



King County

**KING COUNTY**

**Signature Report**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**March 17, 2009**

**Motion 12944**

**Proposed No.** 2008-0232.2

**Sponsors** Phillips

1                   A MOTION of the county council approving a bid for the  
2                   county's Limited Tax General Obligation Bonds (Payable  
3                   from Sewer Revenues), 2009, in the aggregate principal  
4                   amount of \$300,000,000 and establishing certain terms of  
5                   such bonds, all in accordance with Ordinance 16133.

6  
7                   WHEREAS, the county council by Ordinance 16133 passed on June 17, 2008 (the  
8                   "Bond Ordinance"), authorized the issuance and sale of bonds of the county in the  
9                   aggregate principal amount of not to exceed \$900,000,000 (the "Project Bonds") to pay  
10                  costs of certain capital improvements to the county's sewer system (the "System"), in  
11                  accordance with the county's comprehensive water pollution abatement plan and not to  
12                  exceed \$200,000,000 (the "Refunding Bonds") to refund certain outstanding sewer  
13                  revenue bonds; and

14                 WHEREAS, the Bond Ordinance provided that such bonds be sold in one or more  
15                 series and by negotiated sale or competitive bid as determined by the county's director of  
16                 finance and business operations division (the "Finance Director") in consultation with the  
17                 county's financial advisors; and

18 WHEREAS, the Finance Director has determined that \$300,000,000 principal  
19 amount of Project Bonds be sold in a series of such bonds in the aggregate principal  
20 amount of \$300,000,000 to be designated as the county's Limited Tax General Obligation  
21 Bonds (Payable from Sewer Revenues, 2009 (the "Bonds")), to be sold by competitive  
22 bid; and

23 WHEREAS, pursuant to the Bond Ordinance, a preliminary official statement  
24 dated March 9, 2009, has been prepared for the sale of the Bonds, the Official Notice of  
25 Bond Sale (the "Notice") has been published, and bids have been received in accordance  
26 with the Notice; and

27 WHEREAS, the attached bid of Barclays Capital, Inc. (the "Purchaser") to  
28 purchase the Bonds is the best bid received for the Bonds, and it is in the best interest of  
29 the county that the Bonds be sold to the Purchaser on the terms set forth in the attached  
30 bid, the Bond Ordinance, and this motion; and

31 WHEREAS, in accordance with the Bond Ordinance, the council wishes to ratify  
32 and confirm certain terms of the Bonds, as set forth herein;

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

34 A. Definitions. Except as expressly authorized herein, capitalized terms used in  
35 this motion have the meanings set forth in the Bond Ordinance.

36 B. Ratification of Notice of Sale, Acceptance of Bid and Authorization of Bonds.

37 The issuance of the Bonds, designated as set forth in the recitals of this motion, and the  
38 terms and conditions thereof as set forth in the Official Notice of Bond Sale, attached  
39 hereto as Attachment A (the "Notice"), are hereby ratified and confirmed, and Purchaser's  
40 bid to purchase the Bonds, as set forth on Attachment B (the "Bid"), is hereby accepted.

41 The Bonds shall bear interest at the rates set forth in the Bid and shall conform in all  
42 other respects to the terms and conditions specified in the Notice, Bid and Bond  
43 Ordinance and in the final maturity schedule set forth on Attachment C. The Bonds shall  
44 be subject to redemption as set forth in the Notice and Bid.

45 C. Application of Project Bond Proceeds. In accordance with Section 15.A of the  
46 Bond Ordinance, there is hereby established a special subaccount within the Construction  
47 Account to be designated as the Series 2009 Construction Subaccount (the "Construction  
48 Subaccount"). Proceeds of the Project Bonds (exclusive of accrued interest, if any, which  
49 shall be deposited into the Debt Service Account in the Bond Fund) shall be deposited in  
50 the Construction Subaccount and applied to pay costs of improvements to the System and  
51 costs of issuance of the Project Bonds, in accordance with Section 15.A of the Bond  
52 Ordinance.

53 D. Undertaking to Provide Ongoing Disclosure.

54 1. Contract/Undertaking. In accordance with Section 31 of the Bond Ordinance,  
55 this Section D constitutes the county's written undertaking for the benefit of the owners  
56 and Beneficial Owners of the Bonds as required by Section (b)(5) of the Rule.

