



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Ordinance 18960

Proposed No. 2019-0208.1

Sponsors Balducci

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 \$174,000,000 to provide financing
5 for the parks' central maintenance facility project, the solid
6 waste capital program, various systems development and
7 upgrade projects (including procurement, case
8 management, property tax assessment and collection, and
9 jail management systems), the distributed antenna network
10 phase III project, and energy demand reduction projects,
11 and to pay costs of issuing the bonds; providing for the
12 disposition of the proceeds of the sale of the bonds;
13 establishing funds for the receipt and expenditure of bond
14 proceeds and for the payment of the bonds; and providing
15 for the annual levy of taxes to pay the principal thereof and
16 interest thereon.

17 PREAMBLE:

18 The county council previously reviewed and approved the parks' central
19 maintenance facility project, the solid waste capital program, various

20 systems development and upgrade projects (including procurement, case
21 management, property tax assessment and collection, and jail management
22 systems), the distributed antenna network phase III project, and energy
23 demand reduction projects.

24 It is deemed necessary and advisable that the county now authorize the
25 issuance and sale of one or more series of its limited tax general obligation
26 bonds in an aggregate original principal amount not to exceed
27 \$174,000,000 to provide financing for such projects and to pay costs of
28 issuing the bonds.

29 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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

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

35 "Bonds" means the limited tax general obligation bonds of the county in an
36 aggregate original principal amount not to exceed \$174,000,000, authorized to be issued
37 in one or more Series by this ordinance to provide financing for the Projects and to pay
38 costs of issuing the Bonds.

39 "Code" means the federal Internal Revenue Code of 1986 as in effect in the date
40 of issuance of a Series of Bonds or (except as otherwise referenced herein) as it may be
41 amended to apply to obligations issued on the date of issuance of a Series of Bonds,
42 together with applicable proposed, temporary and final regulations promulgated, and

43 applicable official public guidance published, under the Code.

44 "DTC" means The Depository Trust Company, New York, New York, as the
45 initial securities depository for the Bonds, or any successor depository for the Bonds.

46 "Fair Market Value" means the price at which a willing buyer would purchase an
47 investment from a willing seller in a bona fide, arm's-length transaction, except for
48 specified investments as described in Treasury Regulation §1.148-5(d)(6), including
49 United States Treasury obligations, certificates of deposit, guaranteed investment
50 contracts, and investments for yield restricted defeasance escrows. Fair Market Value is
51 generally determined on the date on which a contract to purchase or sell an investment
52 becomes binding, and, to the extent required by the applicable regulations under the
53 Code, the term "investment" will include a hedge.

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

57 "Government Obligations" means those obligations defined as such in chapter
58 39.53 RCW constituting direct obligations of, or obligations the principal of and interest
59 on which are unconditionally guaranteed by, the United States of America, as such
60 chapter may be hereafter amended or restated.

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

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

66 "Projects" means, collectively, the county parks' central maintenance facility
67 project, the solid waste capital program, various systems developments and upgrade
68 projects (including procurement, case management, property tax assessment and
69 collection, and jail management systems), the distributed antenna network phase III
70 project, and various energy demand reduction projects.

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

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

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

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

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

82 "Series" or "Series of Bonds" means a series of Bonds issued pursuant to this
83 ordinance.

84 "State" means the State of Washington.

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

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

89 SECTION 2. Findings. The county council hereby makes the following
90 findings:

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

93 B. The issuance of limited tax general obligation bonds of the county,
94 payable from regular property taxes or other revenues and money of the county legally
95 available for such purposes, to provide financing for the Projects and to pay costs of
96 issuing the bonds is in the best interests of the county and its citizens.

97 SECTION 3. Authorization of the Projects. The county council has previously
98 authorized the undertaking of the Projects. The Projects shall also include (a) capitalized
99 interest, interest on interim financing for such Projects pending receipt of Bond proceeds
100 and costs and expenses incurred in issuing the Bonds; (b) the capitalizable costs of sales
101 tax, acquisition and contingency allowances, financing and any and all surveys,
102 explorations, engineering and architectural studies, drawings, designs and specifications
103 incidental, necessary or convenient to the implementation of the Projects; and (c) the
104 purchase of all materials, supplies, appliances, equipment and facilities, and the permits,
105 franchises, property and property rights and capitalizable administrative costs, incidental,
106 necessary or convenient to the implementation of the Projects.

