



Bonds or Parity Lien Obligations, 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 (Payable from Sewer Revenues), 2019, in the aggregate principal amount of \$101,035,000 (the "Bonds"), be sold as provided herein.

The Bonds are the third series of bonds issued pursuant to the Ordinance; the county authorized the issuance of its Sewer Revenue Bond, 2018 (WIFIA- N17107WA) (the "WIFIA Loan"), in the principal amount of not to exceed \$134,500,000 and its Sewer Revenue Bonds, 2018, Series B, in the aggregate principal amount of \$124,455,000 (the "2018 Bonds"); and the sum of the maximum principal amount of the WIFIA Loan, the 2018 Bonds, and the aggregate principal amount of the Bonds to be issued pursuant to the Ordinance is \$359,990,000 and that amount does not exceed \$500,000,000.

Pursuant to the Ordinance, a preliminary official statement dated October 8, 2019, has been prepared for the public sale of the Bonds, the official notice of such sale dated October 8, 2019, and attached as Attachment A to this motion (the "Notice"), has been duly published, and bids have been received in accordance with the Notice.

The bid of Citigroup Global Markets Inc. to purchase the Bonds (attached as Attachment B to this motion) is the best bid received for the Bonds, and it is in the best interest of the county that the Bonds be sold to Citigroup Global Markets Inc. 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 (Payable from Sewer Revenues), 2019, in the aggregate principal amount of \$101,035,000 to pay costs of capital improvements to the System and 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 Citigroup Global Markets Inc. attached as Attachment B to this motion, is hereby accepted, and the sale of the Bonds pursuant to such offer is hereby ratified and confirmed. All other bids that have been received are attached as Attachment C to this motion. 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 motion. The Bonds will be issued as Parity Lien Obligations and 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. "Record Date" shall mean, for an interest or principal payment date or for a maturity date, the Registrar's close of business on the 15th day preceding that date.

**C. Application of Bond Proceeds.** In accordance with Section 15.A of the Ordinance, there has been established a special subaccount within the Construction Account designated as the Series 2019 Construction Subaccount (the "Construction Subaccount"). Proceeds of the Bonds will be deposited into the Construction Subaccount and applied to pay costs of acquiring, constructing and equipping improvements, additions or betterments to the System as set forth in the Comprehensive Plan and the Capital Improvement Budget and costs incidental thereto, including engineering, architectural, planning, financial, legal, urban design or any other incidental costs, and to repay advances heretofore or hereafter made on account of such

costs, in accordance with Section 15.A of the Ordinance.

D. **Satisfaction of Parity Lien Obligation Conditions.** In accordance with the Ordinance and the provision of the Ordinance authorizing the issuance of the outstanding Parity Lien Obligations, which permit the issuance of Future Parity Lien Obligations upon compliance with the conditions set forth therein, the county council hereby finds and determines, as follows:

1. there is no deficiency in the Parity Bond Fund, the Parity Lien Obligation Bond Fund, or any other bond fund or account securing Parity Lien Obligations; and
2. the County has on file a certificate of the County's Finance Director demonstrating that, during any 12 consecutive calendar months out of the immediately preceding 18 calendar months, Net Revenue was at least equal to 1.25 times the amount required to pay, in each year that such Parity Lien Obligations would be outstanding, the Annual Debt Service for such year.

The applicable conditions for Future Parity Lien Obligations having been complied with in connection with the issuance of the Bonds, the pledge contained in the Ordinance of Revenue of the System to pay and secure the payment of the Bonds will constitute a lien and charge on Revenue of the System equal in rank with the lien and charge on the Revenue of the System to pay and secure the payment of the outstanding Parity Lien Obligations.

E. **Designation as Refunding Candidates.** The Bonds are hereby designated as "Refunding Candidates" for purposes of ordinances of the county authorizing the issuance of bonds to refund outstanding obligations of the county payable from Revenue of the System, including without limitation Ordinance 18587, passed on October 23, 2017.

F. **Undertaking to Provide Ongoing Disclosure.** In accordance with Section 30 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.

G. **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.

H. **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.