



Signature Report

July 28, 2015

Ordinance 18089

Proposed No. 2015-0209.1

Sponsors McDermott

1 AN ORDINANCE relating to contracting indebtedness;
2 providing for the issuance and sale of one or more series of
3 limited tax general obligation bonds and bond anticipation
4 notes of the county in the aggregate principal amount of not
5 to exceed \$150,000,000 outstanding at any time, for the
6 purpose of financing the Capital Improvement Program for
7 Solid Waste Facilities and the Solid Waste Transfer and
8 Waste Management Plan; providing for the form, terms,
9 covenants and other provisions of the bonds and notes;
10 providing for sale of the bonds and notes and the
11 disposition of the proceeds of sale; establishing funds for
12 the receipt and expenditure of bond and note proceeds and
13 for the payment of the bonds and notes; and providing for
14 the annual budgeting and levy of taxes to pay the principal
15 thereof and interest thereon.

16 PREAMBLE:

17 The county has adopted a Capital Improvement Program for Solid Waste
18 Facilities and a Solid Waste Transfer and Waste Management Plan. There are

19 costs involved with carrying out both of these capital programs, and the county
20 does not have sufficient funds readily available to accomplish the programs.
21 It is deemed necessary and advisable that the county authorize the issuance and
22 sale of one or more series of its limited tax general obligation bonds in an
23 outstanding aggregate principal amount not to exceed \$150,000,000 outstanding
24 at any time, to provide funds to pay for the cost of carrying out the Capital
25 Improvement Program for Solid Waste Facilities and the Solid Waste Transfer
26 and Waste Management Plan. It is also deemed necessary and advisable that the
27 county authorize the issuance and sale of one or more series of its bond
28 anticipation notes pending issuance of such bonds.

29 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

30 SECTION 1. Definitions. The following words and terms as used in this
31 ordinance shall have the following meanings for all purposes of this ordinance, unless
32 some other meaning is plainly intended.

33 "Beneficial Owner" means, with respect to an Obligation, the owner of the
34 beneficial interest in that Obligation.

35 "Bond Fund" means the Limited Tax General Obligation Bond Redemption Fund
36 previously created in the county treasury.

37 "Bond Register" means the registration books maintained by the Bond Registrar
38 for purposes of identifying ownership of the Obligations.

39 "Bond Registrar" means the fiscal agent of the State (as the same may be
40 designated by the State from time to time) for the purposes of registering and
41 authenticating the Obligations, maintaining the Bond Register, effecting the transfer of

42 ownership of the Obligations and paying principal of and premium, if any, and interest on
43 the Obligations.

44 "Bonds" means all or a portion of the King County, Washington, Limited Tax
45 General Obligation Bonds, [insert appropriate year and series designation], issued
46 pursuant to this ordinance.

47 "Capital Improvement Program" means the solid waste facilities component of the
48 capital improvement program of the county adopted from time to time by ordinance or
49 motion of the council.

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

54 "Council" means the Metropolitan King County Council.

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

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

59 "Government Obligations" means "government obligations" as defined in chapter
60 39.53 RCW, as now in existence or hereafter amended.

61 "Letter of Representations" means the Blanket Issuer Letter of Representations
62 dated May 1, 1995, by and between the county and DTC, as it may be amended from
63 time to time, and any successor or substitute letter relating to the operational procedures
64 of the Securities Depository.

65 "MSRB" means the Municipal Securities Rulemaking Board or any successor to
66 its functions.

67 "Notes" means all or a portion of the King County, Washington, Limited Tax
68 General Obligation Bond Anticipation Notes, [insert appropriate year and series
69 designation], issued pursuant to this ordinance.

70 "Obligations" means the Bonds and Notes.

71 "Owner" means, with respect to an Obligation, without distinction, the Beneficial
72 Owner or the Registered Owner.

73 "Rebate Amount" means the amount, if any, determined to be payable by the
74 county to the United States of America with respect to the Obligations in accordance with
75 Section 148(f) of the Code.

76 "Record Date" means the Bond Registrar's close of business on the 15th day of
77 the month preceding an interest payment date. With respect to redemption of an
78 Obligation prior to its stated maturity date, Record Date means the Bond Registrar's close
79 of business on the date on which the Bond Registrar sends the notice of redemption in
80 accordance with Section 6 of this ordinance.

81 "RCW" means the Revised Code of Washington.

82 "Registered Owner" means, with respect to an Obligation, the person in whose
83 name that Obligation is registered on the Bond Register.