107 Any of the Projects may be modified where deemed advisable or necessary in the
108 judgment of the county council, and implementation or completion of any component
109 thereof will not be required if the county council determines that it has become
110 inadvisable or impractical. If all components of the Projects have been completed, their
111 completion has been duly provided for or completion of all or any of them is found to be

112 inadvisable or impractical, the county may pay, redeem or defease Bonds, or apply any
113 remaining proceeds of the Bonds, or any portion thereof, to the acquisition or
114 improvement of other county capital projects as the county council may determine. In
115 the event that the proceeds of the sale of the Bonds, plus any other money of the county
116 legally available therefor, are insufficient to accomplish all of the Projects, the county
117 shall use the available funds to finance those components of the Projects deemed by the
118 county council to be most necessary and in the best interest of the county.

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

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

122 B. Description of Bonds. The Bonds may be issued in one or more Series so
123 long as the aggregate original principal amount of all Series of Bonds does not exceed
124 \$174,000,000. Each Series of Bonds will be designated "King County, Washington,
125 Limited Tax General Obligation Bonds," with the year and any applicable series or other
126 designation, all as established by the related Sale Motion. Each Series of Bonds will be
127 dated as of such date, will mature on the date or dates in each of the years and in the
128 principal amounts, will bear interest (computed on the basis of a 360-day year of twelve
129 30-day months) from their date or the most recent interest payment date to which interest
130 has been paid or duly provided for, whichever is later, at the rates and payable on such
131 dates, will be subject to redemption and/or purchase prior to maturity in the amounts, in
132 the manner and at the prices and will be subject to such other terms and provisions as the
133 county council will establish by the related Sale Motion. Each Series of Bonds will be
134 fully registered as to both principal and interest, will be in the denomination of \$5,000

135 each or any integral multiple thereof (but no Bond shall represent more than one maturity
136 within a Series) and will be numbered separately in such manner and with any additional
137 designation as the Registrar deems necessary for purposes of identification. Each Series
138 of Bonds may be issued as Tax-Exempt Bonds or Taxable Bonds, as provided in section
139 10 of this ordinance.

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

152 The Bonds of each Series will initially be issued in denominations equal to the
153 aggregate principal amount of each maturity and will initially be registered in the name of
154 Cede & Co., as the nominee of DTC. Such Bonds so registered will be held in fully
155 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
156 immobilized form, DTC, its successor or any substitute depository appointed by the
157 county, as applicable, will be deemed to be the registered owner for all purposes

158 hereunder and all references to registered owners, bondowners, bondholders or owners
159 will mean DTC or its nominees and will not mean the owners of any beneficial interests
160 in the Bonds. Registered ownership of such Bonds, or any portions thereof, may not
161 thereafter be transferred except:

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

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

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

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

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

181 In the event that DTC or its successor (or substitute depository or its successor)
182 resigns from its functions as depository and no substitute depository can be obtained, or
183 the county determines that it is in the best interests of the beneficial owners of the Bonds
184 of any Series that they be able to obtain Bond certificates, the ownership of such Bonds
185 may be transferred to any person as provided in this ordinance and such Bonds will no
186 longer be held in fully immobilized form. The county will deliver a written request to the
187 Registrar, together with a supply of physical Bonds of such Series, to issue Bonds of such
188 Series as provided in this ordinance in any authorized denomination. Upon receipt of all
189 then outstanding Bonds of any Series by the Registrar, together with a written request on
190 behalf of the county to the Registrar, new Bonds of such Series will be issued in such
191 denominations and registered in the names of such persons as are requested in such a
192 written request.

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

203 The Registrar will be responsible for its representations contained in the

204 certificate of authentication on the Bonds. The Registrar may become the owner of
205 Bonds with the same rights it would have if it were not the Registrar and, to the extent
206 permitted by law, may act as depository for and permit any of its officers or directors to
207 act as a member of, or in any other capacity with respect to, any committee formed to
208 protect the rights of Bond owners.

209 Upon surrender thereof to the Registrar, the Bonds of each Series are
210 exchangeable for other Bonds of the same Series, maturity and interest rate and in the
211 same aggregate principal amount, in any authorized denomination. Bonds may be
212 transferred only if endorsed in the manner provided thereon and surrendered to the
213 Registrar. Upon such surrender, the Registrar will cancel the surrendered Bond and will
214 authenticate and deliver, without charge to the owner or transferee therefor (other than
215 taxes, if any, payable on account of such transfer), one or more (at the option of the new
216 registered owner) new Bonds of the same Series, maturity and interest rate and in the
217 same aggregate principal amount, in any authorized denomination, naming as registered
218 owner the person or persons listed as the assignee on the assignment form appearing on
219 the canceled and surrendered Bond, in exchange therefor. The Registrar will not be
220 obligated to transfer or exchange any Bond during the period beginning at the opening of
221 business on the Record Date for a maturity date and ending at the close of business on
222 such maturity date.

