



Legislation Text

File #: 2005-0310, **Version:** 1

AN ORDINANCE relating to the limited tax general obligation bonds of the county previously authorized to be issued and publicly sold in one or more series in an outstanding aggregate principal amount not to exceed \$30,000,000 to provide long-term financing for the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project, and the limited tax general obligation bond anticipation notes of the county previously authorized to be issued and publicly sold in one or more series in an outstanding aggregate principal amount not to exceed \$30,000,000 to provide interim financing for such projects pending the sale of such bonds; increasing the maximum outstanding aggregate principal amount of such bonds and bond anticipation notes to \$40,000,000; and amending Ordinance 14991, Sections 1,4 and 5.

PREAMBLE:

Pursuant to Ordinance 14991, the county authorized the issuance and public sale of one or more series of its limited tax general obligation bonds in an outstanding aggregate principal amount not to exceed \$30,000,000 to provide long-term financing for the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project, each defined and described in Ordinance 14991, and further authorized the issuance and public sale of one or more series of its limited tax general obligation bond anticipation notes in an outstanding aggregate principal amount not to exceed \$30,000,000 to provide interim financing for such projects pending the issuance of the bonds.

It is deemed necessary and advisable that the county now increase the maximum outstanding aggregate principal amount of such bonds and bond anticipation notes to \$40,000,000; and amend certain provisions of Ordinance 14991 pertaining to such bonds and bond anticipation notes.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 14991, Section 1 is hereby amended to read as follows:

The following words and terms as used in this ordinance shall have the following meanings for all purposes of this ordinance, unless some other meaning is plainly intended.

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

"Bond Fund" means, with respect to each series of the Bonds, the bond redemption account established therefor pursuant to Section 13 hereof.

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

"Bonds" means the limited tax general obligation bonds of the county in an outstanding aggregate principal amount not to exceed (~~(\$30,000,000)~~) \$40,000,000, authorized to be issued by this ordinance to provide long-term financing for the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project.

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

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

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

"Forestry and Nearshore Initiative Project" means the project to acquire and preserve open space, working forests and undeveloped shoreline in King County that will:

1. Contain urban sprawl and suburban development;
2. Provide sustainable forest management that conserves the environment and retains the local timber industry;
3. Protect the health of the nearshore environment on Vashon and Maury Islands; and
4. Meet the conservation and open space needs of King County and local communities.

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

"Juanita Woodlands Open Space Acquisition Project" means the project to acquire and preserve open space in unincorporated King County, west of the City of Kirkland.

"Note Fund" means, with respect to each series of the Notes, the note redemption account established therefor pursuant to Section 13 hereof.

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

"Notes" means the limited tax general obligation bond anticipation notes of the county in an outstanding aggregate principal amount not to exceed ((~~\$30,000,000~~)) \$40,000,000, authorized to be issued by this ordinance to provide interim financing for the Juanita Woodlands Open Space Acquisition Project and the

Forestry and Nearshore Initiative Project.

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

"Official Notice of Note Sale" means, with respect to each series of the Notes that is sold by competitive bid, the official notice of sale therefor prepared pursuant to Section 5.E hereof.

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

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

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

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

SECTION 2. Ordinance 14991, Section 4 is hereby amended to read as follows:

A. Purpose and Authorization of Bonds. The county authorizes the issuance of the Bonds to provide long-term financing the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project, including capitalized interest, interest on the Notes or other interim financing for such projects pending receipt of Bond proceeds, and costs and expenses incurred in issuing the Bonds. The long-term financing provided by the Bonds may be in the form of new money financing for the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project, or in the form of a current refunding of outstanding Notes, or any combination thereof.

