitled and subject to the same
342 benefits and provisions of this ordinance with respect to the payment, security and
343 obligation thereof as definitive Bonds authorized thereby. Such temporary Bond or
344 Bonds shall be exchangeable without cost to the owners thereof for definitive Bonds of
345 the same series when the latter are ready for delivery.

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

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

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

358 Only such Bonds as shall bear thereon a Certificate of Authentication in the form
359 hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for
360 any purpose or entitled to the benefits of this ordinance. Such Certificate of
361 Authentication shall be conclusive evidence that the Bonds so authenticated have been
362 duly executed, authenticated and delivered hereunder and are entitled to the benefits of
363 this ordinance.

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

366 SECTION 6. Registration, Transfer and Exchange of Bonds. The county
367 hereby adopts for the Bonds the system of registration specified and approved by the
368 Washington State Finance Commission. The Registrar shall keep, or cause to be kept, at
369 its principal corporate trust office, sufficient books for the registration and transfer of the
370 Bonds, which shall at all times be open to inspection by the county. Such Register shall
371 contain the name and mailing address of the owner (or nominee thereof) of each Bond,
372 and the principal amount and number of Bonds held by each owner or nominee. The
373 Registrar is authorized, on behalf of the county, to authenticate and deliver Bonds
374 transferred or exchanged for other Bonds in accordance with the provisions thereof and
375 this ordinance, and to carry out all of the Registrar's powers and duties under this
376 ordinance.

377 The Registrar shall be responsible for its representations contained in the
378 Certificate of Authentication on the Bonds. The Registrar may become the owner of

379 Bonds with the same rights it would have if it were not the Registrar, and to the extent
380 permitted by law may act as depository for and permit any of its officers or directors to
381 act as a member of, or in any other capacity with respect to, any committee formed to
382 protect the rights of Bond owners.

383 Upon surrender thereof to the Registrar; the Bonds of each series are
384 exchangeable for other Bonds of the same series, maturity and interest rate and for the
385 same aggregate principal amount, in any authorized denomination. Bonds may be
386 transferred only if endorsed in the manner provided thereon and surrendered to the
387 Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and
388 shall authenticate and deliver, without charge to the owner or transferee therefor (other
389 than taxes, if any, payable on account of such transfer), one or more (at the option of the
390 new registered owner) new Bonds of the same series, maturity and interest rate and for
391 the same aggregate principal amount, in any authorized denomination, naming as
392 registered owner the person or persons listed as the assignee on the assignment form
393 appearing on the canceled and surrendered Bond, in exchange therefor. The Registrar
394 shall not be obligated to transfer or exchange any Bond during the period beginning at the
395 opening of business on the 15th day of the month next preceding the maturity date
396 thereof and ending at the close of business on such maturity date.

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

400 **SECTION 7. Mutilated, Lost, Stolen or Destroyed Bonds.** If any Bond shall
401 become mutilated, the Registrar shall authenticate and deliver one or more (at the option

402 of the new registered owner) new Bonds of the same series, maturity and interest rate and
403 for the same aggregate principal amount, in any authorized denomination, in exchange
404 and substitution therefor, upon the owner's paying the expenses and charges of the
405 county and the Registrar in connection therewith and upon surrender to the Registrar of
406 the mutilated Bond. Every mutilated Bond so surrendered shall be canceled and
407 destroyed by the Registrar.

408 If any Bond shall be lost, stolen or destroyed, the Registrar may authenticate and
409 deliver one or more (at the option of the new registered owner) new Bonds of the same
410 series, maturity and interest rate and for the same aggregate principal amount, in any
411 authorized denomination, to the registered owner thereof upon the owner's paying the
412 expenses and charges of the county and the Registrar in connection therewith and upon
413 his/her filing with the Registrar evidence satisfactory to the Registrar that such Bond was
414 actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing
415 the county and the Registrar with indemnity satisfactory to the Finance Director and the
416 Registrar.

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

424 The county hereby irrevocably pledges that the annual tax provided for herein to
425 be levied for the payment of such principal and interest shall be within and as a part of
426 the tax levy to counties without a vote of the people, and that a sufficient portion of each
427 annual levy to be levied and collected by the county prior to the full payment of the
428 principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged
429 and appropriated for the payment of the principal of and interest on the Bonds.

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

433 SECTION 9. Tax Exemption. The county shall comply with the provisions of
434 this section with respect to each series of the Bonds unless, in the written opinion of
435 nationally-recognized bond counsel to the county, such compliance is not required to
436 maintain the exemption of the interest on such series of the Bonds from federal income
437 taxation.