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

86 "Sale Motion" means, with respect to each series of the Obligations, the motion of
87 the council approving a bond purchase contract (if the Obligations are sold by negotiated

88 sale) or accepting a bid (if the Obligations are sold by competitive bid) for the purchase
89 of the Obligations and ratifying the sale of the Obligations all in accordance with Section
90 15 of this ordinance.

91 "SEC" means the United States Securities and Exchange Commission.

92 "Securities Depository" means DTC, any successor thereto, any substitute
93 securities depository selected by the county that is qualified under applicable laws and
94 regulations to provide the services proposed to be provided by it, or the nominee of any
95 of the foregoing.

96 "Solid Waste Construction Fund" means the fund of that name which is further
97 designated as King County Fund Number 00-000-3901.

98 "Solid Waste Plan" means the Solid Waste Transfer and Waste Management Plan
99 as authorized by Ordinance 15979 of the county, as the same may be amended or
100 supplemented hereafter by ordinance or motion of the council.

101 "State" means the State of Washington.

102 "Tax-Advantaged Obligations" means the Obligations of any series to which the
103 county irrevocably elects to have Section 54AA of the Code apply or any other similar
104 tax credit bond, pursuant to the Code, and which, if applicable, is further designated as a
105 "qualified bond" under Section 6431 of the Code, and with respect to which the county is
106 eligible to receive a tax credit subsidy payment.

107 "Tax-Exempt Obligations" means Obligations of any series, the interest on which
108 is intended on the date of issuance to be excluded from gross income for federal income
109 tax purposes.

110 "Term Obligations" means any Obligations identified as such in the Sale Motion
111 authorizing their issuance, which Sale Motion requires that such Obligations be
112 purchased, redeemed, or paid prior to their stated maturity dates in a schedule established
113 thereby.

114 "Undertaking" means an undertaking for ongoing disclosure to be entered into by
115 the county for each series of Obligations, if and to the extent required by Rule15c2-12, as
116 authorized by a Sale Motion.

117 **SECTION 2. Findings.**

118 A. The council finds that it is in the best interest of the county and its
119 taxpayers to issue the Obligations.

120 B. The council further finds that it is in the best interest of the county and its
121 taxpayers to authorize the issuance of the Notes pending issuance of the Bonds.

122 **SECTION 3. Purpose, Authorization and Description of Obligations.**

123 A. **Purpose and Authorization of the Obligations.** The county authorizes
124 the issuance of the Obligations to provide part of the funds with which to carry out the
125 Capital Improvement Program and the Solid Waste Plan, to pay costs of interest during
126 construction and to pay the costs of issuing the Obligations. The Bonds may be issued in
127 one or more series in an aggregate principal amount that, together with the Notes
128 outstanding, does not exceed \$150,000,000.

129 B. **Purpose and Authorization of Notes.** In anticipation of the issuance of
130 Bonds, the county authorizes the issuance of Notes. The Notes may be issued in one or
131 more series in an aggregate principal amount that, together with the Bonds outstanding,
132 that does not exceed \$150,000,000 outstanding at any time. The Notes shall be dated the

133 date of their issuance and shall not be outstanding, together with any other Notes issued
134 to redeem the same, for longer than the time permitted by chapter 39.50 RCW. The
135 Notes may bear a fixed rate or rates or a variable rate or rates of interest which may be
136 based on a bank prime or the most recent prime rate of interest published in the Wall
137 Street Journal or other index, but in any event shall not exceed a net effective interest rate
138 of twelve percent (12%) per annum.

139 C. **Description.** Each series of the Obligations shall be fully registered as to
140 both principal and interest; shall be in the denomination of \$5,000 or any integral
141 multiple thereof within a single series, maturity and interest rate; shall be numbered
142 separately in such manner and with any additional designation as the Bond Registrar
143 deems necessary for purposes of identification; and shall be dated the date and mature on
144 the dates, in the years and in the amounts established as provided in Section 15 of this
145 ordinance.

146 The Obligations shall bear interest (computed, unless otherwise provided in the
147 Sale Motion, on the basis of a 360-day year of twelve 30-day months) from their dated
148 date or from the most recent interest payment date for which interest has been paid or
149 duly provided for, whichever is later, payable on interest payment dates and at the rate or
150 rates established as provided in Section 15 of this ordinance and ratified and confirmed
151 by a Sale Motion.

152 The Obligations may be issued as Tax-Exempt Obligations, taxable obligations,
153 Tax-Advantaged Obligations, or any combination thereof, all as set forth in a Sale
154 Motion.

155 The Bonds shall be designated "King County, Washington, Limited Tax General
156 Obligation Bonds, [appropriate year and series designation]." The Notes shall be
157 designated "King County, Washington, Limited Tax General Obligation Bond
158 Anticipation Notes [appropriate year and series designation]."

