



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

April 28, 2009

Motion 12966

Proposed No. 2009-0056.2

Sponsors Gossett

1 A MOTION of the county council accepting a bid for the
2 purchase of the county's Limited Tax General Obligation
3 Bonds, 2009, Series B, in the aggregate principal amount of
4 \$34,810,000 and fixing the interest rates and other terms
5 thereof in accordance with Ordinance 14167, as amended
6 by Ordinance 14463, Ordinance 14745, Ordinance 14992,
7 Ordinance 15285, Ordinance 15604 and Ordinance 16361.

8
9 WHEREAS, pursuant to Ordinance 14167, the county council authorized the
10 issuance of one or more series of its limited tax general obligation bonds in an
11 outstanding aggregate principal amount not to exceed \$125,000,000 to provide long-term
12 financing for the Courthouse Seismic Project, the North Rehabilitation Facility Project
13 and the Regional Communications and Emergency Control Center Project, each defined
14 and described in Ordinance 14167, and further authorized the issuance and public sale of
15 one or more series of its limited tax general obligation bond anticipation notes in an
16 outstanding aggregate principal amount not to exceed \$125,000,000 to provide interim
17 financing for such projects pending the issuance of the bonds, and

18 WHEREAS, pursuant to Ordinance 14463, the county council amended
19 Ordinance 14167 to revise the description of the North Rehabilitation Facility Project and
20 to augment the projects authorized to be financed, on a long-term basis, by such bonds,
21 and pending the sale of such bonds, on an interim basis, by such bond anticipation notes
22 by the addition of the Courthouse Earthquake Repairs, all as defined and described in
23 Ordinance 14463, and

24 WHEREAS, pursuant to Ordinance 14745, the county council amended
25 Ordinance 14167, as previously amended by Ordinance 14463, to add the Integrated
26 Security and Jail Health Remodel Project to the list of projects that are authorized to be
27 financed, on a long-term basis, by such bonds, and pending the sale of such bonds, on an
28 interim basis, by such bond anticipation notes, and increase the maximum outstanding
29 aggregate principal amount of such bonds and bond anticipation notes to \$145,000,000 as
30 a result; and to amend certain provisions of Ordinance 14167, as previously amended by
31 Ordinance 14463, pertaining to such bonds and bond anticipation notes, and

32 WHEREAS, pursuant to Ordinance 14992, the county council amended
33 Ordinance 14167, as previously amended by Ordinance 14463 and Ordinance 14745, to
34 add the Courthouse Lobby Project and the Jail ITR Remodel Project to the list of projects
35 that are authorized to be financed, on a long-term basis, by such bonds, and pending the
36 sale of such bonds, on an interim basis, by such bond anticipation notes, and increase the
37 maximum outstanding aggregate principal amount of such bonds and bond anticipation
38 notes to \$150,000,000 as a result; and to amend certain provisions of Ordinance 14167,
39 as previously amended by Ordinance 14463 and Ordinance 14745, pertaining to such
40 bonds and bond anticipation notes, and

41 WHEREAS, pursuant to Ordinance 15285, the county council amended
42 Ordinance 14167, as previously amended by Ordinance 14463, Ordinance 14745 and
43 Ordinance 14992, to add the Orcas Building Acquisition and Tenant Improvement
44 Project, the PAO 4th Floor Courthouse Move Project, the Pedestrian Tunnel Project, the
45 Sky Bridge Feasibility Study Project to the list of projects that are authorized to be
46 financed, on a long-term basis, by such bonds, and pending the sale of such bonds, on an
47 interim basis, by such bond anticipation notes, and increase the maximum outstanding
48 aggregate principal amount of such bonds and bond anticipation notes to \$160,000,000 as
49 a result; and to amend certain provisions of Ordinance 14167, as previously amended by
50 Ordinance 14463, Ordinance 14745 and Ordinance 14992, pertaining to such bonds and
51 bond anticipation notes, and