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

226 E. Place, Manner and Medium of Payment. Both principal of and interest on

227 the Bonds will be payable in lawful money of the United States of America. For so long
228 as any outstanding Bonds are registered in the name of Cede & Co., or its registered
229 assigns, as nominee of DTC, payments of principal of and interest on such Bonds will be
230 made in immediately available funds on the date such payment is due and payable at the
231 place and in the manner provided in the operational arrangements of DTC referenced in
232 the Letter of Representations.

233 In the event that the Bonds of any Series are no longer held in fully immobilized
234 form by DTC or its successor (or substitute depository or its successor), interest on such
235 Bonds will be paid by check or draft mailed to the registered owners of such Bonds at the
236 addresses for such registered owners appearing on the Register on the Record Date for
237 that interest payment date, or by electronic transfer on the interest payment date to an
238 account within the United States designated by a registered owner of at least \$1,000,000
239 in principal amount of such Bonds. The county shall not be required to make electronic
240 transfers except to a registered owner of Bonds pursuant to a request in writing received
241 on or prior to the Record Date for that interest payment date and any such electronic
242 transfer shall be at the sole expense of that registered owner. Principal of the Bonds will
243 be payable at maturity or on such dates as may be fixed for prior redemption upon
244 presentation and surrender of such Bonds by the owners to the Registrar.

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

250 In case any officer who has executed the Bonds ceases to be an officer of the
251 county authorized to sign the Bonds before the Bonds bearing his or her signature are
252 authenticated or delivered by the Registrar or issued by the county, those Bonds may
253 nevertheless be authenticated, issued and delivered and, when authenticated, issued and
254 delivered, will be as binding upon the county as though that person had continued to be
255 an officer of the county authorized to sign the Bonds. Any Bond also may be signed on
256 behalf of the county by any person who, on the actual date of signing of the Bond, is an
257 officer of the county authorized to sign the Bonds, although he or she did not hold the
258 required office on the date of issuance of the Bonds.

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

267 SECTION 5. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond becomes
268 mutilated, the Registrar will authenticate and deliver one or more (at the option of the
269 registered owner) new Bonds of the same Series, maturity and interest rate and for the
270 same aggregate principal amount, in any authorized denomination, in exchange and
271 substitution therefor, upon the registered owner's paying the expenses and charges of the
272 county and the Registrar in connection therewith and upon surrender to the Registrar of

273 the mutilated Bond. Every mutilated Bond so surrendered will be canceled and destroyed
274 by the Registrar.

275 If any Bond is lost, stolen or destroyed, the Registrar may authenticate and deliver
276 one or more (at the option of the registered owner) new Bonds of the same Series,
277 maturity and interest rate and for the same aggregate principal amount, in any authorized
278 denomination, to the registered owner thereof upon the registered owner's paying the
279 expenses and charges of the county and the Registrar in connection therewith, upon the
280 registered owner's filing with the Registrar evidence satisfactory to the Registrar that
281 such Bond was actually lost, stolen or destroyed and of his or her ownership thereof, and
282 upon furnishing the county and the Registrar with indemnity satisfactory to the Finance
283 Director and the Registrar.

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

290 The county hereby irrevocably pledges that the annual tax provided for in this
291 ordinance to be levied for the payment of such principal and interest will be within and as
292 a part of the tax levy permitted to counties without a vote of the people and that a
293 sufficient portion of the taxes to be levied and collected annually by the county prior to
294 the full payment of the principal of and interest on the Bonds will be and is hereby
295 irrevocably set aside, pledged and appropriated for the payment of the principal of and

296 interest on the Bonds.

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

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

302 A. The county has full legal right, power and authority to adopt this
303 ordinance, to sell, issue and deliver each Series of Bonds as provided in this ordinance
304 and to carry out and consummate all other transactions contemplated by this ordinance.