B. Description of Bonds. The Bonds may be issued in one or more series so long as the aggregate principal amount of the Bonds to be outstanding on the date of issuance of each series of the Bonds does not to

exceed the remainder of (~~(\$30,000,000)~~) \$40,000,000 less the aggregate principal amount of any Notes to be outstanding on the date of issuance of such series of the Bonds. Each series of the Bonds shall be designated "King County, Washington, Limited Tax General Obligation Bonds," with an applicable year and series designation established by the related Bond Sale Motion. Each series of the Bonds shall be dated as of such date, shall mature on the date or dates in each of the years and in the principal amounts, shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) from their date or the most recent interest payment date to which interest has been paid or duly provided for, whichever is later, at the rates and payable on such dates, and shall be subject to redemption prior to maturity in the amounts, in the manner and at the prices, and shall be subject to such other terms and provisions as the county shall establish by the related Bond Sale Motion. Each series of the Bonds shall be fully registered as to both principal and interest, shall be in the denomination of \$5,000 each or any integral multiple thereof (but no Bond shall represent more than one maturity), shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification.

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

The Bonds of each series shall initially be issued in denominations equal to the aggregate principal

amount of each maturity and initially shall be registered in the name of CEDE & Co., as the nominee of DTC. Such Bonds so registered shall be held in fully immobilized form by DTC as depository. For so long as any such Bonds are held in fully immobilized form, DTC, its successor or any substitute depository appointed by the county, as applicable, shall be deemed to be the registered owner for all purposes hereunder and all references to registered owners, bondowners, bondholders, owners or the like shall mean DTC or its nominees and shall not mean the owners of any beneficial interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

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

Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or a determination by the county that it is no longer in the best interests of beneficial owners of such Bonds to continue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the county may appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

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

In the event that DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained; or the county determines that it is in the

best interests of the beneficial owners of the Bonds of any series that they be able to obtain Bond certificates, the ownership of such Bonds may be transferred to any person as herein provided, and such Bonds shall no longer be held in fully immobilized form. The county shall deliver a written request to the Registrar, together with a supply of definitive Bonds of such series, to issue Bonds of such series as herein provided in any authorized denomination. Upon receipt of all then outstanding Bonds of any series by the Registrar, together with a written request on behalf of the county to the Registrar, new Bonds of such series shall be issued in such denominations and registered in the names of such persons as are requested in such a written request.

D. Place, Manner and Medium of Payment. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. For so long as any outstanding Bonds are registered in the name of CEDE & Co., or its registered assigns, as nominee of DTC, payments of principal of and interest on such Bonds shall be made in next day funds on the date such payment is due and payable at the place and in the manner provided in the Letter of Representations.

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

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

If the Finance Director determines that any series of the Bonds shall be sold by negotiated sale, the

Finance Director shall, in accordance with applicable county procurement procedures, solicit one or more underwriting firms with which to negotiate the sale of the Bonds. The purchase contract for each series of the Bonds shall establish the year and series designation, date, principal amounts and maturity dates, interest rates and interest payment dates, redemption provisions and delivery date for such series of the Bonds, so long as the aggregate principal amount of the Bonds to be outstanding on the date of issuance of such series of the Bonds does not exceed the remainder of (~~(\$30,000,000)~~) \$40,000,000 less the aggregate principal amount of any Notes to be outstanding on the date of issuance of such series of the Bonds. The county council, by Bond Sale Motion, shall approve the bond purchase contract and ratify the terms for the series of the Bonds established thereby.

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

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

The Finance Director is hereby authorized and directed to prepare an Official Notice of Bond Sale for each series of the Bonds to be sold pursuant to competitive bid, which notice shall be filed with the clerk of the council and shall be ratified and confirmed by the Bond Sale Motion therefor. The Finance Director is hereby authorized to establish the year and series designation, date, principal amounts and maturity dates, interest

payment dates, redemption provisions and delivery date for such series of the Bonds in such Official Notice of Bond Sale so long as the aggregate principal amount of the Bonds to be outstanding on the date of issuance of such series of the Bonds does not exceed the remainder of ((~~\$30,000,000~~))\$40,000,000 less the aggregate principal amount of any Notes to be outstanding on the date of issuance of such series of the Bonds. The Official Notice of Bond Sale or an abridged form thereof shall be published once prior to such sale date in *The Bond Buyer* and may be published in such other papers or financial journals as may be deemed desirable or appropriate by the financial advisors to the county.