438 The county hereby covenants that it will not make any use of the proceeds from
439 the sale of such series of the Bonds or any other funds of the county that may be deemed
440 to be proceeds of such series of the Bonds pursuant to Section 148 of the Code and the
441 applicable regulations thereunder that will cause such series of the Bonds to be "arbitrage
442 bonds" within the meaning of said Section and said regulations. The county will comply
443 with the applicable requirements of Section 148 of the Code (or any successor provision
444 thereof applicable to such series of the Bonds) and the applicable regulations thereunder
445 throughout the term of such series of the Bonds.

446 The county further covenants that it will not take any action or permit any action
447 to be taken that would cause any series of the Bonds to constitute "private activity bonds"
448 under Section 141 of the Code.

449 SECTION 10. Arbitrage Rebate. The county will compute, if necessary, and
450 pay the Rebate Amount, if any, to the United States of America at the times and in the
451 amounts necessary to meet the requirements of the Code to maintain the federal income
452 tax exemption for interest payments on each series of the Bonds, in accordance with the
453 related Arbitrage and Tax Certification.

454 SECTION 11. Covenants and Warranties. The county makes the following
455 covenants and warranties:

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

459 B. By all necessary official action prior to or concurrently herewith, the county
460 has duly authorized and approved the execution and delivery of, and the performance by
461 the county of its obligations contained in the Bonds and this ordinance and the
462 consummation by it of all other transactions necessary to effectuate this ordinance in
463 connection with the issuance of each series of the Bonds, and such authorizations and
464 approvals are in full force and effect and have not been amended, modified or
465 supplemented in any material respect.

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

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

469 E. Until all Bonds shall have been surrendered and canceled, the county will
470 maintain or cause to be maintained a system of registration of the Bonds that complies
471 with the applicable provisions of the Code.

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

478 G. The county finds and covenants that the Bonds are issued within all statutory
479 and constitutional debt limitations applicable to the county.

480 **SECTION 12. Bond Funds.** There has heretofore been created in the office of
481 the Finance Director a special fund known as the "King County Limited Tax General
482 Obligation Bond Redemption Fund" to be drawn upon for the purpose of paying the
483 principal of and interest on the limited tax general obligation bonds of the county. There
484 is hereby authorized to be created within said fund a special account for each series of the
485 Bonds to be known as the "Limited Tax General Obligation Bond Redemption Account,
486 [Year, Series]" (each, a "Bond Fund").

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

490 The taxes hereafter levied for the purpose of paying principal of and interest on
491 each series of the Bonds and other funds to be used to pay such series of the Bonds shall

492 be deposited in the related Bond Fund no later than the date such funds are required for
493 the payment of principal of and interest on such series of the Bonds; provided, however,
494 that if the payment of principal of and interest on any series of the Bonds is required prior
495 to the receipt of such levied taxes, the county may make an interfund loan to the related
496 Bond Fund pending actual receipt of such taxes. Each Bond Fund shall be drawn upon
497 for the purpose of paying the principal of and interest on the related series of the Bonds.
498 Money in each Bond Fund not needed to pay the interest or principal next coming due
499 may temporarily be deposited in such institutions or invested in such obligations as may
500 be lawful for the investment of county funds. Each Bond Fund shall be a second tier fund
501 in accordance with Ordinance No. 7112 and K.C. 4.10.

502 **SECTION 13. Application of Bond Proceeds--New Money.**

503 A. PeopleSoft/Oracle Upgrade Projects. The county hereby creates the
504 Technology Projects 2007 Bond Subfund within the OIRM Capital Projects Fund. This
505 subfund shall be a first tier fund managed by the chief information officer of the office of
506 information management. The amount of proceeds from the sale of any series of the
507 Bonds issued to provide new money financing for the PeopleSoft/Oracle Upgrade
508 Projects and to pay costs of issuance of such Bonds to be deposited into such fund and
509 subfund shall be determined by the Finance Director upon the sale of such series of the
510 Bonds.

511 B. Solid Waste Projects. The county hereby creates the Solid Waste 2007 Bond
512 Subfund within the Solid Waste Construction Fund. This subfund is a first tier fund
513 managed by the director of the department of natural resources. The amount of proceeds
514 from the sale of any series of the Bonds issued to provide new money financing for the

515 Solid Waste Projects to be deposited into such fund shall be determined by the Finance
516 Director upon the sale of such series of the Bonds.

517 SECTION 14. Application of Bond Proceeds--General. Funds deposited in the
518 funds and accounts described in Sections 12 and 13 hereof shall be invested as permitted
519 by law for the sole benefit of the respective funds. Irrespective of the general provisions
520 of Ordinance No. 7112 and K.C.C. 4.10, the county current expense fund shall not
521 receive any earnings attributable to such funds. Money other than proceeds of the Bonds
522 may be deposited in the funds and accounts described under Sections 12 and 13 hereof;
523 provided, however, that proceeds of each series of the Bonds, and the earnings thereon,
524 shall be accounted for separately for purposes of the arbitrage rebate computations
525 required to be made under the Code. For purposes of such computations, Bond proceeds
526 shall be deemed to have been expended first, then any other funds.

