



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 27, 2017

Ordinance 18543

Proposed No. 2017-0102.1

Sponsors Upthegrove

1 AN ORDINANCE authorizing the issuance and public sale
2 of one or more series of limited tax general obligation
3 bonds of the county in an aggregate original principal
4 amount not to exceed \$54,600,000 to provide financing for
5 the BRC BI Analytics Project, the Courthouse Electrical
6 Distribution System Replacement Project, the Dolan
7 Interest Settlement Project, the DPD Lease Consolidation
8 Project, the Elections Tabulation Project, the FMD Asset
9 Management System Project, the FRED Projects and the
10 Jail Management System Project, and to pay costs of
11 issuing the bonds; providing for the disposition of the
12 proceeds of sale of the bonds; establishing funds for the
13 receipt and expenditure of bond proceeds and for the
14 payment of the bonds; and providing for the annual levy of
15 taxes to pay the principal thereof and interest thereon.

PREAMBLE:

16 The county council previously reviewed and approved the BRC BI
17 Analytics Project, the Courthouse Electrical Distribution System
18 Replacement Project, the Dolan Interest Settlement Project, the DPD
19

20 Lease Consolidation Project, the Elections Tabulation Project, the FMD
21 Asset Management System Project, the FRED Projects and the Jail
22 Management System Project.

23 It is deemed necessary and advisable that the county now authorize the
24 issuance and sale of one or more series of its limited tax general obligation
25 bonds in an aggregate original principal amount not to exceed \$54,600,000
26 to provide financing for the BRC BI Analytics Project, the Courthouse
27 Electrical Distribution System Replacement Project, the Dolan Interest
28 Settlement Project, the DPD Lease Consolidation Project, the Elections
29 Tabulation Project, the FMD Asset Management System Project, the
30 FRED Projects and the Jail Management System Project and to pay costs
31 of issuing the bonds.

32 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

33 SECTION 1. Definitions. The following words and terms as used in this
34 ordinance have the following meanings for all purposes of this ordinance, unless some
35 other meaning is plainly intended:

36 "Bond Account" means, with respect to each Series of Bonds, the bond
37 redemption account established therefor pursuant to section 14 of this ordinance.

38 "Bonds" means the limited tax general obligation bonds of the county in an
39 aggregate original principal amount not to exceed \$54,600,000, authorized to be issued in
40 one or more Series by this ordinance to provide financing for the Projects and to pay
41 costs of issuing the Bonds. Each Series of Bonds may be issued as Tax-Exempt Bonds or
42 Taxable Bonds, as provided in section 10 of this ordinance.

43 "BRC BI Analytics Project" means the capital project to acquire and implement
44 an enterprise-wide business intelligence and reporting solution for Oracle EBS,
45 PeopleSoft and Hyperion systems.

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

50 "Courthouse Electrical Distribution System Replacement Project" means the
51 capital project to replace the electrical distribution system of the King County
52 Courthouse.

53 "Dolan Interest Settlement Project" means the payment of the Dolan interest
54 settlement to the Washington State Department of Retirement Systems.

55 "DPD Lease Consolidation Project" means the capital project to consolidate
56 county department of public defense staff in the Dexter Horton Building, including tenant
57 improvements move costs.

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

59 "Elections Tabulation Project" means the capital project to procure and install a
60 replacement for the county's existing elections tabulation system.

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

64 "FMD Asset Management System Project" means the capital project to scope,
65 procure, configure and implement a standards-based, integrated workplace management

66 system for the county's facilities management division.

67 "FRED Program" means the county's Fund to Reduce Energy Demand program
68 established to finance projects that reduce energy or other resource use and cost to help
69 meet long-term energy reduction and climate goals.

70 "FRED Projects" means the FRED Program capital projects listed in Attachment
71 A to this ordinance.

72 "Government Obligations" means "government obligations," as defined in chapter
73 39.53 RCW, as now in existence or amended from time to time.

74 "Jail Management System Project" means the capital project to acquire and
75 implement a modern, comprehensive and integrated jail management system for the
76 county.

77 "Letter of Representations" means the Blanket Issuer Letter of Representations,
78 dated May 1, 1995, from the county to DTC.

79 "Official Notice of Bond Sale" means, with respect to each Series of Bonds sold
80 by competitive bid, the official notice of sale therefor prepared pursuant to section 10 of
81 this ordinance.