52 WHEREAS, pursuant to Ordinance 15604, the county council amended
53 Ordinance 14167, as previously amended by Ordinance 14463, Ordinance 14745,
54 Ordinance 14992 and Ordinance 15285, to change the scope of the Pedestrian Tunnel
55 Project to include construction as well as design, add the NCOB Equipping Project to the
56 list of projects that are authorized to be financed, on a long-term basis, by such bonds,
57 and pending the sale of such bonds, on an interim basis, by such bond anticipation notes,
58 and increase the maximum outstanding aggregate principal amount of such bonds and
59 bond anticipation notes to \$170,000,000 as a result; and to amend certain provisions of
60 Ordinance 14167, as previously amended by Ordinance 14463, Ordinance 14745,
61 Ordinance 14992 and Ordinance 15285, pertaining to such bonds and bond anticipation
62 notes, and

63 WHEREAS, pursuant to Ordinance 16361, the county council amended
64 Ordinance 14167, as previously amended by Ordinance 14463, Ordinance 14745,
65 Ordinance 14992, Ordinance 15285 and Ordinance 15604, to add the Administration
66 Building Replacement Project, the Chinook Building Technology Infrastructure Project,
67 the Courthouse South Entry Analysis Project, the Elections Consolidated Facility Project,
68 the Passage Point Project, the Issaquah Courthouse Leasehold Acquisition Project, the
69 NCOB LEED Certification Project and the Work Source Relocation Project to the list of
70 projects that are authorized to be financed, on a long-term basis, by such bonds, and
71 pending the sale of such bonds, on an interim basis, by such bond anticipation notes, and
72 increase the maximum outstanding aggregate principal amount of such bonds and bond
73 anticipation notes to \$210,000,000 as a result; and to amend certain provisions of
74 Ordinance 14167, as previously amended by Ordinance 14463, Ordinance 14745,
75 Ordinance 14992, Ordinance 15285 and Ordinance 15604 (as so amended, the
76 "Ordinance"), pertaining to such bonds and bond anticipation notes, and

77 WHEREAS, the Ordinance provided that such bonds may be issued as either
78 fixed rate bonds or multi-modal bonds in one or more series, any of which may be sold in
79 a combined offering with other bonds of the county, publicly, either by negotiated sale or
80 by competitive bid, as determined by the Finance Director in consultation with the
81 county's financial advisor, and

82 WHEREAS, the Finance Director has determined that a series of such bonds, to
83 be designated as the county's Limited Tax General Obligation Bonds, 2009, Series B, in
84 the aggregate principal amount of \$34,810,000 (the "Bonds"), be sold as fixed rate
85 provided herein, and

86 WHEREAS, currently, \$155,040,000 in aggregate principal amount of the bonds
87 authorized by the Ordinance are outstanding. Currently, none of the bond anticipation
88 notes authorized by the Ordinance are outstanding. The aggregate principal amount of all
89 such bonds and bond anticipation notes (including the Bonds) to be outstanding on the
90 date of issuance of the Bonds, computed as provided in the Ordinance, will be
91 \$189,850,000, which amount does not exceed \$210,000,000, and

92 WHEREAS, a preliminary official statement dated April 20, 2009, has been
93 prepared for the public sale of the Bonds, the official Notice of such sale dated April 20,
94 2009 (the "Notice"), has been duly published, and bids have been received in accordance
95 with the Notice, and

96 WHEREAS, the attached bid of Hutchinson, Shockey, Erley & Co. to purchase
97 the Bonds is the best bid received for the Bonds, and it is in the best interest of the county
98 that such Bonds be sold to Hutchinson, Shockey, Erley & Co. on the terms set forth in the
99 Notice, the attached bid, the Ordinance and this motion;

100 NOW, THEREFORE, BE IT MOVED by the Council of King County:

101 A. Definitions. Except as expressly authorized herein, terms used in this motion
102 have the meanings set forth in the Ordinance.

