



KING COUNTY
Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

November 7, 2011

Motion 13587

Proposed No. 2011-0456.2

Sponsors Patterson

1 A MOTION of the county council accepting a bid for the
2 purchase of the county's Limited Tax General Obligation
3 Bonds, 2011, Series B, in the aggregate principal amount of
4 \$5,725,000, accepting a bid for the purchase of the county's
5 Limited Tax General Obligation Bonds, 2011, Series C
6 (Taxable), in the aggregate principal amount of
7 \$15,530,000, and establishing certain terms of such notes in
8 accordance with Ordinance 16681.

9 WHEREAS, pursuant to Ordinance 16681 (the "Ordinance"), the county council
10 authorized the issuance of one or more series of its limited tax general obligation bonds
11 in an outstanding aggregate principal amount not to exceed \$29,000,000 to provide long-
12 term financing for the Green River Flood Mitigation Project, defined and described in the
13 Ordinance, and further authorized the issuance and public sale of one or more series of its
14 limited tax general obligation bond anticipation notes in an outstanding aggregate
15 principal amount not to exceed \$29,000,000 to provide interim financing for such project
16 pending the issuance of the bonds, and

17 WHEREAS, the Ordinance provided that such bonds may be sold at public sale,
18 either by negotiated sale or by competitive bid, in one or more series as determined by
19 the Finance Director in consultation with the county's financial advisors, and

20 WHEREAS, the Finance Director has determined that a series of such bonds, to
21 be designated as the county's Limited Tax General Obligation Bonds, 2011, Series B, in
22 the aggregate principal amount of \$5,725,000 (the "Series B Bonds"), be sold as provided
23 herein, and

24 WHEREAS, the Finance Director has determined that a second series of such
25 bonds, to be designated as the county's Limited Tax General Obligation Bonds, 2011,
26 Series C (Taxable), in the aggregate principal amount of \$15,530,000 (the "Series C
27 Bonds" and, together with the Series B Bonds, the "Bonds"), also be sold as provided
28 herein, and

29 WHEREAS, currently, none of the bonds and \$24,075,000 of the bond
30 anticipation notes authorized by the Ordinance are outstanding, all of which will be
31 repaid and retired with proceeds of the Bonds and other funds of the county on their date
32 of issuance. The aggregate principal amount of all such bonds and bond anticipation
33 notes (including the Bonds) to be outstanding on the date of issuance of the Bonds will be
34 \$21,255,000, which amount does not exceed \$29,000,000, and

35 WHEREAS, a preliminary official statement dated October 28, 2011, has been
36 prepared for the public sale of the Bonds, the official notice of such sale dated October
37 28, 2011 (the "Notice"), has been duly published, and bids have been received in
38 accordance with the Notice, and

39 WHEREAS, the attached bid of UBS Financial Services Inc. to purchase the
40 Series B Bonds is the best bid received for the Series B Bonds, and it is in the best
41 interest of the county that the Series B Bonds be sold to UBS Financial Services Inc. on
42 the terms set forth in the Notice, the attached bid, the Ordinance and this motion, and

43 WHEREAS, the attached bid of Wells Fargo Bank, National Association to
44 purchase the Series C Bonds is the best bid received for the Series C Bonds, and it is in
45 the best interest of the county that the Series C Bonds be sold to Wells Fargo Bank,
46 National Association on the terms set forth in the Notice, the attached bid, the Ordinance
47 and this motion;

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

49 A. Definitions. Except as expressly authorized herein, terms used in this motion
50 have the meanings set forth in the Ordinance.

51 B. Ratification of Notice of Sale, Acceptance of Bids, and Authorization of
52 Bonds.

53 1. Series B Bonds. The issuance of the Series B Bonds, designated as the
54 county's Limited Tax General Obligation Bonds, 2011, Series B, in the aggregate
55 principal amount of \$5,725,000, and the other terms and conditions thereof set forth in
56 the Notice attached hereto as Attachment A, are hereby ratified and confirmed. The offer
57 to purchase the Series B Bonds, as set forth in the bid of UBS Financial Services Inc.
58 attached hereto as Attachment B, which shall be deemed to be adjusted to reflect the
59 changed aggregate principal amount and the changed principal amounts of the maturities
60 of the Series B Bonds, as and to the extent permitted by the Notice, is hereby accepted.
61 The Series B Bonds shall be dated their date of issue and delivery, shall mature on the
62 dates and in the amounts, and shall bear interest at the rates, all as specified in
63 Attachment C. The Series B Bonds shall be Tax-Exempt Obligations, as defined in the
64 Ordinance, and shall not be subject to redemption. The Series B Bonds shall conform in
65 all other respects to the terms and conditions specified in the Notice and Ordinance.