82 "Projects" means, collectively, the BRC BI Analytics Project, the Courthouse
83 Electrical Distribution System Replacement Project, the Dolan Interest Settlement
84 Project, the DPD Lease Consolidation Project, the Elections Tabulation Project, the FMD
85 Asset Management System Project, the FRED Projects and the Jail Management System
86 Project.

87 "Record Date" means, for an interest or principal payment date or for a maturity
88 date, the 15th day of the calendar month next preceding that date.

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

91 "Registrar" means the fiscal agent of the State appointed from time to time by the
92 Washington State Finance Committee pursuant to chapter 43.80 RCW, serving as the
93 registrar, authenticating agent, paying agent and transfer agent for the Bonds.

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

96 "Sale Motion" means a motion of the county council adopted at the time of sale of
97 each Series of Bonds that ratifies and establishes the terms for that Series of Bonds.

98 "Series" or "Series of Bonds" means a series of Bonds issued pursuant to this
99 ordinance.

100 "State" means the State of Washington.

101 "Taxable Bonds" means the Bonds of any Series determined to be issued on a
102 taxable basis pursuant to section 10 of this ordinance.

103 "Tax-Exempt Bonds" means the Bonds of any Series determined to be issued on a
104 tax-exempt basis pursuant to section 10 of this ordinance.

105 SECTION 2. Findings. The county council hereby makes the following
106 findings:

107 A. The Projects will contribute to the health, safety and welfare of the
108 citizens of the county.

109 B. The issuance of limited tax general obligation bonds of the county,
110 payable from regular property taxes or other revenues and money of the county legally
111 available for such purposes, to provide financing for the Projects and to pay costs of

112 issuing the bonds will reduce the overall costs of borrowing such funds and is in the best
113 interests of the county and its citizens.

114 SECTION 3. Authorization of the Projects. The county council has previously
115 authorized the undertaking of the Projects. The Projects shall also include (a) capitalized
116 interest, interest on interim financing for such Projects pending receipt of Bond proceeds
117 and costs and expenses incurred in issuing the Bonds; (b) the capitalizable costs of sales
118 tax, acquisition and contingency allowances, financing and any and all surveys,
119 explorations, engineering and architectural studies, drawings, designs and specifications
120 incidental, necessary or convenient to the implementation of the Projects; and (c) the
121 purchase of all materials, supplies, appliances, equipment and facilities, and the permits,
122 franchises, property and property rights and capitalizable administrative costs, incidental,
123 necessary or convenient to the implementation of the Projects.

124 Any of the Projects may be modified where deemed advisable or necessary in the
125 judgment of the county council, and implementation or completion of any component
126 thereof will not be required if the county council determines that it has become
127 inadvisable or impractical. If all components of the Projects have been completed, their
128 completion has been duly provided for or completion of all or any of them is found to be
129 inadvisable or impractical, the county may pay, redeem or defease Bonds, or apply any
130 remaining proceeds of the Bonds, or any portion thereof, to the acquisition or
131 improvement of other county capital projects as the county council may determine. In
132 the event that the proceeds of the sale of the Bonds, plus any other money of the county
133 legally available therefor, are insufficient to accomplish all of the Projects, the county
134 shall use the available funds to finance those components of the Projects deemed by the

135 county council to be most necessary and in the best interest of the county.

136 SECTION 4. Purpose, Authorization and Description of Bonds.

137 A. Purpose and Authorization of Bonds. The county authorizes the issuance
138 of the Bonds to provide financing for the Projects and to pay costs of issuing the Bonds.

139 B. Description of Bonds. The Bonds may be issued in one or more Series so
140 long as the aggregate original principal amount of all Series of Bonds does not exceed
141 \$54,600,000. Each Series of Bonds will be designated "King County, Washington,
142 Limited Tax General Obligation Bonds," with the year and any applicable series
143 designation, all as established by the related Sale Motion. Each Series of Bonds will be
144 dated as of such date, will mature on the date or dates in each of the years and in the
145 principal amounts, will bear interest (computed on the basis of a 360-day year of twelve
146 30-day months) from their date or the most recent interest payment date to which interest
147 has been paid or duly provided for, whichever is later, at the rates and payable on such
148 dates, will be subject to redemption and/or purchase prior to maturity in the amounts, in
149 the manner and at the prices and will be subject to such other terms and provisions as the
150 county council will establish by the related Sale Motion. Each Series of Bonds will be
151 fully registered as to both principal and interest, will be in the denomination of \$5,000
152 each or any integral multiple thereof (but no Bond shall represent more than one maturity
153 within a Series) and will be numbered separately in such manner and with any additional
154 designation as the Registrar deems necessary for purposes of identification.