57 2. Financial Statements/Operating Data. The county agrees to provide or cause  
58 to be provided to each NRMSIR and to the SID, if any, in each case as designated by the  
59 Commission in accordance with the Rule, the following annual financial information and  
60 operating data for the prior fiscal year (commencing in 2009 for the fiscal year ended  
61 December 31, 2008):

62 a. Annual financial statements showing year-end fund balance for the County's  
63 Water Quality Enterprise fund prepared in accordance with the Budget Accounting and

64 Reporting System ("BARS") prescribed by the Washington State Auditor pursuant to  
65 RCW 43.09.200 (or any successor statute) and generally of the type included in the  
66 official statement for the Bonds under the heading "Appendix C: Excerpts from the  
67 County's 2007 Comprehensive Annual Financial Report";

68 b. A summary of the assessed value of taxable property in the County;

69 c. A summary of budgeted General Fund revenues and appropriations;

70 d. A summary of *ad valorem* property tax levy rates per \$1,000 of assessed  
71 value and delinquency rates;

72 e. A summary of outstanding tax-supported indebtedness of the County;

73 f. A schedule of the aggregate annual debt service on tax-supported  
74 indebtedness of the County; and

75 g. Information regarding customers, revenues and expenses of the Sewer  
76 System as set forth in the table under the heading "The Sewer System--Historical  
77 Customers, Revenues and Expenses."

78 Items b through g shall be required only to the extent that such information is not  
79 included in the annual financial statements.

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

86 the Commission and, if such document is a final official statement within the meaning of  
87 the Rule, available from the MSRB.

88 If not provided as part of the annual financial information discussed above, the  
89 county shall provide the county's audited annual financial statement prepared in  
90 accordance with BARS prescribed by the Washington State Auditor pursuant to RCW  
91 43.09.200 (or any successor statute) when and if available to each then existing NRMSIR  
92 and the SID, if any.

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

- 96 a. Principal and interest payment delinquencies;
- 97 b. Non-payment related defaults;
- 98 c. Unscheduled draws on debt service reserves reflecting financial difficulties;
- 99 d. Unscheduled draws on credit enhancements reflecting financial difficulties;
- 100 e. Substitution of credit or liquidity providers, or their failure to perform;
- 101 f. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- 102 g. Modifications to rights of Bond holders;
- 103 h. Optional, contingent or uncheduled calls of any Bonds other than scheduled  
104 sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34-  
105 23856;

- 106 i. Defeasances;
- 107 j. Release, substitution or sale of property securing repayment of the Bonds;

108 and

109 k. Rating changes.

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

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

118 5. Centralized Filing. Until July 1, 2009, any filing required to be made with  
119 any NRMSIR or SID pursuant to the county's undertaking may be made by transmitting  
120 such filing solely to (i) the Texas Municipal Advisory Council (the "MAC") as provided  
121 in <http://www.disclosureusa.org>, unless or until the SEC withdraws its approval of this  
122 submission process. On and after July 1, 2009, any filing required to be made by the  
123 County pursuant to this undertaking will be made to the MSRB, as the sole NRMSIR,  
124 through its Electronic Municipal Market Access system ("EMMA"). The SEC  
125 announced this change in December 2008 in connection with its amendments to Rule  
126 15c2-12.

127 6. Termination/Modification. The county's obligations to provide annual  
128 financial information and notices of material events shall terminate upon the legal  
129 defeasance, prior redemption or payment in full of all of the Bonds. This section, or any  
130 provision hereof, shall be null and void if the county (i) obtains an opinion of nationally  
131 recognized bond counsel to the effect that those portions of the Rule that require this

132 section, or any such provision, are invalid, have been repealed retroactively or otherwise  
133 do not apply to the Bonds; and (ii) notifies each then existing NRMSIR and the SID, if  
134 any, of such opinion and the cancellation of this section.

135 Notwithstanding any other provision of this motion, the county may amend this  
136 Section D, and any provision of this Section D may be waived, with an approving  
137 opinion of nationally recognized bond counsel and in accordance with the Rule.

138 In the event of any amendment or waiver of a provision of this Section D, the  
139 county shall describe such amendment in the next annual report, and shall include, as  
140 applicable, a narrative explanation of the reason for the amendment or waiver and its  
141 impact on the type (or in the case of a change of accounting principles, on the  
142 presentation) of financial information or operating data being presented by the county. In  
143 addition, if the amendment relates to the accounting principles to be followed in  
144 preparing financial statements, (i) notice of such change shall be given in the same  
145 manner as for a material event under subsection 3, and (ii) the annual report for the year  
146 in which the change is made should present a comparison (in narrative form and also, if  
147 feasible, in quantitative form) between the financial statements as prepared on the basis  
148 of the new accounting principles and those prepared on the basis of the former accounting  
149 principles.

150 7. Bond Owner's Remedies Under This Section. The right of any Bond owner  
151 or Beneficial Owner of Bonds to enforce the provisions of this section shall be limited to  
152 a right to obtain specific enforcement of the county's obligations hereunder, and any  
153 failure by the county to comply with the provisions of this undertaking shall not be an  
154 event of default with respect to the Bonds hereunder. For purposes of this section,

155 "Beneficial Owner" means any person who has the power, directly or indirectly, to vote  
156 or consent with respect to, or to dispose of ownership of, any Bonds, including persons  
157 holding Bonds through nominees or depositories.