66 2. Series C Bonds. The issuance of the Series C Bonds, designated as the
67 county's Limited Tax General Obligation Bonds, 2011, Series C (Taxable), in the
68 aggregate principal amount of \$15,530,000, and the other terms and conditions thereof
69 set forth in the Notice attached hereto as Attachment A, are hereby ratified and
70 confirmed. The offer to purchase the Series C Bonds, as set forth in the bid of Wells
71 Fargo Bank, National Association attached hereto as Attachment D, which shall be
72 deemed to be adjusted to reflect the changed aggregate principal amount and the changed
73 principal amounts of the maturities of the Series C Bonds, as and to the extent permitted
74 by the Notice, is hereby accepted. The Series C Bonds shall be dated their date of issue
75 and delivery, shall mature on the dates and in the amounts, and shall bear interest at the
76 rates, all as specified in Attachment E. The Series C Bonds shall be Taxable Obligations,
77 as defined in the Ordinance, and shall not be subject to redemption. The Series C Bonds
78 shall conform in all other respects to the terms and conditions specified in the Notice and
79 Ordinance.

80 C. Application of Bond Proceeds.

81 1. Series B Bonds. The proceeds, including any net original issue premium but
82 net of the underwriter's discount, of the Series B Bonds received by the county shall be
83 applied as follows: \$6,200,500.00 shall be deposited into the Limited Tax General
84 Obligation Bond Anticipation Note Redemption Account, 2010, Series B within the
85 Limited Tax General Obligation Bond Redemption Fund to be used, together with
86 unexpended proceeds of the county's outstanding Limited Tax General Obligation Bond
87 Anticipation Notes, 2010, Series B (the "2010B Notes") to provide long-term financing
88 for such portion of the Green River Flood Mitigation Project as qualifies for tax-exempt

89 financing under the Code in the form of a current refunding of the 2010B Notes; and
90 \$31,825.85 shall be deposited into the Green River Flood Mitigation Fund and used to
91 pay costs and expenses incurred in issuing the Series B Bonds.

92 2. Series C Bonds. The proceeds, including any net original issue premium but
93 net of the underwriter's discount, of the Series C Bonds received by the county shall be
94 applied as follows: \$15,383,500.00 shall be deposited into the Limited Tax General
95 Obligation Bond Anticipation Note Redemption Account, 2010, Series C (Taxable)
96 within the Limited Tax General Obligation Bond Redemption Fund to be used, together
97 with unexpended proceeds of the county's outstanding Limited Tax General Obligation
98 Bond Anticipation Notes, 2010, Series C (Taxable) (the "2010C Notes") to provide long-
99 term financing for such portion of the Green River Flood Mitigation Project as does not
100 qualify for tax-exempt financing under the Code in the form of a current refunding of the
101 2010C Notes; and \$85,930.67 shall be deposited into the Green River Flood Mitigation
102 Fund and used to pay costs and expenses incurred in issuing the Series C Bonds.

103 D. Undertaking to Provide Ongoing Disclosure.

104 1. Contract/Undertaking. This section D. constitutes the county's written
105 undertaking (the "Undertaking") for the benefit of the owners and beneficial owners of
106 the Bonds as required by section (b)(5)(i)(C) of rule 15c2-12 (the "rule") of the Securities
107 and Exchange Commission.