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

312 C. This ordinance constitutes a legal, valid and binding obligation of the
313 county.

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

316 E. The enactment of this ordinance, and compliance on the county's part with
317 the provisions contained in this ordinance, will not conflict with, constitute a breach of or
318 constitute a default under, any constitutional provisions, law, administrative regulation,

319 judgment, decree, loan agreement, indenture, bond, note, resolution, ordinance, motion,
320 agreement or other instrument to which the county is a party or to which the county or
321 any of its property or assets are otherwise subject.

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

324 SECTION 8. Federal Tax Law Covenants. The county covenants that it will
325 take all actions necessary to assure the exclusion of interest on each Series of Tax-
326 Exempt Bonds from the gross income of the owners of such Tax-Exempt Bonds to the
327 same extent as such interest is permitted to be excluded from gross income under the
328 Code as in effect on the date of issuance of such Series of Tax-Exempt Bonds, including
329 but not limited to the following:

330 A. Private Activity Bond Limitation. The county will assure that the proceeds
331 of Tax-Exempt Bonds are not so used as to cause the Tax-Exempt Bonds to satisfy the
332 private business tests of Section 141(b) of the Code or the private loan financing test of
333 Section 141(c) of the Code.

334 B. Limitations on Disposition of Projects. The county will not sell or
335 otherwise transfer or dispose of (i) any personal property components of the Projects,
336 other than in the ordinary course of an established government program under Treasury
337 Regulation 1.141-2(d)(4) or (ii) any real property components of the Projects, unless it
338 has received an opinion of nationally recognized bond counsel to the effect that such
339 disposition will not adversely affect the treatment of interest on the Tax-Exempt Bonds as
340 excludable from gross income for federal income tax purposes.

341 C. Federal Guarantee Prohibition. The county will not take any action or

342 permit or suffer any action to be taken if the result of such action would be to cause any
343 of the Tax-Exempt Bonds to be "federally guaranteed" within the meaning of Section
344 149(b) of the Code.

345 D. Rebate Requirement. The county will take any and all actions necessary to
346 assure compliance with Section 148(f) of the Code relating to the rebate of excess
347 investment earnings, if any, to the federal government, to the extent that such section is
348 applicable to the Tax-Exempt Bonds.

349 E. No Arbitrage. The county will not take, or permit or suffer to be taken by
350 the Registrar or otherwise, any action with respect to the proceeds of the Tax-Exempt
351 Bonds which, if such action had been reasonably expected to have been taken, or had
352 been deliberately and intentionally taken, on the date of issuance of the Tax-Exempt
353 Bonds would have caused the Tax-Exempt Bonds to be "arbitrage bonds" within the
354 meaning of Section 148 of the Code.

355 F. Registration Covenant. The county will maintain a system for recording
356 the ownership of each Tax-Exempt Bond that complies with the provisions of Section
357 149 of the Code until all such Tax-Exempt Bonds have been surrendered and canceled.

358 G. Record Retention. The county will retain its records of all accounting and
359 monitoring it carries out with respect to the Tax-Exempt Bonds for at least three years
360 after such Tax-Exempt Bonds mature or are redeemed (whichever is earlier); however, if
361 the Tax-Exempt Bonds are redeemed and refunded, the county will retain its records of
362 accounting and monitoring at least three years after the earlier of the maturity or
363 redemption of the obligations that refunded the Tax-Exempt Bonds.

364 H. Compliance with Tax Certificate. The county will comply with the

365 provisions of the tax certificate executed at the time of issuance of a Series of Tax-
366 Exempt Bonds, which are incorporated herein as if fully set forth herein. In the event of
367 any conflict between this section and the tax certificate, the provisions of the tax
368 certificate will prevail.

369 The covenants of this section will survive payment in full or defeasance of the
370 Tax-Exempt Bonds.

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

378 If money and/or noncallable Government Obligations maturing at such time or
379 times and bearing interest to be earned thereon in amounts (together with such money, if
380 necessary) sufficient to redeem and retire, refund or defease the defeased Bonds in
381 accordance with their terms are set aside in a special trust or escrow fund or account
382 irrevocably pledged to that redemption, retirement or defeasance of defeased Bonds
383 (hereinafter called the "trust account"), then the defeased Bonds will be deemed not to be
384 outstanding hereunder, no further payments need be made into the related Bond Account
385 for the payment of the principal of and interest on the defeased Bonds and the Owners of
386 the defeased Bonds will cease to be entitled to any covenant, pledge, benefit or security
387 of this ordinance. The owners of defeased Bonds will have the right to receive payment

388 of the principal of, premium, if any, and interest on the defeased Bonds from the trust
389 account.