159 SECTION 4. Registration, Exchange and Payments.

160 A. **Bond Registrar/Bond Register.** In accordance with KCC 4.84, the
161 county adopts for the Obligations the system of registration specified and approved by
162 the Washington State Finance Committee, which utilizes the fiscal agent of the State as
163 registrar, authenticating agent, paying agent and transfer agent ("the Bond Registrar").
164 The Bond Registrar shall keep, or cause to be kept, at its designated corporate trust office,
165 sufficient books for the registration and transfer of the Obligations ("the Bond Register"),
166 which shall be open to inspection by the county at all times. The Bond Register shall
167 contain the name and mailing address of the Registered Owner of each Obligation and the
168 principal amount and number of each of the Obligations held by each Registered Owner.
169 The Bond Registrar is authorized, on behalf of the county, to authenticate and deliver
170 Obligations transferred or exchanged in accordance with the provisions of the
171 Obligations and this ordinance, to serve as the county's paying agent for the Obligations
172 and to carry out all of the Bond Registrar's powers and duties under this ordinance.

173 The Bond Registrar shall be responsible for the representations contained in its
174 Certificate of Authentication on the Obligations. The Bond Registrar may become the
175 Owner of Obligations with the same rights it would have if it were not the Bond Registrar
176 and, to the extent permitted by law, may act as depository for and permit any of its

177 officers or directors to act as members of, or in any other capacity with respect to, any
178 committee formed to protect the rights of Owners.

179 B. **Registered Ownership.** The Obligations shall be issued only in
180 registered form as to both principal and interest and shall be recorded on the Bond
181 Register. The county and the Bond Registrar, each in its discretion, may deem and treat
182 the Registered Owner of each Obligation as the absolute owner thereof for all purposes,
183 and neither the county nor the Bond Registrar shall be affected by any notice to the
184 contrary. Payment of each Obligation shall be made as described in Section 4.E. of this
185 ordinance, but registration of ownership of each Obligation may be transferred as
186 provided herein. All payments made as described in Section 4.E. of this ordinance shall
187 be valid and shall satisfy and discharge the liability of the county upon such Obligation to
188 the extent of the amount or amounts so paid.

189 C. **Use of Depository.** The Obligations initially shall be registered in the
190 name of Cede & Co., as the nominee of DTC. Each Obligation registered in the name of
191 the Securities Depository shall be held fully immobilized in book-entry only form by the
192 Securities Depository in accordance with the provisions of the Letter of Representations.
193 Neither the county nor the Bond Registrar shall have any obligation to participants of any
194 Securities Depository or the persons for whom they act as nominees regarding accuracy
195 of any records maintained by the Securities Depository or its participants. Neither the
196 county nor the Bond Registrar shall be responsible for any notice that is permitted or
197 required to be given to a Registered Owner except such notice as is required to be given
198 by the Bond Registrar to the Securities Depository.

199 For so long as the Obligations are registered in the name of the Securities
200 Depository, the Securities Depository shall be deemed to be the Registered Owner for all
201 purposes hereunder, and all references to Registered Owners shall mean the Securities
202 Depository and shall not mean the Beneficial Owners. Registered ownership of any
203 Obligation registered in the name of the Securities Depository may not be transferred
204 except: (i) to any successor Securities Depository; (ii) to any substitute Securities
205 Depository appointed by the county; or (iii) to any person if the Obligation is no longer to
206 be held by a Securities Depository.

207 Upon the resignation of the Securities Depository, or upon a termination of the
208 services of the Securities Depository by the county, the county may appoint a substitute
209 Securities Depository. If (i) the Securities Depository resigns and the county does not
210 appoint a substitute Securities Depository, or (ii) the county terminates the services of the
211 Securities Depository, the Obligations no longer shall be held in book-entry only form
212 and the registered ownership of each Obligation may be transferred to any person as
213 provided in this ordinance.

214 D. **Registration Covenant.** The county covenants that, until all Obligations
215 have been surrendered and canceled, it will maintain a system for recording the
216 ownership of each Obligation that complies with the provisions of Section 149 of the
217 Code.

218 E. **Place and Medium of Payment.** Principal of and premium, if any, and
219 interest on the Obligations are payable in lawful money of the United States of America.
220 Principal of and premium, if any, and interest on each Obligation registered in the name
221 of the Securities Depository are payable in the manner set forth in the Letter of

222 Representations. Interest on each Obligation not registered in the name of the Securities
223 Depository is payable by electronic transfer on the interest payment date, or by check or
224 draft of the Bond Registrar mailed on the interest payment date to the Registered Owner
225 at the address appearing on the Bond Register on the Record Date. However, the county
226 is not required to make electronic transfers except pursuant to a request by a Registered
227 Owner in writing received on or prior to the Record Date and at the sole expense of the
228 Registered Owner. Principal of and premium, if any, on each Obligation not registered in
229 the name of the Securities Depository are payable upon presentation and surrender of the
230 Obligation by the Registered Owner to the Bond Registrar.