158 E. Further Authority. The county officials, their agents, attorneys and  
159 representatives are hereby authorized and directed to do everything necessary for the  
160 prompt issuance and delivery of the Bonds and for the proper use and application of the  
161 proceeds of such sale.

162 F. Severability. If any provision in this motion is declared by any court of  
163 competent jurisdiction to be contrary to law, then such provision shall be null and void  
164



**Motion 12944**

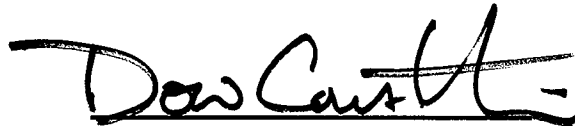
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165 and shall be deemed separable from the remaining provisions of this motion and shall in  
166 no way affect the validity of the other provisions of this motion or of the Bonds.  
167

Motion 12944 was introduced on 4/28/2008 and passed by the Metropolitan King County Council on 3/16/2009, by the following vote:

Yes: 8 - Mr. Constantine, Mr. Ferguson, Ms. Hague, Ms. Lambert, Mr. von Reichbauer, Mr. Gossett, Mr. Phillips and Ms. Patterson  
No: 0  
Excused: 1 - Mr. Dunn

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



Dow Constantine, Chair

ATTEST:



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Anne Noris, Clerk of the Council

**Attachments**      A. Bond Purchase Agreement-Notice of Bond Sale, B. Winning Bid for the Bonds, C. King County Limited Tax General Obligation Bonds (Payable from Sewer Revenues), 2009 Maturity Schedule

**OFFICIAL NOTICE OF BOND SALE**  
**KING COUNTY, WASHINGTON**  
**\$300,000,000\***  
**LIMITED TAX GENERAL OBLIGATION BONDS**  
**(PAYABLE FROM SEWER REVENUES), 2009**

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

**9:00 A.M., PACIFIC TIME, ON MARCH 16, 2009,**

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

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

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

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

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

A copy of the County's Preliminary Official Statement (with the Official Notice of Bond Sale), dated March 9, 2009, and further information regarding the details of the Bonds may be obtained upon request to the King

\* Preliminary, subject to change.

County Finance Director, Sixth Floor, King County Administration Building, 500 Fourth Avenue, Seattle, Washington 98104 (telephone: (206) 296-7345), or the County's financial advisor, Seattle-Northwest Securities Corporation, 1420 Fifth Avenue, Suite 4300, Seattle, Washington 98101 (telephone: (206) 628-2882).

#### Description of the Bonds

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

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

#### Election of Maturities

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

<u>Serial Maturity or Amortization Installment</u>	<u>Principal Amounts*</u>	<u>Serial Maturity or Amortization Installments</u>	<u>Principal Amounts*</u>
2014	\$ 6,930,000	2027	\$ 10,865,000
2015	7,090,000	2028	11,370,000
2016	7,265,000	2029	11,910,000
2017	7,460,000	2030	12,485,000
2018	7,675,000	2031	13,095,000
2019	7,915,000	2032	13,740,000
2020	8,180,000	2033	14,430,000
2021	8,470,000	2034	15,160,000
2022	8,795,000	2035	14,430,000
2023	9,150,000	2036	15,160,000
2024	9,530,000	2037	17,585,000
2025	9,945,000	2038	18,480,000
2026	10,390,000	2039	19,425,000

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

#### Redemption of the Bonds

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

\* Preliminary, subject to change.

### Security

The Bonds are general obligations of the County. The County has irrevocably covenanted and agreed for as long as any of the Bonds are outstanding and unpaid, that each year it will include in its budget and levy an *ad valorem* tax upon all property within the County subject to taxation in an amount that will be sufficient, together with all other revenues 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 that the annual tax authorized to be levied for the payment of such principal and interest shall be within and a part of the tax levy permitted to counties without a vote of the people. The County has irrevocably pledged its full faith, credit and resources for the annual levy and collection of those taxes and for the prompt payment of the principal of and interest on the Bonds as the same shall become due.

The Bonds are secured additionally by a pledge of revenues of the Sewer System of the County. The lien of the Bonds on sewer revenues is subject to the payment of Operating and Maintenance Expenses of the Sewer System and subordinate to the lien securing the Parity Bonds, equal to the lien securing the Parity Lien Obligations and superior to all other liens and charges on such revenue.

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

### Adjustment of Principal Amounts Before Bid Opening

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

### Bidding Information

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

No bid will be considered for the Bonds that is less than an amount equal to 98 percent of the par value of the Bonds nor more than an amount equal to 106 percent of the par value of the Bonds, or for less than the entire offering of the Bonds. Each individual maturity must be reoffered at a yield that will produce a price of not less than 98 percent of the principal amount for that maturity. For the purpose of the preceding sentence, "price" shall be defined as the lesser of the price at the redemption date or the price at the maturity date.