103 B. Ratification of Notice of Sale, Acceptance of Bids, and Authorization of
104 Bonds. The issuance of the Bonds, designated as the county's Limited Tax General
105 Obligation Bonds, 2009, Series B, in the aggregate principal amount of \$34,810,000, and
106 the other terms and conditions thereof set forth in the Notice attached hereto as
107 Attachment A, are hereby ratified and confirmed. The offer to purchase the Bonds, as set
108 forth in the bid of Hutchinson, Shockey, Erley & Co. attached hereto as Attachment B,

109 which shall be deemed to be adjusted to reflect the changed aggregate principal amount
110 of the Bonds, as and to the extent permitted by the Notice, is hereby accepted. The
111 Bonds shall be dated their date of issue and delivery, and shall be subject to optional
112 redemption as set forth in the Notice. The Bonds shall mature or be subject to mandatory
113 redemption on the dates and in the amounts, and shall bear interest at the rates specified
114 in Attachment C hereto. The Bonds shall conform in all other respects to the terms and
115 conditions specified in the Notice and the Ordinance.

116 C. Application of Bond Sale Proceeds. The sale proceeds of the Bonds shall be
117 applied to provide long-term financing for the following projects, and paying costs and
118 expenses incurred in issuing the Bonds: the Administration Building Replacement
119 Project, the Chinook Building Technology Infrastructure Project, the Elections
120 Consolidated Facility Project, the Passage Point Project, the Issaquah Courthouse
121 Leasehold Acquisition Project, the NCOB LEED Certification Project and the Work
122 Source Relocation Project.

123 D. Undertaking to Provide Ongoing Disclosure.

124 1. Contract/Undertaking. This section D constitutes the county's written
125 undertaking for the benefit of the owners and beneficial owners of the Bonds as required
126 by section (b)(5) of rule 15c2-12 (the "rule") of the Securities and Exchange Commission
127 (the "Commission").

128 2. Financial Statements/Operating Data. The county agrees to provide or cause
129 to be provided to each nationally recognized municipal securities information repository
130 ("NRMSIR") and to the state information depository (the "SID"), if any, in each case as
131 designated by the Commission in accordance with the rule, the following annual financial

132 information and operating data for the prior fiscal year (commencing in 2009 for the
133 fiscal year ended December 31, 2008):

134 (a) annual financial statements prepared in accordance with the Budget
135 Accounting and Reporting System ("BARS") prescribed by the Washington State Auditor
136 pursuant to RCW 43.09.200 (or any successor statutes) and generally of the type attached
137 to the official statement as "Appendix B," which statements will not be audited, except
138 that if and when audited financial statements are otherwise prepared and available to the
139 county they will be provided;

140 (b) a summary of the assessed value of taxable property in the county;

141 (c) a summary of budgeted General Fund revenues and appropriations;

142 (d) a summary of ad valorem property tax levy rates per \$1,000 of assessed
143 value and delinquency rates;

144 (e) a summary of outstanding tax-supported indebtedness of the county; and

145 (f) a schedule of the aggregate annual debt service on tax-supported
146 indebtedness of the county.

147 Items (b) through (f) shall be required only to the extent that such information is
148 not included in the annual financial statements.

149 Such annual information and operating data described above shall be provided on
150 or before the end of seven months after the end of the county's fiscal year. The county's
151 fiscal year currently ends on December 31. The county may adjust such fiscal year by
152 providing written notice of the change of fiscal year to each then existing NRMSIR and
153 the SID, if any. In lieu of providing such annual financial information and operating
154 data, the county may cross-reference to other documents provided to the NRMSIR, the

155 SID or to the Commission, and, if such document is a final official statement within the
156 meaning of the rule, such document will be available from the Municipal Securities
157 Rulemaking Board (the "MSRB").

158 If not provided as part of the annual financial information discussed above, the
159 county shall provide the county's audited annual financial statement prepared in
160 accordance with BARS when and if available to each then existing NRMSIR and the
161 SID, if any.

162 3. Material Events. The county agrees to provide or cause to be provided, in a
163 timely manner, to the SID, if any, and to each NRMSIR or to the MSRB, notice of the
164 occurrence of any of the following events with respect to the Bonds, if material:

- 165 (a) principal and interest payment delinquencies;
- 166 (b) non-payment related defaults;
- 167 (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- 168 (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- 169 (e) substitution of credit or liquidity providers, or their failure to perform;
- 170 (f) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- 171 (g) modifications to rights of Bondholders;
- 172 (h) optional, contingent or unscheduled calls of any Bonds other than
173 scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act
174 Release 34-23856;
- 175 (i) defeasances;
- 176 (j) release, substitution or sale of property securing repayment of the Bonds;
- 177 and

178 (k) rating changes.