231 F. **Transfer or Exchange of Registered Ownership; Change in**

232 **Denominations.** The registered ownership of any Obligation may be transferred or
233 exchanged, but no transfer of any Obligation shall be valid unless it is surrendered to the
234 Bond Registrar with the assignment form appearing on such Obligation duly executed by
235 the Registered Owner or such Registered Owner's duly authorized agent in a manner
236 satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel
237 the surrendered Obligation and shall authenticate and deliver, without charge to the
238 Registered Owner or transferee therefor, a new Obligation (or Obligations, at the option
239 of the new Registered Owner) of the same series, date, maturity and interest rate and for
240 the same aggregate principal amount in any authorized denomination, naming as
241 Registered Owner the person or persons listed as the assignee on the assignment form
242 appearing on the surrendered Obligation, in exchange for such surrendered and cancelled
243 Obligation. Any Obligation may be surrendered to the Bond Registrar and exchanged,
244 without charge, for an equal aggregate principal amount of Obligations of the same

245 series, date, maturity and interest rate, in any authorized denomination. The Bond
246 Registrar shall not be obligated to exchange or transfer any Obligation during the 15 days
247 preceding any principal payment or redemption date, or, in the case of any proposed
248 redemption of an Obligation, after mailing of notice of the call of the Obligation for
249 redemption.

250 **SECTION 5. Redemption Provisions; Purchase of Obligations.**

251 A. **Optional Redemption.** All or some of the Obligations may be subject to
252 redemption prior to their stated maturity dates at the option of the county at the times and
253 on the terms set forth in the Sale Motion.

254 B. **Mandatory Redemption.** The county shall redeem any Term
255 Obligations, if not redeemed under the optional redemption provisions set forth in the
256 Sale Motion or purchased under the provisions set forth herein, randomly (or in such
257 other manner as set forth in the applicable Sale Motion or as the Bond Registrar shall
258 determine) at par plus accrued interest on the dates and in the years and principal
259 amounts as set forth in the Sale Motion.

260 If the county redeems Term Obligations under the optional redemption provisions
261 set forth in the Sale Motion or purchases or defeases Term Obligations, the Term
262 Obligations so redeemed, purchased or defeased (irrespective of their redemption or
263 purchase prices) shall, unless otherwise provided in the Sale Motion, be credited against
264 one or more scheduled mandatory redemption amounts for those Term Obligations. The
265 county shall determine the manner in which the credit is to be allocated and shall notify
266 the Bond Registrar in writing of its allocation at least 60 days prior to the earliest

267 mandatory redemption date for the maturity of Term Obligations for which notice of
268 redemption has not already been given.

269 C. **Partial Redemption.** Whenever less than all of the Obligations of a
270 single maturity of a series are to be redeemed, the Securities Depository shall select the
271 Obligations registered in the name of the Securities Depository to be redeemed in
272 accordance with the Letter of Representations, and the Bond Registrar shall select all
273 other Obligations to be redeemed randomly, or in such other manner set forth in the Sale
274 Motion or as the Bond Registrar shall determine.

275 Portions of the principal amount of any Obligation, in integral amounts of \$5,000,
276 may be redeemed, unless otherwise provided in the Sale Motion. If less than all of the
277 principal amount of any Obligation is redeemed, upon surrender of that Obligation to the
278 Bond Registrar, there shall be issued to the Registered Owner, without charge therefor, a
279 new Obligation (or Obligations, at the option of the Registered Owner) of the same
280 series, maturity and interest rate in any authorized denomination in the aggregate total
281 principal amount remaining outstanding.

282 D. **Purchase.** The county reserves the right and option to purchase any or all
283 of the Obligations in the open market or offered to the county at any time at any price
284 acceptable to the county plus accrued interest to the date of purchase.

285 E. **Obligations to be Canceled.** All Obligations purchased or redeemed
286 under this section shall be canceled.

287 SECTION 6. **Notice and Effect of Redemption.** Notice of redemption of each
288 Obligation registered in the name of the Securities Depository shall be given in
289 accordance with the Letter of Representations. Notice of redemption of each other

290 Obligation, unless waived by the Registered Owner, shall be given by the Bond Registrar
291 not less than 20 nor more than 60 days prior to the date fixed for redemption by first-class
292 mail, postage prepaid, to the Registered Owner at the address appearing on the Bond
293 Register on the Record Date. The requirements of the preceding sentences shall be
294 deemed to have been fulfilled when notice has been mailed as so provided, whether or
295 not it is actually received by any Owner. Notice of redemption shall also be mailed or
296 sent electronically within the same period to the MSRB, to any nationally recognized
297 rating agency then maintaining a rating on the Obligations at the request of the county,
298 and to such other persons and with such additional information as the Finance Director
299 shall determine, but such further notice shall not be a condition precedent to the
300 redemption of any Obligation.