108 2. Financial Statements/Operating Data. The county agrees to provide or cause
109 to be provided to the Municipal Securities Rulemaking Board (the "MSRB") the
110 following annual financial information and operating data for the prior fiscal year
111 (commencing in 2012 for the fiscal year ended December 31, 2011):

112 (a) annual financial statements prepared in accordance with the Budget
113 Accounting and Reporting System ("BARS") prescribed by the Washington State Auditor
114 pursuant to RCW 43.09.200 (or any successor statutes) and generally of the type attached
115 to the official statement as "Appendix B," which statements will not be audited, except
116 that if and when audited financial statements are otherwise prepared and available to the
117 county they will be provided;

118 (b) a summary of the assessed value of taxable property in the county;

119 (c) a summary of budgeted General Fund revenues and appropriations;

120 (d) a summary of *ad valorem* property tax levy rates per \$1,000 of assessed
121 value and delinquency rates;

122 (e) a summary of outstanding tax-supported indebtedness of the county; and

123 (f) a schedule of the aggregate annual debt service on tax-supported
124 indebtedness of the county.

125 Items (b) through (f) shall be required only to the extent that such information is
126 not included in the annual financial statements.

127 Such annual information and operating data described above shall be provided on
128 or before the end of seven months after the end of the county's fiscal year. The county's
129 fiscal year currently ends on December 31. The county may adjust such fiscal year by
130 providing written notice of the change of fiscal year to the MSRB. In lieu of providing
131 such annual financial information and operating data, the county may make specific
132 cross-reference to other documents available to the public on the MSRB's internet web
133 site or filed with the Commission.

134 If not provided as part of the annual financial information discussed above, the
135 county shall provide to the MSRB the county's audited annual financial statements
136 prepared in accordance with BARS when and if available.

137 3. Specified Events. The county agrees to provide or cause to be provided, in a
138 timely manner not in excess of ten business days after the occurrence of the event, to the
139 MSRB, notice of the occurrence of any of the following specified events with respect to
140 the Bonds:

- 141 (a) principal and interest payment delinquencies;
- 142 (b) non-payment related defaults, if material;
- 143 (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- 144 (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- 145 (e) substitution of credit or liquidity providers, or their failure to perform;
- 146 (f) adverse tax opinions, the issuance by the Internal Revenue Service of
147 proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form
148 5701-TEB) or other material notices or determinations with respect to the tax status of the
149 Bonds, or other material events affecting the tax status of the Bonds;
- 150 (g) modifications to rights of Bondholders, if material;
- 151 (h) Bond calls, if material, and tender offers;
- 152 (i) defeasances;
- 153 (j) release, substitution or sale of property securing repayment of the Bonds, if
154 material;
- 155 (k) rating changes;
- 156 (l) bankruptcy, insolvency, receivership, or similar event of the county;

157 (m) the consummation of a merger, consolidation or acquisition involving the
158 county or the sale of all or substantially all of the assets of the county, other than in the
159 ordinary course of business, the entry into a definitive agreement to undertake such an
160 action or the termination of a definitive agreement relating to any such actions, other than
161 pursuant to its terms, if material; and

162 (n) appointment of a successor or additional trustee or the change of name of a
163 trustee, if material.

164 Solely for purposes of disclosure, and not intending to modify this undertaking,
165 the county advises with reference to items (c), (j) and (n) above that no debt service
166 reserves secure payment of the Bonds, no property secures repayment of the Bonds, and
167 there is no trustee for the Bonds.

168 4. Notification Upon Failure to Provide Financial Data. The county agrees to
169 provide or cause to be provided, in a timely manner, to the MSRB, notice of its failure to
170 provide the annual financial information described in subsection 2 above on or prior to
171 the date set forth in subsection 2 above.

172 5. Electronic Format; Identifying Information. The county agrees that all
173 documents provided to the MSRB pursuant to the Undertaking shall be provided in an
174 electronic format and accompanied by such identifying information, each as prescribed
175 by the MSRB.

176 6. Termination/Modification. The county's obligations to provide annual
177 financial information and notices of specified events shall terminate upon the legal
178 defeasance, prior redemption or payment in full of all of the Bonds. The Undertaking, or
179 any provision hereof, shall be null and void if the county (i) obtains an opinion of

180 nationally recognized bond counsel to the effect that those portions of the rule which
181 require the Undertaking, or any such provision, are invalid, have been repealed
182 retroactively or otherwise do not apply to the Bonds; and (ii) notifies the MSRB of such
183 opinion and the cancellation of the Undertaking.