179 Solely for purposes of disclosure, and not intending to modify this undertaking,
180 the county advises with reference to items (c) and (j) above that no debt service reserves
181 secure payment of the Bonds and no property secures repayment of the Bonds.

182 4. Notification Upon Failure to Provide Financial Data. The county agrees to
183 provide or cause to be provided, in a timely manner, to each NRMSIR or to the MSRB
184 and to the SID, if any, notice of its failure to provide the annual financial information
185 described in subsection 2 above on or prior to the date set forth in subsection 2 above.

186 5. Centralized Filing. Any filing required to be made with any NRMSIR or
187 SID pursuant to the county's undertaking may be made by transmitting such filing solely
188 to the Texas Municipal Advisory Council (the "MAC") as provided in
189 *http://www.disclosureusa.org* unless or until the Commission withdraws its approval of
190 this submission process. On and after July 1, 2009, any filing required to be made by the
191 county pursuant to this undertaking will be made to the MSRB, as the sole NRMSIR,
192 through its Electronic Municipal Market Access system ("EMMA"). The Commission
193 announced this change in December 2008 in connection with its amendments to Rule
194 15c2-12.

195 6. Termination/Modification. The county's obligations to provide annual
196 financial information and notices of material events shall terminate upon the legal
197 defeasance, prior redemption or payment in full of all of the Bonds. This section, or any
198 provision hereof, shall be null and void if the county (i) obtains an opinion of nationally
199 recognized bond counsel to the effect that those portions of the rule which require this
200 section, or any such provision, are invalid, have been repealed retroactively or otherwise

201 do not apply to the Bonds; and (ii) notifies each then existing NRMSIR and the SID, if
202 any, of such opinion and the cancellation of this section.

203 Notwithstanding any other provision of this motion, the county may amend this
204 section D, and any provision of this section D may be waived, with an approving opinion
205 of nationally recognized bond counsel and in accordance with the rule.

206 In the event of any amendment or waiver of a provision of this section D, the
207 county shall describe such amendment in the next annual report, and shall include, as
208 applicable, a narrative explanation of the reason for the amendment or waiver and its
209 impact on the type (or in the case of a change of accounting principles, on the
210 presentation) of financial information or operating data being presented by the county. In
211 addition, if the amendment relates to the accounting principles to be followed in
212 preparing financial statements, (i) notice of such change shall be given in the same
213 manner as for a material event under subsection 3, and (ii) the annual report for the year
214 in which the change is made should present a comparison (in narrative form and also, if
215 feasible, in quantitative form) between the financial statements as prepared on the basis
216 of the new accounting principles and those prepared on the basis of the former accounting
217 principles.

218 7. Bond Owners' Remedies Under This Section. The right of any Bond owner
219 or beneficial owner of Bonds to enforce the provisions of this section shall be limited to a
220 right to obtain specific enforcement of the county's obligations hereunder, and any failure
221 by the county to comply with the provisions of this undertaking shall not be an event of
222 default with respect to the Bonds. For purposes of this section, "beneficial owner" means
223 any person who has the power, directly or indirectly, to vote or consent with respect to, or

224 to dispose of ownership of, any Bonds, including persons holding Bonds through
225 nominees or depositories.

226 E. Further Authority. The proper county officials, their agents, and
227 representatives are hereby authorized and directed to do everything necessary for the
228 prompt issuance and delivery of the Bonds and for the proper use and application of the
229 proceeds of such sale.

230 F. Severability. The covenants contained in this motion shall constitute a
231 contract between the county and the owners of each and every Bond. If any one or more
232 of the covenants or agreements provided in this motion to be performed on the part of the
233 county shall be declared by any court of competent jurisdiction to be contrary to law, then
234 such covenant or covenants, agreement or agreements, shall be null and void and shall be
235

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236 deemed separable from the remaining covenants and agreements of this motion and shall
237 in no way affect the validity of the other provisions of this motion or of the Bonds.
238

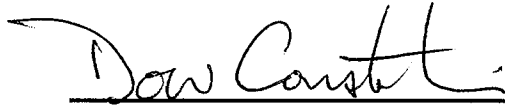
Motion 12966 was introduced on 1/26/2009 and passed by the Metropolitan King County Council on 4/27/2009, by the following vote:

Yes: 7 - Mr. Constantine, Mr. Ferguson, Ms. Lambert, Mr. von Reichbauer, Mr. Phillips, Mr. Gossett and Ms. Patterson

No: 0

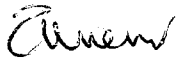
Excused: 2 - Ms. Hague and Mr. Dunn

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Dow Constantine, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments A. Official Notice of Bond Sale, B. Hutchinson, Shockey, Erley & Co. - Chicago, IL's Bid, C. Maturity Dates, Principal Amounts and Interest Rates

12966

ATTACHMENT A.

2009-056

OFFICIAL NOTICE OF BOND SALE

KING COUNTY, WASHINGTON

\$35,100,000*

LIMITED TAX GENERAL OBLIGATION BONDS, 2009, SERIES B

Electronic bids for the Limited Tax General Obligation Bonds, 2009, Series B (the "Bonds"), of King County, Washington (the "County"), will be received via *PARITY* in the manner described below until

9:00 A.M., PACIFIC TIME, ON APRIL 27, 2009,

or at such later date or time as may be established by the King County Finance Director (the "Finance Director") and communicated through TM3, the Bond Buyer Wire or the Bloomberg News Network not less than 18 hours prior to the time bids are to be received, for the purchase of the Bonds. All bids received with respect to the Bonds will be considered by the Metropolitan King County Council (the "County Council") at its regularly scheduled meeting on the day bids are received. If the County accepts a bid for the Bonds, it will be awarded to the successful bidder and its terms will be approved by the County Council at such meeting.

The Bonds will be sold on an all-or-none basis. Bids for the Bonds must be submitted electronically via *PARITY* in accordance with its Rules of Participation and this notice, between 8:30 a.m. and 9:00 a.m., Pacific Time, and no bid will be received after the time for receiving bids specified above. For further information about *PARITY*, potential bidders may contact the County's financial advisor, Seattle-Northwest Securities Corporation, at (206) 628-2882, or *PARITY* at (212) 849-5021.

By submitting an electronic bid for the Bonds, each bidder hereby agrees to the following terms and conditions:

- (i) If any provision in this Official Notice of Bond Sale conflicts with information or terms provided or required by *PARITY*, this Official Notice of Bond Sale, including any amendments issued by public wire, shall control.
- (ii) Bids may only be submitted via *PARITY*. The bidder is solely responsible for making necessary arrangements to access *PARITY* for purposes of submitting a bid timely and in compliance with the requirements of this Official Notice of Bond Sale.
- (iii) The County shall have no duty or obligation to provide or assure access to *PARITY*, and shall not be responsible for the proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, use of *PARITY*.
- (iv) The County is using *PARITY* as a communication mechanism, and not as an agent of the County.
- (v) Upon acceptance of a bid by the County, this Official Notice of Bond Sale and the information that is electronically transmitted through *PARITY* shall form a contract between the bidder and the County.

If all bids for the Bonds are rejected, the Finance Director may fix a new date and time for the receipt of bids for the Bonds by giving notice communicated through TM3, the Bond Buyer Wire or the Bloomberg News Network not less than 18 hours prior to such new date and time. Any notice specifying a new date and/or time for the receipt of bids, following the rejection of bids received or otherwise, shall be considered an amendment to this Official Notice of Bond Sale.

A copy of the County's Preliminary Official Statement (with the Official Notice of Bond Sale), dated April 20, 2009, and further information regarding the details of the Bonds may be obtained upon request to the King County Finance Director, Sixth Floor, King County Administration Building, 500 Fourth Avenue, Seattle, Washington 98104 (telephone: (206) 296-7345), or the County's financial advisor, Seattle-Northwest

* Preliminary, subject to change.

Securities Corporation, 1420 Fifth Avenue, Suite 4300, Seattle, Washington 98101 (telephone: (206) 628-2882).

Description of the Bonds

The Bonds will be dated the date of their initial delivery. The Bonds bear interest payable semiannually on each June 1 and December 1, beginning on December 1, 2009, to maturity or earlier redemption of the Bonds.