155 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of
156 each Series will initially be held in fully immobilized form by DTC acting as depository
157 pursuant to the terms and conditions set forth in the Letter of Representations. Neither

158 the county nor the Registrar will have any responsibility or obligation to DTC
159 participants or the persons for whom they act as nominees with respect to such Bonds
160 with respect to the accuracy of any records maintained by DTC or any DTC participant,
161 the payment by DTC or any DTC participant of any principal or redemption price of or
162 interest on such Bonds, any notice that is permitted or required to be given to registered
163 owners under this ordinance (except such notice as is required to be given by the county
164 to the Registrar or to DTC), the selection by DTC or any DTC participant of any person
165 to receive payment in the event of a partial redemption of such Bonds or any consent
166 given or other action taken by DTC as registered owner of such Bonds.

167 The Bonds of each Series will initially be issued in denominations equal to the
168 aggregate principal amount of each maturity and will initially be registered in the name of
169 Cede & Co., as the nominee of DTC. Such Bonds so registered will be held in fully
170 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
171 immobilized form, DTC, its successor or any substitute depository appointed by the
172 county, as applicable, will be deemed to be the registered owner for all purposes
173 hereunder and all references to registered owners, bondowners, bondholders or owners
174 will mean DTC or its nominees and will not mean the owners of any beneficial interests
175 in the Bonds. Registered ownership of such Bonds, or any portions thereof, may not
176 thereafter be transferred except:

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

179 (2) To any substitute depository appointed by the county pursuant to
180 this subsection or such substitute depository's successor; or

181 (3) To any person as provided in this ordinance if such Bonds are no
182 longer held in immobilized form.

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

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

196 In the event that DTC or its successor (or substitute depository or its successor)
197 resigns from its functions as depository and no substitute depository can be obtained, or
198 the county determines that it is in the best interests of the beneficial owners of the Bonds
199 of any Series that they be able to obtain Bond certificates, the ownership of such Bonds
200 may be transferred to any person as provided in this ordinance and such Bonds will no
201 longer be held in fully immobilized form. The county will deliver a written request to the
202 Registrar, together with a supply of physical Bonds of such Series, to issue Bonds of such
203 Series as provided in this ordinance in any authorized denomination. Upon receipt of all

204 then outstanding Bonds of any Series by the Registrar, together with a written request on
205 behalf of the county to the Registrar, new Bonds of such Series will be issued in such
206 denominations and registered in the names of such persons as are requested in such a
207 written request.

208 D. Registration, Transfer and Exchange. The county hereby adopts for the
209 Bonds the system of registration specified and approved by the Washington State Finance
210 Committee. The Registrar will keep, or cause to be kept, at its principal corporate trust
211 office, the Register, which will at all times be open to inspection by the county. The
212 Register will contain the name and mailing address of the owner (or nominee thereof) of
213 each Bond and the principal amount and number of Bonds held by each owner or
214 nominee. The Registrar is authorized, on behalf of the county, to authenticate and deliver
215 Bonds transferred or exchanged for other Bonds in accordance with the provisions
216 thereof and this ordinance and to carry out all of the Registrar's powers and duties under
217 this ordinance.

218 The Registrar will be responsible for its representations contained in the
219 Certificate of Authentication on the Bonds. The Registrar may become the owner of
220 Bonds with the same rights it would have if it were not the Registrar and, to the extent
221 permitted by law, may act as depository for and permit any of its officers or directors to
222 act as a member of, or in any other capacity with respect to, any committee formed to
223 protect the rights of Bond owners.

224 Upon surrender thereof to the Registrar, the Bonds of each Series are
225 exchangeable for other Bonds of the same Series, maturity and interest rate and in the
226 same aggregate principal amount, in any authorized denomination. Bonds may be

227 transferred only if endorsed in the manner provided thereon and surrendered to the
228 Registrar. Upon such surrender, the Registrar will cancel the surrendered Bond and will
229 authenticate and deliver, without charge to the owner or transferee therefor (other than
230 taxes, if any, payable on account of such transfer), one or more (at the option of the new
231 registered owner) new Bonds of the same Series, maturity and interest rate and in the
232 same aggregate principal amount, in any authorized denomination, naming as registered
233 owner the person or persons listed as the assignee on the assignment form appearing on
234 the canceled and surrendered Bond, in exchange therefor. The Registrar will not be
235 obligated to transfer or exchange any Bond during the period beginning at the opening of
236 business on the Record Date for a maturity date and ending at the close of business on
237 such maturity date.