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

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

### Adjustment of Par Amount and Bid Price After Award

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

### **Good Faith Deposit**

The successful bidder shall deliver a good faith deposit in the amount of \$3,000,000 to the King County Treasury Section by no later than 90 minutes following the successful bidder's receipt of the verbal award. The good faith deposit may be paid in either of the following ways:

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

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

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

### **Insurance**

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

### **Award**

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

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

### **Issue Price Information**

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

- (i) confirming the Initial Reoffering Prices,
- (ii) certifying that a *bona fide* offering of the Bonds has been made to the public (excluding bond houses, brokers and other intermediaries),
- (iii) stating the prices at which a substantial amount of the Bonds was sold to the public (excluding bond houses, brokers and other intermediaries),

- (iv) stating the prices at which any portion of the Bonds that remains unsold at the date of closing would have been sold on the date the Bonds were awarded, and
- (v) stating the offering price of each portion of the Bonds sold to institutional or other investors at discount.

#### **Delivery**

The County will deliver the Bonds (consisting of one word-processed certificate for each maturity of the Bonds) to DTC in New York, New York, or to the Bond Registrar on behalf of DTC by Fast Automated Securities Transfer, prior to the date of closing. Closing shall occur within 40 days after the sale date. Settlement shall be in federal funds available in Seattle, Washington, on the date of delivery. Delivery is expected to be April 8, 2009.

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

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

#### **CUSIP Numbers**

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

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

#### **Ongoing Disclosure Undertaking**

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

#### **Official Statement**

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

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



**Barclays Capital, Inc. - New York , NY's Bid**  
**King County**  
**\$300,000,000 Limited Tax General Obligation Bonds,**  
**(Payable from Sewer Revenues), 2009**



For the aggregate principal amount of \$300,000,000.00, we will pay you \$299,791,981.60, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
01/01/2014	6,930M	5.0000
01/01/2015	7,090M	5.0000
01/01/2016	7,265M	5.0000
01/01/2017	7,460M	5.0000
01/01/2018	7,675M	5.0000
01/01/2019	7,915M	5.0000
01/01/2020	8,180M	5.0000
01/01/2021	8,470M	5.0000
01/01/2022	8,795M	5.0000
01/01/2023	9,150M	5.0000
01/01/2024	9,530M	5.0000
01/01/2025	9,945M	5.0000
01/01/2026	10,390M	5.0000
01/01/2027	10,865M	5.0000
01/01/2028	11,370M	5.0000
01/01/2029	11,910M	5.0000
01/01/2030	12,485M	5.0000
01/01/2031		
01/01/2032		
01/01/2033	41,285M	5.1250
01/01/2034		
01/01/2035		
01/01/2036	47,820M	5.1250
01/01/2037		
01/01/2038		
01/01/2039	55,490M	5.2500

Total Interest Cost: \$301,015,981.58  
 Discount: \$208,038.40  
 Net Interest Cost: \$301,224,019.98  
 TIC: 5.109119  
 Time Last Bid Received On: 03/16/2009 8:59:36 PDST



King County Limited Tax General Obligation Bonds (Payable from Sewer Revenues), 2009  
Maturity Schedule

Maturity Date	Amount	Coupon
1/1/2014	5,895,000	5.000%
1/1/2015	6,035,000	5.000%
1/1/2016	6,340,000	5.000%
1/1/2017	6,670,000	5.000%
1/1/2018	7,010,000	5.000%
1/1/2019	7,370,000	5.000%
1/1/2020	7,745,000	5.000%
1/1/2021	8,145,000	5.000%
1/1/2022	8,560,000	5.000%
1/1/2023	9,000,000	5.000%
1/1/2024	9,460,000	5.000%
1/1/2025	9,950,000	5.000%
1/1/2026	10,460,000	5.000%
1/1/2027	10,995,000	5.000%
1/1/2028	11,560,000	5.000%
1/1/2029	12,150,000	5.000%
1/1/2030	12,775,000	5.000%
1/1/2033	42,470,000	5.125%
1/1/2036	49,530,000	5.125%
1/1/2039	57,880,000	5.250%

Mandatory sinking fund redemptions for term Bonds due 1/1/2033, 1/1/2036 and 1/1/2039 are as follows:

Term Bond 2033:	1/1/2031	13,435,000	5.125%
	1/1/2032	14,145,000	5.125%
	1/1/2033	14,890,000	5.125%
Term Bond 2036:	1/1/2034	15,670,000	5.125%
	1/1/2035	16,495,000	5.125%
	1/1/2036	17,365,000	5.125%
Term Bond 2039:	1/1/2037	18,290,000	5.250%
	1/1/2038	19,275,000	5.250%
	1/1/2039	20,315,000	5.250%