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

393 SECTION 10. Sale of Bonds. The county hereby authorizes the public sale of
394 the Bonds. The Bonds will be sold from time to time in one or more Series, any of which
395 may be sold in a combined offering with other bonds and/or notes of the county, at the
396 option of the Finance Director. The Finance Director will determine, in consultation with
397 the county's financial advisors, whether each Series of Bonds will be sold by competitive
398 bid or negotiated sale, whether such Series of Bonds will be issued and sold as Tax-
399 Exempt Bonds or Taxable Bonds and whether all or any portion of such Series of Bonds
400 will be designated as "green bonds."

401 A. Competitive Bid. If the Finance Director determines that any Series of
402 Bonds will be sold by competitive bid, bids for the purchase of such Series of Bonds will
403 be received at such time and place and by such means as the Finance Director will direct.
404 The Finance Director is authorized to prepare an Official Notice of Bond Sale for each
405 Series of Bonds to be sold pursuant to competitive bid, which notice will be filed with the
406 clerk of the county council and will be ratified and confirmed by the Sale Motion
407 therefor. The Official Notice of Bond Sale will specify whether the Bonds of such Series
408 are being issued and sold as Tax-Exempt Bonds or Taxable Bonds and will identify the
409 year and any applicable Series designation, date, principal amounts and maturity dates,
410 interest payment dates, redemption and/or purchase provisions and delivery date for such

411 Series of Bonds.

412 Upon the date and time established for the receipt of bids for such Series of
413 Bonds, the Finance Director or his/her designee will review the bids received, will cause
414 the bids to be mathematically verified and will report to the county council regarding the
415 bids received. Such bids will then be considered and acted upon by the county council in
416 an open public meeting. The county council reserves the right to reject any and all bids
417 for such Series of Bonds. Alternatively, the county council will, by Sale Motion, accept
418 the winning bid for the purchase of such Series of Bonds and will also ratify and establish
419 the year and any applicable Series designation, date, principal amounts and maturity
420 dates, interest rates and interest payment dates, redemption and/or purchase provisions
421 and delivery date for such Series of Bonds.

422 B. Negotiated Sale. If the Finance Director determines that any Series of
423 Bonds will be sold by negotiated sale, the Finance Director will, in accordance with
424 applicable county procurement procedures, solicit one or more underwriting firms with
425 which to negotiate the sale of such Bonds. The bond purchase contract for such Series of
426 Bonds will specify whether the Bonds of such Series are being issued and sold as Tax-
427 Exempt Bonds or Taxable Bonds and will also identify the year and any applicable Series
428 designation, purchase price, date, principal amounts and maturity dates, interest rates and
429 interest payment dates, redemption and/or purchase provisions and the delivery date for
430 such Series of Bonds. The county council, by Sale Motion, will approve the execution of
431 the bond purchase contract and ratify and establish the terms for such Series of Bonds
432 identified in such bond purchase contract.

433 SECTION 11. Preliminary Official Statement and Final Official Statement. The

434 county hereby authorizes and directs the Finance Director: (i) to review and approve the
435 information contained in the preliminary official statement (each, a "Preliminary Official
436 Statement") prepared in connection with the sale of each Series of Bonds; and (ii) for the
437 sole purpose of compliance by the purchasers of such Series of Bonds with subsection
438 (b)(1) of the Rule, to "deem final" the related Preliminary Official Statement as of its
439 date, except for such omissions as are permitted under the Rule. After each Preliminary
440 Official Statement has been reviewed and approved in accordance with the provisions of
441 this section, the county hereby authorizes the distribution of such Preliminary Official
442 Statement to prospective purchasers of such related Series of Bonds.

443 Following the sale of each Series of Bonds, the Finance Director is hereby
444 authorized to review and approve on behalf of the county a final official statement with
445 respect to such Series of Bonds. The county agrees to cooperate with the successful
446 bidder for each Series of Bonds to deliver or cause to be delivered, within seven business
447 days from the date of the Sale Motion, and in sufficient time to accompany any
448 confirmation that requests payment from any customer of such successful bidder, copies
449 of a final official statement pertaining to such Bonds in sufficient quantity to comply with
450 paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

451 SECTION 12. Undertaking to Provide Ongoing Disclosure. In the Sale Motion
452 or in a continuing disclosure certificate executed in connection with each Series of
453 Bonds, the county council will undertake to provide ongoing disclosure with respect to
454 each Series of Bonds, as required by subsection (b)(5) of the Rule, in connection with
455 each Series of Bonds subject to the requirements of the Rule.