238 The county and the Registrar, each in its discretion, may deem and treat the
239 registered owner of each Bond as the absolute owner thereof for all purposes, and neither
240 the county nor the Registrar will be affected by any notice to the contrary.

241 E. Place, Manner and Medium of Payment. Both principal of and interest on
242 the Bonds will be payable in lawful money of the United States of America. For so long
243 as any outstanding Bonds are registered in the name of Cede & Co., or its registered
244 assigns, as nominee of DTC, payments of principal of and interest on such Bonds will be
245 made in immediately available funds on the date such payment is due and payable at the
246 place and in the manner provided in the operational arrangements of DTC referenced in
247 the Letter of Representations.

248 In the event that the Bonds of any Series are no longer held in fully immobilized
249 form by DTC or its successor (or substitute depository or its successor), interest on such

250 Bonds will be paid by check or draft mailed, or by wire transfer, to the registered owners
251 of such Bonds at the addresses for such registered owners appearing on the Register on
252 the Record Date for that interest payment date, or by electronic transfer on the interest
253 payment date to an account within the United States designated by a registered owner of
254 at least \$1,000,000 in principal amount of such Bonds. The county shall not be required
255 to make electronic transfers except to a registered owner of Bonds pursuant to a request
256 in writing received on or prior to the Record Date for that interest payment date and any
257 such electronic transfer shall be at the sole expense of that registered owner. Principal of
258 the Bonds will be payable at maturity or on such dates as may be fixed for prior
259 redemption upon presentation and surrender of such Bonds by the owners to the
260 Registrar.

261 F. Form, Execution and Authentication of Bonds. The Bonds will be
262 prepared in a form consistent with the provisions of this ordinance and State law. The
263 Bonds will be executed on behalf of the county with the manual or facsimile signatures of
264 the county executive and the clerk of the county council and will have the seal of the
265 county or a facsimile reproduction thereof impressed or printed thereon.

266 In case any officer who has executed the Bonds ceases to be an officer of the
267 county authorized to sign the Bonds before the Bonds bearing his or her signature are
268 authenticated or delivered by the Registrar or issued by the county, those Bonds may
269 nevertheless be authenticated, issued and delivered and, when authenticated, issued and
270 delivered, will be as binding upon the county as though that person had continued to be
271 an officer of the county authorized to sign the Bonds. Any Bond also may be signed on
272 behalf of the county by any person who, on the actual date of signing of the Bond, is an

273 officer of the county authorized to sign the Bonds, although he or she did not hold the
274 required office on the date of issuance of the Bonds.

275 Only such Bonds as shall bear thereon a Certificate of Authentication
276 substantially in the following form, manually executed by an authorized representative of
277 the Registrar, will be valid or obligatory for any purpose or entitled to the benefits of this
278 ordinance: "CERTIFICATE OF AUTHENTICATION. This Bond is one of the King
279 County, Washington, Limited Tax General Obligation Bonds, [Year] [, Series __],
280 described in the Bond Ordinance." Such Certificate of Authentication will be conclusive
281 evidence that the Bonds so authenticated have been duly executed, authenticated and
282 delivered hereunder and are entitled to the benefits of this ordinance.

283 SECTION 5. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond becomes
284 mutilated, the Registrar will authenticate and deliver one or more (at the option of the
285 registered owner) new Bonds of the same Series, maturity and interest rate and for the
286 same aggregate principal amount, in any authorized denomination, in exchange and
287 substitution therefor, upon the owner's paying the expenses and charges of the county and
288 the Registrar in connection therewith and upon surrender to the Registrar of the mutilated
289 Bond. Every mutilated Bond so surrendered will be canceled and destroyed by the
290 Registrar.

291 If any Bond is lost, stolen or destroyed, the Registrar may authenticate and deliver
292 one or more (at the option of the registered owner) new Bonds of the same Series,
293 maturity and interest rate and for the same aggregate principal amount, in any authorized
294 denomination, to the registered owner thereof upon the owner's paying the expenses and
295 charges of the county and the Registrar in connection therewith, upon his or her filing

296 with the Registrar evidence satisfactory to the Registrar that such Bond was actually lost,
297 stolen or destroyed and of his or her ownership thereof, and upon furnishing the county
298 and the Registrar with indemnity satisfactory to the Finance Director and the Registrar.

299 SECTION 6. Pledge of Taxation and Credit. The county hereby irrevocably
300 covenants and agrees that, for as long as any of the Bonds are outstanding and unpaid,
301 each year it will include in its budget and levy an *ad valorem* tax upon all the property
302 within the county subject to taxation in an amount that will be sufficient, together with all
303 other revenues and money of the county legally available for such purposes, to pay the
304 principal of and interest on the Bonds as the same shall become due.