184 Notwithstanding any other provision of this motion, the county may amend the
185 Undertaking, and any provision of the Undertaking may be waived, with an approving
186 opinion of nationally recognized bond counsel and in accordance with the rule.

187 In the event of any amendment or waiver of a provision of the Undertaking, the
188 county shall describe such amendment in the next annual report, and shall include, as
189 applicable, a narrative explanation of the reason for the amendment or waiver and its
190 impact on the type (or in the case of a change of accounting principles, on the
191 presentation) of financial information or operating data being presented by the county. In
192 addition, if the amendment relates to the accounting principles to be followed in
193 preparing financial statements, (i) notice of such change shall be given in the same
194 manner as for a specified event under subsection 3, and (ii) the annual report for the year
195 in which the change is made should present a comparison (in narrative form and also, if
196 feasible, in quantitative form) between the financial statements as prepared on the basis
197 of the new accounting principles and those prepared on the basis of the former accounting
198 principles.

199 7. Bond Owners' Remedies Under the Undertaking. The right of any Bond
200 owner or beneficial owner of Bonds to enforce the provisions of the Undertaking shall be
201 limited to a right to obtain specific enforcement of the county's obligations hereunder,
202 and any failure by the county to comply with the provisions of this undertaking shall not

203 be an event of default with respect to the Bonds. For purposes of the Undertaking,
204 "beneficial owner" means any person who has the power, directly or indirectly, to vote or
205 consent with respect to, or to dispose of ownership of, any Bonds, including persons
206 holding Bonds through nominees or depositories.

207 E. Further Authority. The proper county officials, their agents, and
208 representatives are hereby authorized and directed to do everything necessary for the
209 prompt issuance and delivery of the Bonds, for the preparation, execution and delivery of
210 the final official statement for the sale of the Bonds, and for the proper use and
211 application of the proceeds of such sale.

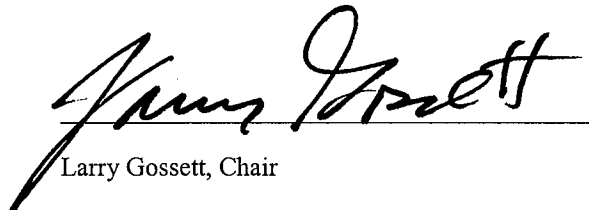
212 F. Severability. The covenants contained in this motion shall constitute a
213 contract between the county and the owners of each and every Bond. If any one or more
214 of the covenants or agreements provided in this motion to be performed on the part of the
215 county shall be declared by any court of competent jurisdiction to be contrary to law, then
216 such covenant or covenants, agreement or agreements, shall be null and void and shall be

217 deemed separable from the remaining covenants and agreements of this motion and shall
218 in no way affect the validity of the other provisions of this motion or of the Bonds.
219


Motion 13587 was introduced on 11/7/2011 and passed by the Metropolitan King County Council on 11/7/2011, by the following vote:

Yes: 7 - Mr. Phillips, Mr. Gossett, Ms. Hague, Ms. Patterson, Mr. Ferguson, Mr. Dunn and Mr. McDermott
No: 0
Excused: 2 - Mr. von Reichbauer and Ms. Lambert

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Larry Gossett, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments: A. Official Notice of Sale King County, Washington Limited Tax General Obligation Bonds \$5,705,000* 2011, Series B \$15,555,000* 2011, Series C (Taxable), B. UBS Financial Services Inc. - New York, NY's Bid King County \$5,705,000 Limited Tax General Obligation Bonds, Bonds 2011, Series B, C. King County, Washington Limited Tax General Obligation Bonds, 2011, Series B, (the "Series B" Bonds), D. Wells Fargo Bank, National Association - Charlotte, NC's Bid King County \$15,555,000 Limited Tax General Obligation Bonds, Bonds, 2011, Series C (Taxable), E. King County, Washington Limited Tax General Obligation Bonds, 2011, Series C (Taxable) (the "Series C Bonds")