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

NO. \$ _____

UNITED STATES OF AMERICA

STATE OF WASHINGTON

KING COUNTY

LIMITED TAX GENERAL OBLIGATION BOND,

[Year, Series]

INTEREST RATE: MATURITY DATE: CUSIP NO. :

REGISTERED OWNER:

PRINCIPAL AMOUNT:

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

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

This bond is one of an authorized issue of bonds of like date and tenor, except as to number, amount, rate of interest and date of maturity, in the aggregate principal amount of \$ _____, and is issued to provide long-term financing for the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project, including capitalized interest and costs and expenses incurred in issuing the bonds.

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

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

The County has irrevocably covenanted in King County Ordinance _____ (the "Bond Ordinance"), 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 the 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 pledge of tax levies for repayment of principal of and interest on the bonds may be discharged prior to maturity of the bonds by making provisions for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

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

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

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

KING COUNTY, WASHINGTON

By

County Executive

ATTEST:

Clerk of the Council

without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

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

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

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

In case either or both of the officers who shall have executed the Bonds shall cease to be an officer or officers of the county before the Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the county, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the county as though those who signed the same had continued to be such officers of the county. Any Bond also may be signed and attested on behalf of the county by such persons as at the actual date of execution of such Bond shall be the proper officers of the county although at the original date of such Bond any such person shall not have been such officer of the county.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited,

manually executed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

SECTION 3. Ordinance 14991, Section 5 is hereby amended to read as follows:

A. Purpose and Authorization of Notes. The county authorizes the issuance of the Notes to provide interim financing for the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project, including capitalized interest and costs and expenses incurred in issuing the Notes. The interim financing provided by the Notes may be in the form of new money financing for the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project, or in the form of a current refunding (a "rollover") of outstanding Notes pending the issuance of Bonds and the receipt of Bond proceeds to provide long-term financing therefor, or any combination thereof.

B. Description of Notes. The Notes may be issued in one or more series so long as the aggregate principal amount of the Notes to be outstanding on the date of issuance of each series of the Notes does not to exceed the remainder of ~~(((\$30,000,000))~~\$40,000,000 less the aggregate principal amount of any Bonds to be outstanding on the date of issuance of such series of the Notes. Each series of the Notes shall be designated "King County, Washington, Limited Tax General Obligation Bond Anticipation Notes," with an applicable year and series designation established by the related Note Sale Motion. Each series of the Notes shall be dated as of such date, shall mature on the date or dates in each of the years and in the principal amounts, shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) from their date or the most recent interest payment date to which interest has been paid or duly provided for, whichever is later, at the rates and payable on such dates, and shall be subject to redemption prior to maturity in the amounts, in the manner and at the prices, and shall be subject to such other terms and provisions as the county shall establish by the related Note Sale Motion. Each series of the Notes shall be fully registered as to both principal and interest, shall be in the

denomination of \$5,000 each or any integral multiple thereof (but no Note shall represent more than one maturity), shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification.

C. Initial Immobilization of Notes; Depository Provisions. The Notes of each series shall initially be held in fully immobilized form by DTC acting as depository pursuant to the terms and conditions set forth in the Blanket Issuer Letter of Representations heretofore executed on behalf of the county. Neither the county nor the Registrar shall have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to such Notes with respect to the accuracy of any records maintained by DTC or any DTC participant, the payment by DTC or any DTC participant of any amount in respect of principal or redemption price or interest on such Notes, any notice that is permitted or required to be given to registered owners under this ordinance (except such notice as is required to be given by the county to the Registrar or to DTC), the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of such Notes or any consent given or other action taken by DTC as owner of such Notes.

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

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

(2) To any substitute depository appointed by the county pursuant to this subsection or such substitute

depository's successor; or

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

Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or a determination by the county that it is no longer in the best interests of beneficial owners of such Notes to continue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the county may appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

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

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

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

on such Notes shall be made in next day funds on the date such payment is due and payable at the place and in the manner provided in the Letter of Representations.