301 In the case of an optional redemption, the notice of redemption may state that the
302 county retains the right to rescind the redemption notice and the redemption by giving a
303 notice of rescission to the affected Registered Owners at any time on or prior to the date
304 fixed for redemption. Any notice of optional redemption that is so rescinded shall be of
305 no effect, and each Obligation for which a notice of optional redemption has been
306 rescinded shall remain outstanding.

307 Interest on each Obligation called for redemption shall cease to accrue on the date
308 fixed for redemption, unless either the notice of optional redemption is rescinded as set
309 forth above, or money sufficient to effect such redemption is not on deposit in the Bond
310 Fund or in a trust account established to refund or defease the Obligation.

311 SECTION 7. Failure To Pay Obligations. If the principal or redemption price
312 of any Obligation is not paid when that Obligation is properly presented at its maturity or

313 date fixed for redemption, the county shall be obligated to pay interest on the Obligation
314 at the same rate provided in the Obligation from and after its maturity or date fixed for
315 redemption until the Obligation, both principal and interest, is paid in full or until
316 sufficient money for its payment in full is on deposit in the Bond Fund and the Obligation
317 has been called for payment by giving notice of that call to the Registered Owner thereof.

318 **SECTION 8. Form and Execution of Obligations.** The Obligations shall be
319 prepared in a form consistent with the provisions of this ordinance and State law and
320 shall be signed by the county executive and the clerk of the council, either or both of
321 whose signatures may be manual or in facsimile, and the seal of the county or a facsimile
322 reproduction thereof shall be impressed or printed thereon.

323 Only an Obligation bearing a Certificate of Authentication in the following form,
324 manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or
325 entitled to the benefits of this ordinance: "Certificate of Authentication. This
326 [Bond][Note] is one of the fully registered King County, Washington, Limited Tax
327 General Obligation [Bonds][Bond Anticipation Notes], [appropriate year and series
328 designation], described in the Bond Ordinance." The authorized signing of a Certificate
329 of Authentication shall be conclusive evidence that the Obligation so authenticated has
330 been duly executed, authenticated and delivered and is entitled to the benefits of this
331 ordinance.

332 If any officer whose manual or facsimile signature appears on an Obligation
333 ceases to be an officer of the county authorized to sign bonds before the Obligation
334 bearing his or her manual or facsimile signature is authenticated by the Bond Registrar,
335 or issued or delivered by the county, that Obligation nevertheless may be authenticated,

336 issued and delivered and, when authenticated, issued and delivered, shall be as binding on
337 the county as though that person had continued to be an officer of the county authorized
338 to sign bonds. Any Obligation also may be signed on behalf of the county by any person
339 who, on the actual date of signing of the Obligation, is an officer of the county authorized
340 to sign bonds, although he or she did not hold the required office on the dated date of the
341 Obligation.

342 **SECTION 9. Mutilated, Lost, Stolen or Destroyed Obligations.** If any
343 Obligation becomes mutilated, the Bond Registrar may authenticate and deliver a new
344 Obligation or Obligations of like amount, date, series, interest rate and tenor to the
345 Registered Owner thereof upon the Registered Owner's paying the expenses and charges
346 of the county and the Bond Registrar in connection therewith and upon surrender to the
347 Bond Registrar of the Obligation so mutilated. Every mutilated Obligation so
348 surrendered shall be canceled and destroyed by the Bond Registrar.

349 If any Obligation is lost, stolen or destroyed, the Bond Registrar may authenticate
350 and deliver a new Obligation or Obligations of like amount, date, series, interest rate and
351 tenor to the Registered Owner thereof upon the Registered Owner's paying the expenses
352 and charges of the county and the Bond Registrar in connection therewith and upon filing
353 with the Bond Registrar evidence satisfactory to the Bond Registrar that such Obligation
354 was actually lost, stolen or destroyed and of registered ownership thereof, and upon
355 furnishing the county and the Bond Registrar with indemnity satisfactory to the Finance
356 Director and the Bond Registrar.