305 The county hereby irrevocably pledges that the annual tax provided for in this
306 ordinance to be levied for the payment of such principal and interest will be within and as
307 a part of the tax levy permitted to counties without a vote of the people and that a
308 sufficient portion of the taxes to be levied and collected annually by the county prior to
309 the full payment of the principal of and interest on the Bonds will be and is hereby
310 irrevocably set aside, pledged and appropriated for the payment of the principal of and
311 interest on the Bonds.

312 The full faith, credit and resources of the county are hereby irrevocably pledged
313 for the annual levy and collection of said taxes and for the prompt payment of the
314 principal of and interest on the Bonds as the same will become due.

315 SECTION 7. General Covenants and Warranties. The county makes the
316 following covenants with and warranties to the owners of the Bonds:

317 A. The county has full legal right, power and authority to adopt this
318 ordinance, to sell, issue and deliver each Series of Bonds as provided in this ordinance

319 and to carry out and consummate all other transactions contemplated by this ordinance.

320 B. By all necessary official action prior to or concurrently herewith, the
321 county has duly authorized and approved the execution and delivery of, and the
322 performance by the county of its obligations contained in, the Bonds and this ordinance
323 and the consummation by it of all other transactions necessary to effectuate this
324 ordinance in connection with the issuance of each Series of Bonds, and such
325 authorizations and approvals are in full force and effect and have not been amended,
326 modified or supplemented in any material respect.

327 C. This ordinance constitutes a legal, valid and binding obligation of the
328 county.

329 D. When issued, sold, authenticated and delivered, each Series of Bonds will
330 constitute legal, valid and binding general obligations of the county.

331 E. The enactment of this ordinance, and compliance on the county's part with
332 the provisions contained in this ordinance, will not conflict with, constitute a breach of or
333 constitute a default under, any constitutional provisions, law, administrative regulation,
334 judgment, decree, loan agreement, indenture, bond, note, resolution, ordinance, motion,
335 agreement or other instrument to which the county is a party or to which the county or
336 any of its property or assets are otherwise subject.

337 F. Each Series of Bonds will be issued within all statutory and constitutional
338 debt limitations applicable to the county.

339 SECTION 8. Federal Tax Law Covenants. The county covenants that it will
340 take all actions necessary to prevent interest on any Tax-Exempt Bonds from being
341 included in gross income for federal income tax purposes and that it will neither take any

342 action nor make or permit any use of proceeds from the sale of such Tax-Exempt Bonds
343 (or of any other funds that may be deemed to be proceeds of such Tax-Exempt Bonds
344 pursuant to Section 148 of the Code), at any time during the term thereof, that will cause
345 interest on such Tax-Exempt Bonds to be included in gross income for federal income tax
346 purposes. The county also covenants that it will, to the extent the arbitrage rebate
347 requirement of Section 148 of the Code is applicable to any Tax-Exempt Bonds, take all
348 actions necessary to comply (or to be treated as having complied) with that requirement
349 in connection with such Tax-Exempt Bonds, including the calculation and payment of
350 any penalties that the county has elected to pay as an alternative to calculating rebatable
351 arbitrage and the payment of any other penalties if required under Section 148 of the
352 Code to prevent interest on such Tax-Exempt Bonds from being included in gross income
353 for federal income tax purposes. The county will maintain or cause to be maintained a
354 system of registration of all Tax-Exempt Bonds issued under this ordinance that complies
355 with the applicable provisions of the Code until all of the Tax-Exempt Bonds shall have
356 been surrendered and canceled.

357 SECTION 9. Refunding or Defeasance of Bonds. The county may issue
358 refunding obligations pursuant to the laws of the State or use money available from any
359 other lawful source to pay when due the principal of, premium, if any, and interest on the
360 Bonds of any Series, or any portion thereof included in a refunding or defeasance plan
361 and to redeem and retire, refund or defease all or a portion of such then-outstanding
362 Bonds of such Series (hereinafter collectively called the "defeased Bonds"), and to pay
363 the costs of the refunding or defeasance.