456 SECTION 13. Delivery of Bonds. Following the sale of each Series of Bonds,

457 the county shall cause definitive Bonds of such Series to be prepared, executed and
458 delivered to the purchaser thereof in accordance with the provisions of this ordinance.

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

468 SECTION 14. Bond Accounts. There has heretofore been created in the office
469 of the Finance Director a special fund known as the "King County Limited Tax General
470 Obligation Bond Redemption Fund" to be drawn upon for the purpose of paying the
471 principal of and interest on the limited tax general obligation bonds of the county. There
472 is hereby authorized to be created within said fund a special account for each Series of
473 Bonds to be known as the "Limited Tax General Obligation Bond Redemption Account,
474 [Year][, Series ___]" (each, a "Bond Account").

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

478 The taxes hereafter levied for the purpose of paying principal of and interest on
479 each Series of Bonds and other funds to be used to pay such Series of Bonds will be

480 deposited in the related Bond Account no later than the date such funds are required for
481 the payment of principal of and interest on such Series of Bonds; provided, however, that
482 if the payment of principal of and interest on any Series of Bonds is required prior to the
483 receipt of such levied taxes, the county may make an interfund loan to the related Bond
484 Account pending actual receipt of such taxes. Each Bond Account will be drawn upon
485 for the purpose of paying the principal of and interest on the related Series of Bonds.
486 Each Bond Account will be a second tier fund in accordance with Ordinance 7112 and
487 K.C.C. chapter 4.10.

488 SECTION 15. Deposit of Bond Proceeds.

489 A. There is hereby created the "2019 G.O. Bonds [Central Maintenance
490 Facility] Subfund" within the Parks, Recreation and Open Space Fund (3160). This
491 subfund will be a first tier fund managed by the director of the parks and recreation
492 division of the department of natural resources and parks of the county, or any successor
493 to the functions thereof. The exact amount of proceeds from the sale of any Series of
494 Bonds to be deposited into the 2019 G.O. Bonds [Central Maintenance Facility] Subfund
495 to provide long-term financing for all or part of the capital costs of the parks' central
496 maintenance facility project shall be determined by the Finance Director upon the sale of
497 such Series of Bonds.

498 B. There is hereby created the "2019 G.O. Bonds [Solid Waste Capital
499 Program] Subfund" within the Solid Waste Construction Fund (3901). This subfund will
500 be a first tier fund managed by the director of the solid waste division of the department
501 of natural resources and parks of the county, or any successor to the functions thereof.
502 The exact amount of proceeds from the sale of any Series of Bonds to be deposited into

503 the 2019 G.O. Bonds [Solid Waste Capital Program] Subfund to provide long-term
504 financing for all or part of the capital costs of the solid waste capital program shall be
505 determined by the Finance Director upon the sale of such Series of Bonds.

506 C. There is hereby created the "2019 G.O. Bonds [Procurement System]
507 Subfund" within the Department of Executive Services Technology Fund (3250). This
508 subfund will be a first tier fund managed by the director of the finance and business
509 operations division of the department of executive services of the county, or any
510 successor to the functions thereof. The exact amount of proceeds from the sale of any
511 Series of Bonds to be deposited into the 2019 G.O. Bonds [Procurement System]
512 Subfund to provide long-term financing for all or part of the capital costs of procurement
513 systems projects shall be determined by the Finance Director upon the sale of such Series
514 of Bonds.

515 D. There is hereby created the "2019 G.O. Bonds [Case Management System
516 Upgrade] Subfund" within the Office of Performance, Strategy and Budget General
517 Technology Capital Fund (3280). This subfund will be a first tier fund managed by the
518 director of the department of public defense of the county, or any successor to the
519 functions thereof. The exact amount of proceeds from the sale of any Series of Bonds to
520 be deposited into the 2019 G.O. Bonds [Case Management System Upgrade] Subfund to
521 provide long-term financing for all or part of the capital costs of the case management
522 system upgrade project shall be determined by the Finance Director upon the sale of such
523 Series of Bonds.