357 **SECTION 10. Bond Fund.**

358 A. **Bond Fund and Accounts Therein.** There previously has been created in
359 the county treasury a fund known as the "Limited Tax General Obligation Bond
360 Redemption Fund." Except as provided in subsection C. of this section, all money
361 credited to the Bond Fund is pledged and ordered to be used for the sole purpose of
362 paying the principal of and premium, if any, and interest on the Obligations. The Finance
363 Director shall have authority to create one or more accounts or sub-funds within the Bond
364 Fund as he or she deems necessary with respect to the Obligations.

365 B. **Payments to the Bond Registrar; Investments.** Money on deposit in the
366 Bond Fund shall be transmitted to the Bond Registrar at such times and in such amounts
367 as shall be necessary to pay when due the principal of and premium, if any, and interest
368 on the Obligations. Money in the Bond Fund shall be invested in any legal investments
369 of the county maturing in such amounts and at such times as the Finance Director may
370 determine so that payments required to be made from the Bond Fund may be made when
371 due.

372 C. **Using Bond Fund Money to Pay Rebate.** Notwithstanding any
373 provisions of this ordinance regarding the use of money deposited in the Bond Fund, such
374 money may be withdrawn from the Bond Fund as necessary to pay the Rebate Amount.

375 SECTION 11. Pledge of General Taxation and Credit. For so long as any of
376 the Obligations is outstanding, the county irrevocably pledges to include in its budget and
377 levy taxes annually within the constitutional and statutory tax limitations provided by law
378 without a vote of the electors of the county on all of the taxable property within the
379 county in an amount sufficient, together with other money legally available and to be
380 used therefor, to pay when due the principal of and interest on the Obligations, and the

381 full faith, credit, and resources of the county are pledged irrevocably for the annual levy
382 and collection of those taxes and the prompt payment of that principal and interest.

383 SECTION 12. Covenants and Warranties. The county makes the following
384 covenants and warranties:

385 A. The county has full legal right power and authority to adopt this
386 ordinance, to sell, issue and deliver the Obligations as provided herein, and to carry out
387 and consummate all other transactions contemplated by this ordinance.

388 B. By all necessary official action prior to or concurrently herewith, the
389 county has duly authorized and approved the execution and delivery of, and the
390 performance by the county of its obligations contained in, the Obligations and in this
391 ordinance and the consummation by it of all other transactions necessary to effectuate
392 this ordinance in connection with the issuance of the Obligations, and such authorizations
393 and approvals are in full force and effect and have not been amended, modified or
394 supplemented in any material respect.

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

397 D. The Obligations, when issued, sold, authenticated and delivered will
398 constitute the legal, valid and binding general obligations of the county.

399 E. The county's adoption of this ordinance and its compliance with the
400 provisions contained herein will not conflict with or constitute a breach of or default
401 under any constitutional provision, law, administrative regulation, judgment, decree, loan
402 agreement, indenture, bond, note, resolution, ordinance, motion, agreement or other
403 instrument to which the county is a party or to which the county or any of its property or

404 assets are otherwise subject, nor will any such adoption or compliance result in the
405 creation or imposition of any lien, charge or other security interest or encumbrance of any
406 nature whatsoever upon any of the property or assets of the county or under the terms of
407 any such law, regulation or instrument, except as permitted by this ordinance.

408 F. The county finds and covenants that the Obligations are issued within all
409 statutory and constitutional debt limitations applicable to the county.

410 G. None of the proceeds of the Obligations will be used for any purpose other
411 than as provided in this ordinance, and the county shall not suffer any amendment or
412 supplement to this ordinance, or any departure from the due performance of the
413 obligations of the county hereunder, that might materially adversely affect the rights of
414 the Registered Owners from time to time of the Obligations.

415 SECTION 13. Tax Matters. The county covenants that it will take all actions
416 necessary to prevent interest on the Tax-Exempt Obligations from being included in gross
417 income for federal income tax purposes, and it will neither take any action nor make or
418 permit any use of proceeds of the Tax-Exempt Obligations or other funds of the county
419 treated as proceeds of the Tax-Exempt Obligations at any time during the term of the
420 Tax-Exempt Obligations that will cause interest on the Tax-Exempt Obligations to be
421 included in gross income for federal income tax purposes. The county also covenants
422 that it will, to the extent the arbitrage rebate requirement of Section 148 of the Code is
423 applicable to the Tax-Exempt Obligations, take all actions necessary to comply (or to be
424 treated as having complied) with that requirement in connection with the Tax-Exempt
425 Obligations, including the calculation and payment of any penalties that the county has
426 elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any

427 other penalties if required under Section 148 of the Code to prevent interest on the Tax-
428 Exempt Obligations from being included in gross income for federal income tax
429 purposes.