364 If money and/or noncallable Government Obligations maturing at such time or

365 times and bearing interest to be earned thereon in amounts (together with such money, if
366 necessary) sufficient to redeem and retire, refund or defease the defeased Bonds in
367 accordance with their terms are set aside in a special trust or escrow fund or account
368 irrevocably pledged to that redemption, retirement or defeasance of defeased Bonds
369 (hereinafter called the "trust account"), then the defeased Bonds will be deemed not to be
370 outstanding hereunder, no further payments need be made into the related Bond Account
371 for the payment of the principal of and interest on the defeased Bonds and the Owners of
372 the defeased Bonds will cease to be entitled to any covenant, pledge, benefit or security
373 of this ordinance. The owners of defeased Bonds will have the right to receive payment
374 of the principal of, premium, if any, and interest on the defeased Bonds from the trust
375 account.

376 The county will provide or cause to be provided notice of defeasance of such
377 Bonds to the Municipal Securities Rulemaking Board in accordance with the undertaking
378 for ongoing disclosure to be adopted pursuant to section 12 of this ordinance.

379 SECTION 10. Sale of Bonds. The county hereby authorizes the public sale of
380 the Bonds. The Bonds will be sold in one or more Series, any of which may be sold in a
381 combined offering with other bonds and/or notes of the county, at the option of the
382 Finance Director. The Finance Director will determine, in consultation with the county's
383 financial advisors, whether each Series of Bonds will be sold by competitive bid or
384 negotiated sale and whether such Series of Bonds will be issued and sold as Tax-Exempt
385 Bonds or Taxable Bonds.

386 A. Competitive Bid. If the Finance Director determines that any Series of
387 Bonds will be sold by competitive bid, bids for the purchase of such Series of Bonds will

388 be received at such time and place and by such means as the Finance Director will direct.
389 The Finance Director is authorized to prepare an Official Notice of Bond Sale for each
390 Series of Bonds to be sold pursuant to competitive bid, which notice will be filed with the
391 clerk of the county council and will be ratified and confirmed by the Sale Motion
392 therefor. The Official Notice of Bond Sale will specify whether the Bonds of such Series
393 are being issued and sold as Tax-Exempt Bonds or Taxable Bonds and will identify the
394 year and any applicable Series designation, date, principal amounts and maturity dates,
395 interest payment dates, redemption and/or purchase provisions and delivery date for such
396 Series of Bonds.

397 Upon the date and time established for the receipt of bids for such Series of
398 Bonds, the Finance Director or his/her designee will review the bids received, will cause
399 the bids to be mathematically verified and will report to the county council regarding the
400 bids received. Such bids will then be considered and acted upon by the county council in
401 an open public meeting. The county council reserves the right to reject any and all bids
402 for such Series of Bonds. Alternatively, the county council will, by Sale Motion, accept
403 the winning bid for the purchase of such Series of Bonds and will also ratify and establish
404 the year and any applicable Series designation, date, principal amounts and maturity
405 dates, interest rates and interest payment dates, redemption and/or purchase provisions
406 and delivery date for such Series of Bonds.

407 B. Negotiated Sale. If the Finance Director determines that any Series of
408 Bonds will be sold by negotiated sale, the Finance Director will, in accordance with
409 applicable county procurement procedures, solicit one or more underwriting firms with
410 which to negotiate the sale of such Bonds. The bond purchase contract for such Series of

411 Bonds will specify whether the Bonds of such Series are being issued and sold as Tax-
412 Exempt Bonds or Taxable Bonds and will also identify the year and any applicable Series
413 designation, date, principal amounts and maturity dates, interest rates and interest
414 payment dates, redemption and/or purchase provisions and delivery date for such Series
415 of Bonds. The county council, by Sale Motion, will approve the bond purchase contract
416 and ratify and establish the terms for such Series of Bonds identified in such bond
417 purchase contract.

418 SECTION 11. Preliminary Official Statement and Final Official Statement. The
419 county hereby authorizes and directs the Finance Director: (i) to review and approve the
420 information contained in the preliminary official statement (each, a "Preliminary Official
421 Statement") prepared in connection with the sale of each Series of Bonds; and (ii) for the
422 sole purpose of compliance by the purchasers of such Series of Bonds with subsection
423 (b)(1) of the Rule, to "deem final" the related Preliminary Official Statement as of its
424 date, except for such omissions as are permitted under the Rule. After each Preliminary
425 Official Statement has been reviewed and approved in accordance with the provisions of
426 this section, the county hereby authorizes the distribution of such Preliminary Official
427 Statement to prospective purchasers of such related Series of Bonds.