524 E. There is hereby created the "2019 G.O. Bonds [KCIT] Subfund" within
525 the Office of Information Resource Management Capital Projects Fund (3771). This

526 subfund will be a first tier fund managed by the director of the department of information
527 technology of the county, or any successor to the functions thereof. The exact amount of
528 proceeds from the sale of any Series of Bonds to be deposited into the 2019 G.O. Bonds
529 [KCIT] Subfund to provide long-term financing for all or part of the capital costs of the
530 property tax assessment and collection system project, the distributed antenna network
531 project and the jail management system project shall be determined by the Finance
532 Director upon the sale of such Series of Bonds.

533 F. There is hereby created the "2019 G.O. Bonds [Fund to Reduce Energy
534 Demand] Subfund" within the Building Repair/Replacement Subfund (3951). This
535 subfund will be a first tier fund managed by the director of the facilities management
536 division of the county, or any successor to the functions thereof. The exact amount of
537 proceeds from the sale of any Series of Bonds to be deposited into the 2019 G.O. Bonds
538 [Fund to Reduce Energy Demand] Subfund to provide long-term financing for all or part
539 of the capital costs of the project to convert existing lighting to light-emitting diode
540 technology and install light controls shall be determined by the Finance Director upon the
541 sale of such Series of Bonds.

542 G. There is hereby created the "2019 G.O. Bonds [Fund to Reduce Energy
543 Demand] Subfund" within the County Road Major Maintenance Fund (3855). This
544 subfund will be a first tier fund managed by the director of the roads services division of
545 the department of transportation of the county, or any successor to the functions thereof.
546 The exact amount of proceeds from the sale of any Series of Bonds to be deposited into
547 the 2019 G.O. Bonds [Fund to Reduce Energy Demand] Subfund to provide long-term
548 financing for all or part of the capital costs of the project to convert maintenance facility

549 lights to light-emitting diodes shall be determined by the Finance Director upon the sale
550 of such Series of Bonds.

551 SECTION 16. Investment of and Accounting for Bond Proceeds. Funds
552 deposited in the funds and accounts described in sections 14 and 15 of this ordinance will
553 be invested as permitted by law for the sole benefit of such funds and accounts.
554 Irrespective of the general provisions of Ordinance 7112 and K.C.C. chapter 4.10, the
555 county current expense fund will not receive any earnings attributable to such funds and
556 accounts.

557 The county covenants that all investments of amounts deposited in any fund or
558 account created by or pursuant to this ordinance, or otherwise containing gross proceeds
559 of any Series of Tax-Exempt Bonds (within the meaning of Section 148 of the Code),
560 will be acquired, disposed of, and valued (as of the date that valuation is required by this
561 ordinance or the Code) at Fair Market Value. Notwithstanding the foregoing, investments
562 in funds or accounts (or portions thereof) that are subject to a yield restriction under
563 applicable provisions of the Code will be valued at their present value (within the
564 meaning of Section 148 of the Code).

565 Money other than proceeds of the Bonds may be deposited in the funds and
566 accounts described in sections 14 and 15 of this ordinance; provided, however, that
567 proceeds of each Series of Bonds that are issued as Tax-Exempt Bonds and the earnings
568 thereon will be accounted for separately for purposes of the arbitrage rebate computations
569 required to be made under the Code. For purposes of such computations, Bond proceeds
570 will be deemed to have been expended first, and then any other funds.

571 SECTION 17. General Authorization. The appropriate county officials, agents

572 and representatives are hereby authorized and directed to do everything necessary for the
573 prompt sale, issuance, execution and delivery of each Series of Bonds and for the proper
574 use and application of the proceeds of the sale thereof.

575 SECTION 18. Contract; Severability. The covenants applicable to the Bonds
576 contained in this ordinance will constitute a contract between the county and the owners
577 of each and every Bond. If any one or more of the covenants or agreements provided in
578 this ordinance to be performed on the part of the county will be declared by any court of
579 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement
580 or agreements, will be null and void and will be deemed separable from the remaining

581 covenants and agreements of this ordinance and will in no way affect the validity of the
582 other provisions of this ordinance or the Bonds.
583

Ordinance 18960 was introduced on 6/12/2019 and passed by the Metropolitan King County Council on 7/17/2019, 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



KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Rod Dembowski, Chair

ATTEST:

Melani Pedroza, Clerk of the Council

APPROVED this 22 day of JULY, 2019.

Dow Constantine, County Executive

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2019 JUL 24 PM 3:43
CLERK
KING COUNTY COUNCIL

Attachments: None