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Title: A MOTION of the county council accepting a bid for the purchase of the county's Limited Tax General Obligation Bonds, 2019, Series B, in the aggregate principal amount of \$62,340,000, and establishing certain terms of such bonds, all in accordance with Ordinance 18960.

Sponsors: Claudia Balducci

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Attachments: 1. Motion 15487, 2. A. Official Notice of Sale, 3. B. Winning Bid, 4. C. All Bids, 5. D. Description of the Bonds

Date	Ver.	Action By	Action	Result
8/21/2019	1	Metropolitan King County Council	Passed	Pass

Clerk 08/21/2019

A MOTION of the county council accepting a bid for the purchase of the county's Limited Tax General Obligation Bonds, 2019, Series B, in the aggregate principal amount of \$62,340,000, and establishing certain terms of such bonds, all in accordance with Ordinance 18960.

PREAMBLE

Pursuant to Ordinance 18960 passed on July 17, 2019 (the "Ordinance"), the county council authorized the issuance of limited tax general obligation bonds in the aggregate original principal amount not to exceed \$174,000,000 to provide financing for the parks' central maintenance facility project, the solid waste capital program, various systems development and upgrade projects (including procurement, case management, property tax assessment and collection, and jail management systems), the distributed antenna network phase III project, and energy demand reduction projects, and to pay costs of issuing the bonds.

The Ordinance provides that such bonds may be publicly sold in one or more series, either by negotiated sale or by competitive bid, as determined by the Finance Director in consultation with the county's financial advisor.

The Finance Director has determined that a series of bonds authorized pursuant to the Ordinance, designated as the county's Limited Tax General Obligation Bonds, 2019, Series B, in the aggregate principal amount of \$62,340,000 (the "Bonds"), be sold as provided herein.

Pursuant to the Ordinance, a preliminary official statement dated August 12, 2019, has been prepared for the public sale of the Bonds, the official notice of such sale dated August 12, 2019, and attached as Attachment A (the "Notice"), has been duly published, and bids have been received in accordance with the Notice.

The bid of Jefferies LLC to purchase the Bonds (attached as Attachment B) is the best bid received for the Bonds, and it is in the best interest of the county that the Bonds be sold to Jefferies LLC on the terms set forth in the Notice, the attached bid, the Ordinance and this motion.

BE IT MOVED BY THE COUNCIL OF KING COUNTY:

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

B. **Ratification of Notice of Sale, Acceptance of Bids, and Authorization of Bonds.** The issuance of the Bonds, designated as the county's Limited Tax General Obligation Bonds, 2019, Series B, in the aggregate principal amount of \$62,340,000 to provide financing for the parks' central maintenance facility project, various systems development and upgrade projects (including procurement, case management, property

tax assessment and collection, and jail management systems), the distributed antenna network phase III project, and energy demand reduction projects (collectively, the “Projects”) and to pay the costs of issuance and sale of the Bonds, and the other terms and conditions thereof set forth in the Notice, are hereby ratified and confirmed.

The offer to purchase the Bonds, as set forth in the bid of Jefferies LLC attached as Attachment B, is hereby accepted, and the sale of the Bonds pursuant to such offer is hereby ratified and confirmed. All bids that have been received are attached as Attachment C. The Bonds will be dated their date of delivery, will be subject to optional redemption, will mature on the dates and in the amounts, and will bear interest at the rates and on the dates, all as specified in Attachment D to this ordinance. The Bonds will be issued as Tax-Exempt Bonds under the Ordinance. The Bonds will conform in all respects to the terms and conditions specified in the Notice and the Ordinance.

C. Application of Bond Proceeds. Proceeds of the Bonds shall be used to finance costs of the Projects, including but not limited to capitalizing interest of the Bonds, and to pay costs of issuance for the Bonds, in accordance with the Ordinance.

In accordance with Section 15.A of the Ordinance, there has been established a special subfund designated as the 2019 G.O. Bonds [Central Maintenance Facility] Subfund (the “Central Maintenance Facility Subfund”). A portion of the proceeds of the Bonds will be deposited into the Central Maintenance Facility Subfund and applied to provide financing for all or part of the capital costs of the parks’ central maintenance facility project, in accordance with Section 15.A of the Ordinance.

In accordance with Section 15.C of the Ordinance, there has been established a special subfund designated as the 2019 G.O. Bonds [Procurement System] Subfund (the “Procurement System Subfund”). A portion of the proceeds of the Bonds will be deposited into the Procurement System Subfund and applied to provide financing for all or part of the capital costs of procurement systems projects in accordance with Section 15.C of the Ordinance.

In accordance with Section 15.D of the Ordinance, there has been established a special subfund

designated as the 2019 G.O. Bonds [Case Management System] Upgrade Subfund (the “Case Management System Upgrade Subfund”). A portion of the proceeds of the Bonds will be deposited into the Case Management System Upgrade Subfund and applied to provide financing for all or a part of the capital costs of the case management system upgrade project in accordance with Section 15.D of the Ordinance.

In accordance with Section 15.E of the Ordinance, there has been established a special subfund designated as the 2019 G.O. Bonds [KCIT] Subfund (the “KCIT Subfund”). A portion of the proceeds of the Bonds will be deposited into the KCIT Subfund and applied to provide financing for all or part of the capital costs of the property tax assessment and collection system project, the distributed antenna network project and the jail management system project in accordance with Section 15.E of the Ordinance.

In accordance with Section 15.F of the Ordinance, there has been established a special subfund designated as the 2019 G.O. Bonds [Fund to Reduce Energy Demand] Subfund (the “Fund to Reduce Energy Demand Subfund”) within the Building Repair/Replacement Subfund (3951). A portion of the proceeds of the Bonds will be deposited into this Fund to Reduce Energy Demand Subfund and applied to provide financing for all or part of the capital costs of the project to convert existing lighting to light-emitting diode technology and install light controls in accordance with Section 15.F of the Ordinance.

In accordance with Section 15.G of the Ordinance, there has been established a special subfund designated as the 2019 G.O. Bonds [Fund to Reduce Energy Demand] Subfund" within the County Road Major Maintenance Fund (3855). A portion of the proceeds of the Bonds will be deposited into this Fund to Reduce Energy Demand Subfund and applied to long-term financing for all or part of the capital costs of the project to convert maintenance facility lights to light-emitting diodes in accordance with Section 15.G of the Ordinance.

D. Undertaking to Provide Ongoing Disclosure. In accordance with Section 12 of the Ordinance, the county will enter into an undertaking to provide continuing disclosure for the Bonds in substantially the form described in the preliminary official statement for the Bonds.

E. Further Authority. The county officials and their agents, attorneys and representatives are

hereby authorized and directed to do everything necessary for the prompt issuance and delivery of the Bonds and for the proper use and application of the proceeds of sale of the Bonds.

F. **Severability.** If any provision in this motion is declared by any court of competent jurisdiction to be contrary to law, then that provision will be null and void and will be deemed separable from the remaining provisions of this motion and will in no way affect the validity of the other provisions of this motion or of the Bonds.