428 Following the sale of each Series of Bonds, the Finance Director is hereby
429 authorized to review and approve on behalf of the county a final official statement with
430 respect to such Series of Bonds. The county agrees to cooperate with the successful
431 bidder for each Series of Bonds to deliver or cause to be delivered, within seven business
432 days from the date of the Sale Motion, and in sufficient time to accompany any
433 confirmation that requests payment from any customer of such successful bidder, copies

434 of a final official statement pertaining to such Bonds in sufficient quantity to comply with
435 paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

436 SECTION 12. Undertaking to Provide Ongoing Disclosure. The county council
437 will undertake to provide ongoing disclosure with respect to each Series of Bonds, as
438 required by subsection (b)(5) of the Rule, in the Sale Motion therefor.

439 SECTION 13. Delivery of Bonds. Following the sale of each Series of Bonds,
440 the county shall cause definitive Bonds of such Series to be prepared, executed and
441 delivered to the purchaser thereof in accordance with the provisions of this ordinance.

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

451 SECTION 14. Bond Accounts. There has heretofore been created in the office
452 of the Finance Director a special fund known as the "King County Limited Tax General
453 Obligation Bond Redemption Fund" to be drawn upon for the purpose of paying the
454 principal of and interest on the limited tax general obligation bonds of the county. There
455 is hereby authorized to be created within said fund a special account for each Series of
456 Bonds to be known as the "Limited Tax General Obligation Bond Redemption Account,

457 [Year][, Series ___]" (each, a "Bond Account").

458 Any accrued interest on any Series of Bonds will be deposited in the related Bond
459 Account at the time of delivery of such Series of Bonds and will be applied to the
460 payment of interest thereon.

461 The taxes hereafter levied for the purpose of paying principal of and interest on
462 each Series of Bonds and other funds to be used to pay such Series of Bonds will be
463 deposited in the related Bond Account no later than the date such funds are required for
464 the payment of principal of and interest on such Series of Bonds; provided, however, that
465 if the payment of principal of and interest on any Series of Bonds is required prior to the
466 receipt of such levied taxes, the county may make an interfund loan to the related Bond
467 Account pending actual receipt of such taxes. Each Bond Account will be drawn upon
468 for the purpose of paying the principal of and interest on the related Series of Bonds.
469 Each Bond Account will be a second tier fund in accordance with Ordinance 7112 and
470 K.C.C. chapter 4.10.

471 SECTION 15. Deposit of Bond Proceeds.

472 A. There is hereby created the "2017 G.O. Bonds KCIT Subfund" within the
473 KCIT Capital Projects Fund. This subfund will be a first tier fund managed by the
474 director of the department of information technology of the county. The exact amount of
475 proceeds from the sale of any Series of Bonds to be deposited into the 2017 G.O. Bonds
476 KCIT Subfund to provide long-term financing for all or part of the capital costs of the
477 BRC BI Analytics Project, the Elections Tabulation Project and the Jail Management
478 System Project shall be determined by the Finance Director upon the sale of such Series
479 of Bonds.

480 B. There is hereby created the "2017 G.O. Bonds Major Maintenance
481 Reserve Subfund" within the Major Maintenance Reserve Fund. This subfund will be a
482 first tier fund managed by the director of the facilities management division of the
483 department of executive services of the county. The exact amount of proceeds from the
484 sale of any Series of Bonds to be deposited into the 2017 G.O. Bonds Major Maintenance
485 Reserve Subfund to provide long-term financing for all or part of the capital costs of the
486 Courthouse Electrical Distribution System Replacement Project shall be determined by
487 the Finance Director upon the sale of such Series of Bonds.

488 C. There is hereby created the "2017 G.O. Bonds Building Repair and
489 Replacement Subfund" within the Building Repair and Replacement Fund. This subfund
490 will be a first tier fund managed by the director of the facilities management division of
491 the department of executive services of the county. The exact amount of proceeds from
492 the sale of any Series of Bonds to be deposited into the 2017 G.O. Bonds Building Repair
493 and Replacement Subfund to provide long-term financing for all or part of the capital
494 costs of the DPD Lease Consolidation Project, the FMD Asset Management System
495 Project and certain of the FRED Program Projects (Stairwell Lighting, Goat Hill Garage
496 Lighting LED Upgrade, MRJC Low-Flow Faucet Installation, MRJC Garage Lighting
497 LED Upgrade and MRJC Lighting LED Upgrade Projects) shall be determined by the
498 Finance Director upon the sale of such Series of Bonds.