430 **SECTION 14. Disposition of Proceeds of Obligations.** The proceeds of the
431 Obligations shall be deposited as follows:

432 A. The amount equal to any interest accruing on the Obligations from their
433 dated date to the date of their Closing shall be deposited in the Interest Account in the
434 Bond Fund.

435 B. The amount necessary to redeem outstanding Obligations designated for
436 redemption shall be deposited in the appropriate account or accounts of the Bond Fund
437 (as determined by the Finance Director).

438 C. The balance of the proceeds of the Obligations shall be deposited in the
439 Solid Waste Construction Fund and used to pay all or a portion of the Capital
440 Improvement Program and the Solid Waste Plan, including the costs of issuance of the
441 Obligations.

442 **SECTION 15. Sale of Obligations.**

443 A. **Determination by Finance Director.** The Finance Director shall
444 determine, in consultation with the county's financial advisors, whether the Obligations
445 shall be sold by negotiated sale or competitive bid. The authority to sell any of the
446 Obligations authorized hereunder will terminate two years from the effective date of this
447 ordinance.

448 B. **Procedure for Negotiated Sale.** If the Finance Director determines that
449 any series of the Obligations will be sold by negotiated sale, the Finance Director shall, in

450 accordance with applicable county procurement procedures, solicit one or more
451 underwriting firms with which to negotiate the sale of the Obligations. The purchase
452 contract for each series of the Obligations shall establish the year and series designation,
453 date, principal amount, interest payment dates, interest rates, maturity schedule and
454 redemption provisions of the Obligations, so long as the aggregate principal amount of all
455 Obligations outstanding following the issuance of such Obligations does not exceed
456 \$150,000,000. The bond purchase contract shall not be executed and delivered unless
457 and until the council by a Sale Motion approves the bond purchase contract and ratifies
458 and confirms the terms for the series of Obligations established therein.

459 **C. Procedure for Sale by Competitive Bid.** If the Finance Director
460 determines that any series of the Obligations will be sold by competitive bid, bids for the
461 purchase of such Obligations will be received at such time or place and by such means as
462 the Finance Director directs. The Finance Director is authorized to prepare an official
463 notice of bond sale for such Obligations to be sold by competitive bid, establishing in
464 such notice the year and series designation, date, principal amount, interest payment
465 dates, maturity schedule and optional redemption provisions of the Obligations, so long
466 as the aggregate principal amount of all Obligations outstanding following the issuance of
467 such Obligations does not exceed \$150,000,000. The official notice of bond sale or an
468 abridged form thereof may be published in such newspapers or financial journals as the
469 county's financial advisors deem desirable or appropriate.

470 Upon the date and time established for the receipt of bids for a series of the
471 Obligations, the Finance Director or his designee will review the bids, cause the bids to
472 be mathematically verified and report to the council regarding the bids received. Such

473 bids will then be considered and acted upon by the council in an open public meeting.
474 The council reserves the right to reject any and all bids for any series of the Obligations.
475 The council by a Sale Motion will approve the sale of such Obligations and ratify and
476 confirm the year and series designation, date, principal amount, interest payment dates,
477 interest rates, maturity schedule, redemption and bond insurance provisions and any other
478 terms of such Obligations.

479 SECTION 16. Delivery of Obligations. Following the sale of each series of the
480 Obligations, the county will cause definitive Obligations to be prepared, executed and
481 delivered in accordance with the provisions of this ordinance and in a form acceptable to
482 DTC as initial depository for the Obligations, with the approving legal opinion of
483 municipal bond counsel regarding the Obligations.

484 SECTION 17. Preliminary Official Statement. The county authorizes and
485 directs the Finance Director: (i) to review and approve the information contained in one
486 or more preliminary official statements (each, a "Preliminary Official Statement")
487 prepared in connection with the sale of each series of the Obligations; and (ii) for the sole
488 purpose of the Obligation purchasers' compliance with paragraph (b)(1) of Rule 15c2-12,
489 to deem final that Preliminary Official Statement as of its date, except for the omission of
490 information permitted to be omitted by Rule 15c2-12. After each Preliminary Official
491 Statement has been reviewed and approved in accordance with the provisions of this
492 section, the county hereby authorizes distribution of such Preliminary Official Statement
493 to prospective purchasers of such series of Obligations.

494 SECTION 18. Official Statement. Following the sale of each series of the
495 Obligations in accordance with Section 15 of this ordinance, the Finance Director is

496 hereby authorized to review and approve on behalf of the county each final official
497 statement with respect to such series of Obligations. The county shall cooperate with the
498 purchaser of each series of Obligations to deliver or cause to be delivered, within seven
499 business days after the date of the Sale Motion (or within such other period as may be
500 required by applicable law) and in sufficient time to accompany any confirmation that
501 requests payment from any customer of the purchaser, copies of the final official
502 statement pertaining to such Obligations in sufficient quantity to comply with paragraph
503 (b)(4) of Rule 15c2-12 and the rules of the MSRB.