OFFICIAL NOTICE OF SALE

KING COUNTY, WASHINGTON

LIMITED TAX GENERAL OBLIGATION BONDS

\$5,705,000*	\$15,555,000*
2011, SERIES B	2011, SERIES C (TAXABLE)

Separate electronic bids for the Limited Tax General Obligation Bonds, 2011, Series B (the "Series B Bonds"), and the Limited Tax General Obligation Bonds, 2011, Series C (Taxable) (the "Series C Bonds"), of King County, Washington (the "County"), will be received via BiDCOMP/PARITY ("Parity") in the manner described below on

NOVEMBER 7, 2011, AT

SERIES B BONDS: 9:00 A.M., PACIFIC TIME,
SERIES C BONDS: 9:30 A.M., PACIFIC TIME,

or at such later date or time as may be established by the Director (the "Finance Director") of the Finance and Business Operations Division of the King County Department of Executive Services (the "Finance Division") 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 either series of the Bonds, it will be awarded to the successful bidder of such series and its terms will be approved by the County Council at such meeting.

The Series B Bonds and the Series C Bonds are collectively referred to in this Official Notice of Sale as the "Bonds."

Each series of the Bonds will be sold on an all-or-none basis. Bidders who choose to bid on more than one series of the Bonds must submit a separate bid for each series. Bids for each series of the Bonds must be submitted electronically via Parity in accordance with its Rules of Participation and this notice, and no bid will be received after the time for receiving bids specified above. For further information about Parity, potential bidders may contact Parity at (212) 849-5021.

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

- (i) If any provision in this Official Notice of Sale conflicts with information or terms provided or required by Parity, this Official Notice of Sale, including any amendments issued by public wire, will 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 Sale.
- (iii) The County has no duty or obligation to provide or assure access to Parity, and will 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 Sale and the information that is electronically transmitted through Parity will form a contract between the bidder and the County.

* Preliminary, subject to change.

If all bids for any series of the Bonds are rejected, the Finance Director may fix a new date and time for the receipt of bids for such series of 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, will be considered an amendment to this Official Notice of Sale.

A copy of the County's Preliminary Official Statement (with the Official Notice of Sale), dated October 28, 2011, and further information regarding the details of the Bonds may be obtained from i-Deal Prospectus, a service of i-Deal LLC, at www.i-dealprospectus.com, or upon request to the King County Finance and Business Operations Division (the "Division"). See "Contact Information."

Contact Information

Finance Division	Nigel Lewis King County (206) 296-1168 nigel.lewis@kingcounty.gov
Financial Advisor	Rob Shelley Seattle-Northwest Securities Corporation Office phone: (206) 628-2879; Day of sale phone: (206) 601-2249 rshelley@snwsc.com
Bond Counsel	Dan Gottlieb Gottlieb Fisher PLLC (206) 654-1999 dan@goandfish.com

Description of the Bonds

The Bonds will be dated the date of their initial delivery. The Bonds bear interest payable semiannually on each June 1 and December 1, beginning June 1, 2012, to the maturity or prior redemption of the Bonds. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will mature on the dates and in the years and amounts set forth on the inside cover of this Official Statement.

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 DTC. 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 in New York, New York, currently The Bank of New York Mellon (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 will designate whether the principal amounts of the Bonds as set forth below will be retired on December 1 of each respective year as serial bonds maturing in such year or as mandatory sinking fund redemptions of term bonds maturing in the years specified by the bidder.

SERIES B BONDS		SERIES C BONDS	
<u>Serial Maturity or Mandatory Sinking Fund Redemption</u>	<u>Principal Amounts</u>	<u>Serial Maturity or Mandatory Sinking Fund Redemption</u>	<u>Principal Amounts</u>
2017	\$ 735,000	2012	\$ 2,655,000
2018	2,875,000	2013	2,670,000
2019	2,095,000	2014	2,690,000
		2015	2,715,000
		2016	2,755,000
		2017	2,070,000

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

Redemption of the Bonds

The Bonds are not subject to redemption at the option of the County prior to maturity; however, the Bonds may be subject to mandatory sinking fund redemption if the successful bidder for the Bonds specifies term bonds.

