

RESOLUTION R-4770

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE CERTIFICATIONS INCLUDING A CONTINUING DISCLOSURE UNDERTAKING AND DO ALL THINGS NECESSARY TO ENABLE CASCADE WATER ALLIANCE TO ISSUE AND SELL ITS BONDS.

WHEREAS, the City of Kirkland, Washington (the "City") entered into an Interlocal Contract effective April 1, 1999, as amended and restated as of December 5, 2004, (the "Interlocal Contract") with Cascade Water Alliance ("Cascade"); and

WHEREAS, pursuant to the Interlocal Contract, Cascade is authorized to issue bonds for its purposes upon approval of the Cascade Board; and

WHEREAS, the Cascade Board has determined to issue its second series of bonds in a principal amount of approximately \$82,000,000 to pay the costs of carrying out a portion of the capital program described in its Watershed Management Plan; and

WHEREAS, pursuant to the Interlocal Contract, debt service on the bonds will be paid directly from net revenue of Cascade and, indirectly, from Member Charges to be paid by the City and other members of Cascade; and

WHEREAS, the Interlocal Contract includes a "step up" provision, which provides that if any member fails to pay its share of member charges, the other members shall pay to Cascade (in addition to its own member charges otherwise due) the defaulting member's charges in proportion to each remaining members' share; and

WHEREAS, the City Council now desires to recognize the issuance of bonds by Cascade and the City's responsibilities with respect thereto under the Interlocal Contract and to authorize and direct the City Manager or his designee to sign closing certificates including a continuing disclosure undertaking in connection with the bonds;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The City Council hereby acknowledges the issuance of approximately \$82,000,000 principal amount of bonds by Cascade (the "Cascade Bonds"), and acknowledges the City's responsibilities with respect thereto set forth in the Interlocal Contract. The City Council hereby authorizes and directs the City Manager to execute one or more certificates (the "Certificates") required by the bond purchase contract with respect to the Cascade Bonds. The certificates to be executed by the City Manager relate to (a) the accuracy of information regarding the City included in Appendix A to the Preliminary and Final Official Statements for the Cascade Bonds, (b) the

absence of relevant litigation, (c) the due authorization and execution by the City of the Certificates and Interlocal Agreement, (d) the obligation of the City to provide ongoing disclosure with respect to financial and operating information regarding the City's water utility included in Appendix A to the Official Statement, and (e) other related matters.

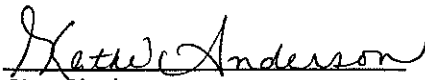
Section 2. The City Manager is authorized to take any actions and to execute documents as in his judgment may be necessary or desirable in order to assist Cascade in the issuance of the Cascade Bonds. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified.

Passed by majority vote of the Kirkland City Council in open meeting this 21st day of July, 2009.

Signed in authentication thereof this 21st day of July, 2009.

  
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MAYOR

Attest:

  
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City Clerk