504 SECTION 19. Undertaking to Provide Ongoing Disclosure. If and to the
505 extent required by paragraph (b)(5) of Rule 15c2-12, each Sale Motion will authorize an
506 Undertaking for each series of the Obligations.

507 SECTION 20. General Authorization. The appropriate county officials, agents
508 and representatives are hereby authorized and directed to do everything necessary for the
509 prompt sale, issuance, execution and delivery of the Obligations, and for the proper use
510 and application of the proceeds of the sale thereof.

511 SECTION 21. Refunding or Defeasance of Obligations. The county may issue
512 refunding obligations pursuant to State law or use money available from any other lawful
513 source to carry out a refunding or defeasance plan, which may include: (i) paying when
514 due the principal of and interest on any or all of the Obligations ("the defeased
515 Obligations"); (ii) redeeming the defeased Obligations prior to their maturity; and (iii)
516 paying the costs of the refunding or defeasance. If the county sets aside in a special trust
517 fund or escrow account irrevocably pledged to that redemption or defeasance ("the trust
518 account"), money and/or Government Obligations maturing at a time or times and

519 bearing interest in amounts sufficient to redeem, refund or defease the defeased
520 Obligations in accordance with their terms, then all right and interest of the Owners of the
521 defeased Obligations in the covenants of this ordinance and in the funds and accounts
522 obligated to the payment of the defeased Obligations shall cease and become void.
523 Thereafter, the Registered Owners of defeased Obligations shall have the right to receive
524 payment of the principal of and premium, if any, and interest on the defeased Obligations
525 solely from the trust account and the defeased Obligations shall be deemed no longer
526 outstanding. In that event, the county may apply money remaining in any fund or
527 account (other than the trust account) established for the payment or redemption of the
528 defeased Obligations to any lawful purpose.

529 Unless otherwise specified by the county in a refunding or defeasance plan, notice
530 of refunding or defeasance shall be given, and selection of Obligations for any partial
531 refunding or defeasance shall be conducted, in the manner prescribed in this ordinance
532 for the redemption of Obligations.

533 SECTION 22. Supplemental Ordinances. The council from time to time and at
534 any time may adopt an ordinance or ordinances supplemental to this ordinance which
535 supplemental ordinance or ordinances thereafter will become a part of this ordinance,
536 without the consent of owners of any of the Obligations, for any one or more of the
537 following purposes:

538 A. To add to the covenants and agreements of the county in this ordinance
539 such other covenants and agreements thereafter to be observed, or to surrender any right
540 or power herein reserved to or conferred upon the county.

541 B. To make such provisions for the purpose of curing any ambiguities or of
542 curing, correcting or supplementing any defective provision contained in this ordinance
543 in regard to matters or questions arising under such ordinances as the council may deem
544 necessary or desirable and not inconsistent with such ordinances.

545 SECTION 23. Ordinance a Contract; Severability. The covenants contained in
546 this ordinance shall constitute a contract between the county and the Registered Owner of
547 each Obligation. If any court of competent jurisdiction determines that any covenant or
548 agreement provided in this ordinance to be performed on the part of the county is
549 contrary to law, then such covenant or agreement shall be null and void and shall be
550 deemed separable from the remaining covenants and agreements of this ordinance and
551 shall in no way affect the validity of the other provisions of this ordinance or of the
552 Obligations.

553 SECTION 24. Complete Alternative. This ordinance shall be deemed to provide
554 a complete, additional and alternative method for the performance of those subjects
555 authorized hereby and shall be regarded as supplemental and additional to powers
556 conferred by other county ordinances. Whenever Obligations are issued and sold in
557 conformance with this ordinance, such issuance and sale need not comply with contrary
558 requirements of any other county ordinance applicable to the issuance and sale of bonds
559 or other obligations.

560 SECTION 25. Effective Date. This ordinance shall be effective 10 days after its
561 enactment, in accordance with Article II of the county charter.
562

Ordinance 18089 was introduced on 6/1/2015 and passed by the Metropolitan King
County Council on 7/27/2015, by the following vote:

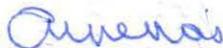
Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,
Ms. Lambert, Mr. Dunn, Mr. McDermott, Mr. Dembowski and Mr.
Upthegrove
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 30th day of July, 2015.



 Dow Constantine, County Executive

Attachments: None

RECEIVED
2015 JUL 30 PM 3:50
CLERK
KING COUNTY COUNCIL