Security

The Bonds are general obligations of the County. The County has irrevocably covenanted that, for as long as any of the Bonds are outstanding and unpaid, 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 property within the County subject to taxation in an amount that will be sufficient, together with bond proceeds and 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 will become due. The County has irrevocably pledged its full faith, credit and resources for the annual levy and collection of such taxes and the prompt payment of the principal and interest on the Bonds as the same become due.

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

Bidding Information

Bidders are invited to submit separate bids for the purchase of either or both series of the Bonds fixing the interest rate that the Bonds of each series will bear. The interest rates bid must be in a multiple of 1/8 or 1/20 of 1%. No more than one rate of interest may be fixed for any one maturity of the Bonds. Bids will be without condition and may only be submitted electronically via Parity.

No bid will be considered for the Series B Bonds that is less than an amount equal to 100% of the par value of the Series B Bonds nor more than an amount equal to 112% of the par value of the Series B Bonds, or for less than the entire offering of the Series B 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.

No bid will be considered for the Series C Bonds that is less than an amount equal to 98% of the par value of the Series C Bonds nor more than an amount equal to 102% of the par value of the Series C Bonds, or for less than the entire offering of the Series C 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 paragraphs, "price" is defined as the lesser of the price at the redemption date or the price at the maturity date.

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 After Award

The County reserves the right to increase or decrease the total par amount of the Series B Bonds by 10% of the total par amount of the Series B Bonds, and to increase or decrease the total par amount of the Series C Bonds by 10% of the total par amount of the Series C Bonds 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 up to \$700,000.

The price bid by the successful bidder for each series of the Bonds will be adjusted by the County on a proportionate basis to reflect an increase or decrease in the principal amount of such series 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 any series of the Bonds.

Good Faith Deposit

The successful bidder for the Series B Bonds is required to deliver a good faith deposit in the amount of \$60,000 and the successful bidder for the Series C Bonds is required to deliver a good faith deposit in the amount of \$150,000, in each case by federal funds wire transfer to the Treasury Section of the Finance Division by no later than 90 minutes following the successful bidder's receipt of the verbal award. Wiring instructions will be provided to the successful bidder for each series of the Bonds at the time of the verbal award.

The good faith deposit of the successful bidder of each series 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 such series of the Bonds on the delivery of such series of the Bonds to the successful bidder. Pending delivery of the Bonds, the good faith deposit for each series of the Bonds may be invested for the sole benefit of the County.

If the Bonds of a series are ready for delivery and the successful bidder fails to complete the purchase of such series of the Bonds within 40 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 will 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 will 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, will be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued will 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

Each series of the Bonds will be sold to the bidder making a bid for such series of the Bonds 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 purpose of comparing bids only, the interest rate being controlling, each bid must 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 a series of 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, such series of 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 for each series of the Bonds will advise the County and Bond Counsel of the initial reoffering prices to the public of such series of the Bonds (the "Initial Reoffering Prices"). Simultaneously with or before delivery of each series of the Bonds, the successful bidder for each series of the Bonds will furnish to the County and Bond Counsel a certificate in form and substance acceptable to Bond Counsel:

- (i) confirming the applicable Initial Reoffering Price,
- (ii) certifying that a *bona fide* offering of the applicable series 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 (at least 10%) of such series of the Bonds was sold to the public (excluding bond houses, brokers and other intermediaries),
- (iv) stating the price at which any portion of such series 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 such series 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 series 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 will occur within 40 days after the sale date. Settlement will be in federal funds available in Seattle, Washington, on the date of delivery. Delivery is expected to be December 1, 2011.

If, prior to the delivery of the Series B Bonds, the interest receivable by the owners of the Series B 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, the successful bidder for the Series B Bonds, at its option, may be relieved of its obligation to purchase the Series B Bonds, and in that case the good faith deposit accompanying its bid will be returned without interest.

The approving legal opinions of Gottlieb Fisher PLLC, Seattle, Washington, Bond Counsel, will be provided to the purchaser(s) 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 Securities and Exchange Commission ("SEC") Rule 15c2-12 (the "Rule"). A no-litigation certificate will be included in the closing papers of the Bonds.