499 D. There is hereby created the "2017 G.O. Bonds Parks Subfund" within the
500 Parks CIP Fund. This subfund will be a first tier fund managed by the director of the
501 parks division of the department of natural resources and parks of the county. The exact
502 amount of proceeds from the sale of any Series of Bonds to be deposited into the 2017

503 G.O. Bonds Parks Subfund to provide long-term financing for all or part of the capital
504 costs of certain of the FRED Program Projects (Parks Lighting and Parks Solar Projects)
505 shall be determined by the Finance Director upon the sale of such Series of Bonds.

506 E. There is hereby created the "2017 G.O. Bonds Public Works Subfund"
507 within the Public Works Equipment Rental Fund. This subfund will be a first tier fund
508 managed by the director of the fleet administration division of the department of
509 transportation of the county. The exact amount of proceeds from the sale of any Series of
510 Bonds to be deposited into the 2017 G.O. Bonds Public Works Subfund to provide long-
511 term financing for all or part of the capital costs of the FRED Program Fleet Renton
512 Lighting Project shall be determined by the Finance Director upon the sale of such Series
513 of Bonds.

514 F. There is hereby created the "2017 G.O. Bonds Solid Waste Subfund"
515 within the Solid Waste Operating Fund. This subfund will be a first tier fund managed
516 by the director of the solid waste division of the department of natural resources and
517 parks of the county. The exact amount of proceeds from the sale of any Series of Bonds
518 to be deposited into the 2017 G.O. Bonds Solid Waste Subfund to provide long-term
519 financing for all or part of the capital costs of the FRED Program Bow Lake Lighting
520 Project shall be determined by the Finance Director upon the sale of such Series of
521 Bonds.

522 G. There is hereby created the "2017 G.O. Bonds Dolan Settlement Subfund"
523 within the Risk Abatement Fund. This subfund will be a first tier fund managed by the
524 director of the office of performance, strategy and budget of the county. The exact
525 amount of proceeds from the sale of any Series of Bonds to be deposited into the 2017

526 G.O. Bonds Dolan Settlement Subfund to provide long-term financing for the Dolan
527 Interest Settlement Project shall be determined by the Finance Director upon the sale of
528 such Series of Bonds.

529 SECTION 16. Investment of and Accounting for Bond Proceeds. Funds
530 deposited in the funds and accounts described in sections 14 and 15 of this ordinance will
531 be invested as permitted by law for the sole benefit of such funds and accounts.
532 Irrespective of the general provisions of Ordinance 7112 and K.C.C. chapter 4.10, the
533 county current expense fund will not receive any earnings attributable to such funds and
534 accounts. Money other than proceeds of the Bonds may be deposited in the funds and
535 accounts described in sections 14 and 15 of this ordinance; provided, however, that
536 proceeds of each Series of Bonds that are issued as Tax-Exempt Bonds and the earnings
537 thereon will be accounted for separately for purposes of the arbitrage rebate computations
538 required to be made under the Code. For purposes of such computations, Bond proceeds
539 will be deemed to have been expended first, and then any other funds.

540 SECTION 17. General Authorization. The appropriate county officials, agents
541 and representatives are hereby authorized and directed to do everything necessary for the
542 prompt sale, issuance, execution and delivery of each Series of Bonds and for the proper
543 use and application of the proceeds of the sale thereof.

544 SECTION 18. Contract; Severability. The covenants applicable to the Bonds
545 contained in this ordinance will constitute a contract between the county and the owners
546 of each and every Bond. If any one or more of the covenants or agreements provided in
547 this ordinance to be performed on the part of the county will be declared by any court of
548 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement

549 or agreements, will be null and void and will be deemed separable from the remaining

550 covenants and agreements of this ordinance and will in no way affect the validity of the
551 other provisions of this ordinance or the Bonds.
552

Ordinance 18543 was introduced on 5/22/2017 and passed by the Metropolitan King County Council on 6/26/2017, by the following vote:

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

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

J. Joseph McDermott, Chair

ATTEST:

Melani Pedroza, Clerk of the Council

APPROVED this 6th day of July, 2017.

Dow Constantine, County Executive

RECEIVED
2017 JUL -7 PM 3:49
CLERK
KING COUNTY COUNCIL

Attachments: A. FRED Projects

ATTACHMENT A

FRED Projects

1. Bow Lake Lighting Project
2. Fleet Renton Lighting Project
3. Goat Hill Garage Lighting LED Upgrade Project
4. MRJC Low-Flow Faucet Installation Project
5. MRJC Garage Lighting LED Upgrade Project
6. MRJC Lighting LED Upgrade Project
7. Parks Lighting Project
8. Parks Solar Project
9. Stairwell Lighting Project