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

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

If the Finance Director determines that any series of the Notes shall be sold by negotiated sale, the Finance Director shall, in accordance with applicable county procurement procedures, solicit one or more underwriting firms with which to negotiate the sale of the Notes. The purchase contract for each series of the Notes shall establish the year and series designation, date, principal amounts and maturity dates, interest rates and interest payment dates, redemption provisions and delivery date for such series of the Notes, so long as the aggregate principal amount of the Notes to be outstanding on the date of issuance of such series of the Notes does not exceed the remainder of ((~~\$30,000,000~~)) \$40,000,000 less the aggregate principal amount of any Bonds to be outstanding on the date of issuance of such series of the Notes. The county council, by Note Sale Motion, shall approve the Note purchase contract and ratify the terms for the series of the Notes established thereby.

If the Finance Director determines that any series of the Notes shall be sold by competitive bid, bids for

the purchase of each series of the Notes shall be received at such time and place and by such means as the Finance Director shall direct.

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

The Finance Director is hereby authorized and directed to prepare an Official Notice of Note Sale for each series of the Notes to be sold pursuant to competitive bid, which notice shall be filed with the clerk of the council and shall be ratified and confirmed by the Note Sale Motion therefor. The Finance Director is hereby authorized to establish the year and series designation, date, principal amounts and maturity dates, interest payment dates, redemption provisions and delivery date for such series of the Notes in such Official Notice of Note Sale so long as the aggregate principal amount of the Notes to be outstanding on the date of issuance of such series of the Notes does not exceed the remainder of ((~~\$30,000,000~~) \$40,000,000) less the aggregate principal amount of any Bonds to be outstanding on the date of issuance of such series of the Notes. The Official Notice of Note Sale or an abridged form thereof shall be published once prior to such sale date in *The Bond Buyer* and may be published in such other papers or financial journals as may be deemed desirable or appropriate by the financial advisors to the county.

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

NO. \$ _____

UNITED STATES OF AMERICA

STATE OF WASHINGTON

KING COUNTY

LIMITED TAX GENERAL OBLIGATION

BOND ANTICIPATION NOTE, [Year, Series]

INTEREST RATE: MATURITY DATE: CUSIP NO. :

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to owe and for value received promises to pay to the registered owner identified above, or registered assigns, on the Maturity Date specified above, the Principal Amount specified above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-day months) from [_____], at the Interest Rate set forth above, payable on _____.

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

This note is one of an authorized issue of notes of like date and tenor, except as to number and amount[, rate of interest and date of maturity], in the aggregate principal amount of \$ _____, and is issued to provide interim financing for the Juanita Woodlands Open Space Acquisition Project and the Forestry and Nearshore Initiative Project, including capitalized interest and costs and expenses incurred in issuing the notes.

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

[The notes are subject to redemption prior to their maturity as follows: (information to come related Note Sale Motion)].

The County has irrevocably covenanted in King County Ordinance No. _____ (the "Note Ordinance") 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 the 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 pledge of tax levies for repayment of principal of and interest on the notes may be discharged prior to maturity of the notes by making provisions for the payment thereof on the terms and conditions set forth in the Note Ordinance.

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

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the

State of Washington and the Charter and ordinances of the County to exist, to have happened, been done and performed precedent to and in the issuance of this note have happened, been done and performed and that the issuance of this note and the notes of this series does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the County may incur.

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

KING COUNTY, WASHINGTON

By
County Executive

ATTEST:

Clerk of the Council

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

CERTIFICATE OF AUTHENTICATION

This note is one of the notes described in the within mentioned Note Ordinance and is of the Limited Tax General Obligation Bond Anticipation Notes, [Year, Series], of King County, Washington, dated [].

WASHINGTON STATE FISCAL
AGENCY, as Registrar

By
Authorized Officer

ASSIGNMENT

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

definitive Notes authorized thereby. Such temporary Note or Notes shall be exchangeable without cost to the owners thereof for definitive Notes of the same series when the latter are ready for delivery.

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

In case either or both of the officers who shall have executed the Notes shall cease to be an officer or officers of the county before the Notes so signed shall have been authenticated or delivered by the Registrar, or issued by the county, such Notes may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the county as though those who signed the same had continued to be such officers of the county. Any Note also may be signed and attested on behalf of the county by such persons as at the actual date of execution of such Note shall be the proper officers of the county although at the original date of such Note any such person shall not have been such officer of the county.

Only such Notes as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Notes so authenticated have been

duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.
none