The Bonds are issuable only as fully registered bonds and when issued will be registered in the name of Cede & Co. as Bond owner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. The principal of and interest on the Bonds are payable by the fiscal agency for the State of Washington, currently The Bank of New York Mellon in New York, New York (the “Bond Registrar”), to DTC, which in turn is obligated to remit such principal and interest to the DTC participants for subsequent disbursement to beneficial owners of the Bonds.

Election of Maturities

The bidder for the Bonds shall designate whether the principal amounts of the Bonds as set forth below shall be retired on June 1 of each respective year as serial bonds maturing in such year or as amortization installments of term bonds maturing in the years specified by the bidder.

<u>Serial Maturity or Amortization Installment</u>	<u>Principal Amounts*</u>	<u>Serial Maturity or Amortization Installments</u>	<u>Principal Amounts*</u>
2010	\$ 825,000	2020	\$ 1,020,000
2011	1,885,000	2021	2,105,000
2012	945,000	2022	1,185,000
2013	1,995,000	2023	2,270,000
2014	1,060,000	2024	1,360,000
2015	2,120,000	2025	2,440,000
2016	1,185,000	2026	1,535,000
2017	2,255,000	2027	2,625,000
2018	1,335,000	2028	1,725,000
2019	2,405,000	2029	2,825,000

The County will deposit certain money as provided in the Bond Ordinance and will retire the Bonds by purchase or redemption on or before June 1 of the years and in the amounts, if any, designated by the bidder to be amortization installments as provided for above.

Redemption of the Bonds

The County reserves the right to redeem outstanding Bonds maturing on or after June 1, 2020, in whole or in part at any time on or after June 1, 2019, at the price of par plus accrued interest, if any, to the date fixed for redemption. In addition, the Bonds may be subject to mandatory redemption if the successful bidder for the Bonds specifies term bonds.

* Preliminary, subject to change.

Security

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

The County always has met principal and interest payments on outstanding bonds and notes when due.

Adjustment of Principal Amounts Before Bid Opening

Bidders are advised that the County may increase or decrease the total principal amount of the Bonds and/or the amounts of individual maturities stated in this Official Notice of Bond Sale (including any amendments issued by the County through a wire service) prior to the bidding. If such changes are made, they will be made available through *PARITY*.

Bidding Information

Bidders are invited to submit bids for the purchase of the Bonds fixing the interest rates that the Bonds will bear. The interest rates bid shall be in a multiple of 1/8 or 1/20 of one percent. No more than one rate of interest may be fixed for any one maturity of the Bonds. Bids shall be without condition and shall be only submitted electronically via *PARITY*.

No bid will be considered for the Bonds that is less than an amount equal to 100 percent of the par value of the Bonds nor more than an amount equal to 110 percent of the par value of the Bonds, or for less than the entire offering of the Bonds. Each individual maturity must be reoffered at a yield that will produce a price of not less than 98 percent of the principal amount for that maturity. For the purpose of the preceding sentence, "price" shall be defined as the lesser of the price at the redemption date or the price at the maturity date.

For the purpose of comparing bids only, the interest rate bid being controlling, each bid shall state the true interest cost of the bid, determined by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payment from the payment date to the date of the Bonds and to the price bid.

Bidders are requested to provide a list of any syndicate members with their bids or within 24 hours of submitting their bids. The County strongly encourages the inclusion of women and minority business enterprise firms in bidding syndicates.

Adjustment of Par Amount and Bid Price After Award

The County has reserved the right to increase or decrease the preliminary principal amount of the Bonds by an amount not to exceed ten percent (10%) following the opening of the bids. The County also reserves the right to increase or decrease the preliminary principal amount of any maturity of the Bonds by the greater of \$350,000 or 15 percent of the preliminary principal amount of that maturity. The price bid by the successful bidder for the Bonds will be adjusted by the County on a proportionate basis to reflect an increase or decrease in the principal amount and maturity schedule of the Bonds within 24 hours of the bid opening. The County will not be responsible in the event and to the extent that any adjustment affects the net compensation to be realized by the successful bidder of the Bonds.