527 SECTION 15. Preliminary Official Statements and Final Official Statements.
528 The county hereby authorizes and directs the Finance Director: (i) to review and approve
529 the information contained in the preliminary official statement (each, a "Preliminary
530 Official Statement") prepared in connection with the sale of each series of the Bonds; and
531 (ii) for the sole purpose of compliance by the purchasers of such series of the Bonds with
532 subsection (b)(1) of the Rule, to "deem final" the related Preliminary Official Statement
533 as of its date, except for the omission of information on offering prices, interest rates,
534 selling compensation, delivery dates, any other terms or provisions required by the
535 county to be specified in a competitive bid, ratings, other terms of such series of the
536 Bonds dependent on such matters and the identity of the purchasers. After each
537 Preliminary Official Statement has been reviewed and approved in accordance with the

538 provisions of this section, the county hereby authorizes the distribution of such
539 Preliminary Official Statement to prospective purchasers of such related series of the
540 Bonds.

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

550 **SECTION 16. Undertaking to Provide Ongoing Disclosure.** The county
551 council will set forth an undertaking for ongoing disclosure with respect to each series of
552 the Bonds, as required by subsection (b)(5) of the Rule, in the Bond Sale Motion therefor.

553 **SECTION 17. General Authorization.** The appropriate county officials, agents
554 and representatives are hereby authorized and directed to do everything necessary for the
555 prompt sale, issuance, execution and delivery of each series of the Bonds, and for the
556 proper use and application of the proceeds of the sale thereof.

557 **SECTION 18. Refunding or Defeasance of Bonds.** The county may issue
558 refunding obligations pursuant to the laws of the State of Washington or use money
559 available from any other lawful source to pay when due the principal of and interest on
560 any series of the Bonds, or any portion thereof included in a refunding or defeasance

561 plan, and to redeem and retire, refund or defease all such then-outstanding Bonds, and to
562 pay the costs of the refunding or defeasance.

563 In the event that money and/or noncallable Government Obligations maturing at
564 such time or times and bearing interest to be earned thereon in amounts (together with
565 such money, if necessary) sufficient to redeem and retire, refund or defease part or all of
566 the Bonds in accordance with their terms, are set aside in a special account of the county
567 to effect such redemption and retirement, and such money and the principal of and
568 interest on such Government Obligations are irrevocably set aside and pledged for such
569 purpose, then no further payments need be made into the related Bond Fund for the
570 payment of the principal of and interest on the Bonds so provided for, and such Bonds
571 shall cease to be entitled to any lien, benefit or security of this ordinance except the right
572 to receive the money so set aside and pledged, and such Bonds shall be deemed not to be
573 outstanding hereunder.

574 Within 30 days of the defeasance of any of the Bonds, the county shall provide or
575 cause to be provided notice of defeasance of such Bonds to the registered owners thereof
576 and to each nationally recognized municipal securities information repository and the
577 state information depository for the State of Washington (if one is created), in accordance
578 with the undertaking for ongoing disclosure to be adopted pursuant to Section 16 hereof.

579 SECTION 19. Contract; Severability. The covenants applicable to the Bonds
580 contained in this ordinance shall constitute a contract between the county and the owners
581 of each and every Bond. If any one or more of the covenants or agreements provided in
582 this ordinance to be performed on the part of the county shall be declared by any court of
583 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement

Ordinance 15925

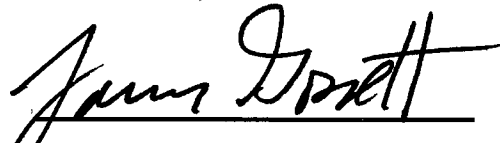
584 or agreements, shall be null and void and shall be deemed separable from the remaining
585 covenants and agreements of this ordinance and shall in no way affect the validity of the
586 other provisions of this ordinance, the Bonds.

587

Ordinance 15925 was introduced on 9/24/2007 and passed by the Metropolitan King
County Council on 10/15/2007, by the following vote:

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

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

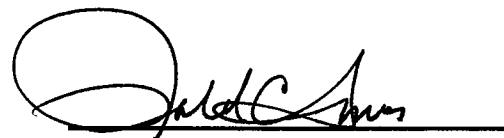

Larry Gossett, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 23 day of OCTOBER, 2007.



Ron Sims, County Executive

Attachments None

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CLERK
KING COUNTY COUNCIL