Failure by the County to deliver either series of Bonds, for any reason, will not constitute cause for failure or refusal by the successful bidder to accept delivery of the other series of Bonds.

CUSIP Numbers

It is anticipated that a CUSIP identification number will be printed on each series of 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 successful bidder for each series of the Bonds is responsible for obtaining a CUSIP number for such series of the Bonds. The charge of the CUSIP Service Bureau will be paid by each successful bidder; however, all expenses for printing the CUSIP number on the Bonds will be paid by the County.

Ongoing Disclosure Undertaking

To assist bidders in complying with paragraph (b)(5) of the Rule, 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.

Preliminary Official Statement

The Preliminary Official Statement is in a form that the County expects to deem final for the purpose of paragraph (b)(1) of the Rule, 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 each purchaser through its designated representative not later than seven business days after the County's acceptance of the purchaser's bid, in sufficient quantities to permit each successful bidder to comply with the Rule.

By submitting the successful proposal, each purchaser's designated senior representative agrees:

- (i) to provide to the Finance Division, in writing, within 24 hours after the acceptance of the bid, pricing and other related information, including the Initial Reoffering Price of applicable series of the Bonds, necessary for completion of the final Official Statement;
- (ii) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any amendments or supplements prepared by the County;
- (iii) to take any and all actions necessary to comply with applicable rules of the SEC and the Municipal Securities Rulemaking Board ("MSRB") governing the offering, sale and delivery of the Bonds to ultimate purchasers, including the delivery of a final Official Statement to each investor who purchases the Bonds; and
- (iv) to file the final Official Statement or cause it to be filed with the MSRB within one business day following its receipt from the County.

Official Statement

At closing, the County will furnish a certificate of an official or officials of the County, stating that, to the best knowledge of such official(s) and relying on the opinions of Bond Counsel where appropriate, as of the date of the Official Statement and as of the date of delivery of the Bonds,

- (i) the information (including financial information) regarding the County contained in the Official Statement was and is true and correct in all material respects and did not and does not contain any untrue statement of a material fact or omit any statement or information which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (however, the County will make no representation regarding Bond Counsel's form of opinion or the information provided by DTC, The Bank of New York Mellon, or any entity providing bond insurance, reserve insurance or other credit facility); and
- (ii) the descriptions and statements, including financial data, of or pertaining to other bodies and their activities contained in the Official Statement have been obtained from sources that the County believes to be reliable and the County has no reason to believe that they are untrue in any material respect.

DATED at Seattle, Washington, this 28th day of October, 2011.

_____/s/_____
Clerk of the Metropolitan King County Council

**UBS Financial Services Inc. - New York , NY's Bid
King County**



**\$5,705,000 Limited Tax General Obligation Bonds,
Bonds, 2011, Series B**

For the aggregate principal amount of \$5,705,000.00, we will pay you \$6,214,021.45, 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 %
12/01/2017	735M	2.0000
12/01/2018	2,875M	3.0000
12/01/2019	2,095M	4.0000

Total Interest Cost: \$1,362,350.00
 Premium: \$509,021.45
 Net Interest Cost: \$853,328.55
 TIC: 1.965822
 Time Last Bid Received On: 11/07/2011 8:59:38 PST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: UBS Financial Services Inc., New York , NY
 Contact: Vincent Pietanza
 Title:
 Telephone: 212-713-2500
 Fax:

Issuer Name: King County Company Name: _____

Accepted By: _____ Accepted By: _____

Date: _____ Date: _____

ATTACHMENT C

KING COUNTY, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BONDS, 2011, SERIES B
(the "Series B Bonds")

Maturity Dates, Principal Amounts and Interest Rates

<u>Maturity Date (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2017	\$ 790,000	2.000%
2018	2,845,000	3.000
2019	2,090,000	4.000

ATTACHMENT E

KING COUNTY, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BONDS, 2011, SERIES C (TAXABLE)
(the "Series C Bonds")

Maturity Dates, Principal Amounts and Interest Rates

<u>Maturity Date (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2012	\$2,675,000	0.300%
2013	2,685,000	0.550
2014	2,700,000	0.750
2015	2,720,000	1.150
2016	2,750,000	1.500
2017	2,000,000	1.850