Good Faith Deposit

The successful bidder shall deliver a good faith deposit in the amount of \$350,000 to the King County Treasury Section by no later than 90 minutes following the successful bidder's receipt of the verbal award. The good faith deposit may be paid in either of the following ways:

- (i) By federal funds wire transfer. Wiring instructions will be provided on Parity.
- (ii) By delivering a certified or bank cashier's check made payable to the order of the King County Director of Finance and Business Operations Division at the following address: King County Administration Building, Room 610, 500 4th Avenue, Seattle, Washington.

The good faith deposit of the successful bidder of the Bonds will be retained by the County as security for the performance of such bid, and will be applied to the purchase price of the Bonds on the delivery of the Bonds to the successful bidder. Pending delivery of the Bonds, the good faith deposit may be invested for the sole benefit of the County.

If the Bonds are ready for delivery and the successful bidder fails to complete the purchase of the Bonds within 50 days following the acceptance of its bid, the good faith deposit will be forfeited to the County, and, in that event, the County Council may accept the next best bid or call for additional proposals.

Insurance

Bids for the Bonds shall not be conditioned upon obtaining insurance or any other credit enhancement. If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder and any increased costs of issuance of the Bonds resulting by reason of such insurance, unless otherwise paid, shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not in any way relieve the purchaser of its contractual obligations arising from the acceptance of its proposal for the purchase of the Bonds.

Award

The Bonds will be sold to the bidder making a bid that conforms to the terms of the offering and that, on the basis of the lowest true interest cost, is the best bid for the Bonds. For the purpose only of comparing bids, the interest rate bid being controlling, each bid shall state the true interest cost of the bid, determined by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payment from the payment date to the date of the Bonds and to the price bid.

If there are two or more equal bids for the Bonds and those bids are the best bids received, the County Council will determine by lot which bid will be accepted. The County reserves the right to reject any or all bids submitted and to waive any formality in the bidding or bidding process and, if all bids for an offering are rejected, the Bonds may be readvertised for sale in the manner provided by law and as provided above.

Issue Price Information

Upon award of the Bonds, the successful bidder shall advise the County and Bond Counsel of the initial reoffering prices to the public of the Bonds (the "Initial Reoffering Prices"). Simultaneously with or before delivery of the Bonds, the successful bidder shall furnish to the County and Bond Counsel a certificate in form and substance acceptable to Bond Counsel:

- (i) confirming the Initial Reoffering Prices,
- (ii) certifying that a *bona fide* offering of the Bonds has been made to the public (excluding bond houses, brokers and other intermediaries),
- (iii) stating the prices at which a substantial amount of the Bonds was sold to the public (excluding bond houses, brokers and other intermediaries),
- (iv) stating the prices at which any portion of the Bonds that remains unsold at the date of closing would have been sold on the date the Bonds were awarded, and

- (v) stating the offering price of each portion of the Bonds sold to institutional or other investors at discount.

Delivery

The County will deliver the Bonds (consisting of one word-processed certificate for each maturity of the Bonds) to DTC in New York, New York, or to the Bond Registrar on behalf of DTC by Fast Automated Securities Transfer, prior to the date of closing. Closing shall occur within 40 days after the sale date. Settlement shall be in federal funds available in Seattle, Washington, on the date of delivery. Delivery is expected to be May 12, 2009.

It is understood that if, prior to the delivery of the Bonds, the interest receivable by the owners of the Bonds becomes includable in gross income for federal income tax purposes, or becomes subject to federal income tax other than as described in this Preliminary Official Statement for the Bonds, the successful bidder for the Bonds, at its option, may be relieved of its obligation to purchase the Bonds, and in that case the good faith deposit accompanying its bid will be returned without interest.

The approving legal opinion of Gottlieb Fisher PLLC, Seattle, Washington, Bond Counsel, will be provided to the purchaser at the time of the delivery of the Bonds. Bond Counsel's opinion will express no opinion concerning the accuracy, completeness or sufficiency of this Preliminary Official Statement or other offering material relating to the Bonds, nor will there be an opinion of Bond Counsel relating to the undertaking of the County to provide ongoing disclosure pursuant to SEC Rule 15c2-12. A no-litigation certificate will be included in the closing papers of the Bonds.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on the Bonds nor any error with respect thereto will constitute cause for a failure or refusal by the purchaser of the Bonds thereof to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale.

The County's financial advisor is responsible for obtaining CUSIP numbers for the Bonds, and the charge of the CUSIP Bureau will be paid by the County.

Ongoing Disclosure Undertaking

To assist bidders in complying with SEC Rule 15c2-12(b)(5), the County will undertake, pursuant to the Sale Motion, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in this Preliminary Official Statement and will also be set forth in the final Official Statement.

Official Statement

This Preliminary Official Statement is in a form deemed final by the County for the purpose of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final Official Statement, which the County will deliver, at the expense of the County, to the purchaser not later than seven business days after the County's acceptance of the purchaser's bid. The County will deliver no more than 100 copies of the final Official Statement to the purchaser of the Bonds. Additional copies will be provided at the purchaser's expense.

By submitting the successful proposal, the purchaser's designated senior representative agrees to file, or cause to be filed, within one business day following the receipt from the County, the final Official Statement with each nationally recognized municipal securities information repository designated by the Securities and Exchange Commission.

At the time of the delivery of the Bonds, one or more officials of the County will furnish a certificate stating that to the best of his or her knowledge and belief at the time of the acceptance of the bid for and at the time of delivery of the Bonds, this Official Statement and information furnished by the County supplemental

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ATTACHMENT B.
2009-056

Upcoming Calendar Overview Result Excel

Hutchinson, Shockey, Erley & Co. - Chicago , IL's Bid
King County
\$35,100,000 Limited Tax General Obligation Bonds,
2009, Series B



For the aggregate principal amount of \$35,100,000.00, we will pay you \$37,252,577.94, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
06/01/2010	825M	3.0000
06/01/2011	1,885M	2.0000
06/01/2012	945M	2.0000
06/01/2013	1,995M	2.2500
06/01/2014	1,060M	2.5000
06/01/2015	2,120M	2.7500
06/01/2016	1,185M	3.0000
06/01/2017	2,255M	5.0000
06/01/2018	1,335M	3.2500
06/01/2019	2,405M	5.0000
06/01/2020	1,020M	5.0000
06/01/2021	2,105M	5.0000
06/01/2022	1,185M	5.0000
06/01/2023	2,270M	5.0000
06/01/2024	1,360M	4.0000
06/01/2025	2,440M	5.1250
06/01/2026	1,535M	5.1250
06/01/2027	2,625M	5.0000
06/01/2028		
06/01/2029	4,550M	5.0000

Total Interest Cost: \$18,803,728.56
 Premium: \$2,152,577.94
 Net Interest Cost: \$16,651,150.62
 TIC: 3.910271
 Time Last Bid Received On: 04/27/2009 8:59:32 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Hutchinson, Shockey, Erley & Co., Chicago , IL
 Contact: Jim VanMetre
 Title:
 Telephone: 312-443-1550

Fax: 443--72-25

Issuer Name: King County

Company Name: _____

Accepted By: _____

Accepted By: _____

Date: _____

Date: _____

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2009-0056

ATTACHMENT C

\$34,810,000
KING COUNTY, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BONDS, 2009, SERIES B

Maturity Dates, Principal Amounts and Interest Rates

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
6/1/2010	915,000	3.000
6/1/2011	1,950,000	2.000
6/1/2012	980,000	2.000
6/1/2013	2,015,000	2.250
6/1/2014	1,050,000	2.500
6/1/2015	2,090,000	2.750
6/1/2016	1,140,000	3.000
6/1/2017	2,210,000	5.000
6/1/2018	1,280,000	3.250
6/1/2019	2,370,000	5.000
6/1/2020	990,000	5.000
6/1/2021	2,065,000	5.000
6/1/2022	1,150,000	5.000
6/1/2023	2,235,000	5.000
6/1/2024	1,315,000	4.000
6/1/2025	2,405,000	5.125
6/1/2026	1,500,000	5.125
6/1/2027	2,610,000	5.000
6/1/2028*	1,715,000	5.000
6/1/2029**	2,825,000	5.000

*Mandatory Redemption

**Term Bonds