

CITY OF KIRKLAND, WASHINGTON

ORDINANCE NO. 2333

AN ORDINANCE of the City of Kirkland, Washington, providing for the issuance, specifying the maturities and maximum effective interest rate, and fixing the form of \$1,600,000.00 par value of "General Obligation Bonds, 1977," authorized by the qualified voters of the City at a special election held on November 2, 1976, in conjunction with the general State election held on the same date, pursuant to Ordinance No. 2324 passed and approved September 7, 1976; creating a special bond redemption fund and special acquisitions and improvements funds; and providing for the sale of such bonds.

WHEREAS, pursuant to Ordinance No. 2324 passed September 7, 1976, there were submitted to the voters of the City at a special election held therein on November 2, 1976, in conjunction with the general State election held on the same date, six general obligation bond propositions of which the following four propositions were approved by the qualified voters of the City:

PROPOSITION TWO
BONDS FOR ACQUISITION OF LAKE WASHINGTON
WATERFRONT AND SHORELINE PROPERTY
\$300,000.00

For the purpose of acquisition of property within and adjacent to the shoreline of Lake Washington for waterfront parks and open space and including, where necessary or desirable, limited development or improvement for the purposes of protecting the shoreline, shall the City of Kirkland, Washington, borrow \$300,000.00 and issue its negotiable general obligation bonds therefor, payable by annual tax levies to be made without limitation as to rate or amount, bearing interest at a rate or rates not to exceed the maximum allowable by law, payable semi-annually and in maturing from two (2) to not more than twenty (20) years from the date of issue for municipal capital purposes only, other than the replacement of equipment, all as provided for in Section 1 of Ordinance No. 2324 of said City, passed and approved September 7, 1976.

Bonds Yes
Bonds No

PROPOSITION THREE
 BONDS FOR MUNICIPAL MULTI-PURPOSE SENIOR CITIZENS
 CENTER FACILITIES AND CAPITAL IMPROVEMENTS
 \$250,000.00

For the purpose of development and construction of a multi-purpose municipal center to facilitate and accommodate senior citizens' activities, shall the City of Kirkland, Washington borrow \$250,000.00 and issue its negotiable general obligation bonds therefor, payable by annual tax levies to be made without limitation as to rate or amount, bearing interest at a rate or rates not to exceed the maximum allowable by law, payable semi-annually and in maturing from two (2) to not more than twenty (20) years from the date of issue for municipal capital purposes only, other than the replacement of equipment, all as provided for in Section 1 of Ordinance 2324 of said City, passed and approved September 7, 1976.

Bonds Yes
 Bonds No

PROPOSITION FOUR (A)
 ACQUISITION OF WATERFRONT AND OTHER LANDS
 WITHIN THE JUANITA BAY - JUANITA SLOUGH AREA
 \$750,000.00

For the purpose of acquiring lands, including shoreline and associated wetlands and uplands, within the area adjoining or adjacent to Juanita Bay and the Juanita Slough, including some shoreline and wetland protective development or improvement to preserve for future uses, shall the City of Kirkland, Washington borrow \$750,000.00 and issue its negotiable general obligation bonds therefor, payable by annual tax levies to be made without limitation as to rate or amount, bearing interest at a rate or rates not to exceed the maximum allowable by law, payable semi-annually and in maturing from two (2) to not more than twenty (20) years from the date of issue for municipal capital purposes only, other than the replacement of equipment, all as provided for in Section 1 of Ordinance 2324, of said City, passed and approved September 7, 1976.

Bonds Yes
 Bonds No

PROPOSITION FIVE
BONDS FOR LIBRARY EXPANSION AND ADDITIONS
AND CAPITAL IMPROVEMENTS
\$300,000.00

For the purpose of expansion, addition and enlargement of the existing library facility, shall the City of Kirkland, Washington, borrow \$300,000.00 and issue its negotiable general obligation bonds therefor, payable by annual tax levies to be made without limitation as to rate or amount, bearing interest at a rate or rates not to exceed the maximum allowable by law, payable semi-annually and in maturing from two (2) to not more than twenty (20) years from the date of issue for municipal capital purposes only, other than the replacement of equipment, all as provided for in Section 1 of Ordinance 2324 of said City, passed and approved September 7, 1976.

Bonds Yes
Bonds No

and

WHEREAS, the City desires to issue and sell the total amount of general obligation bonds authorized by each of such bond propositions, such bonds to be combined into a single issue of bonds; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KIRKLAND, WASHINGTON, DO
ORDAIN as follows:

Section 1. The City of Kirkland, Washington (hereinafter called the "City"), shall presently issue and sell \$1,600,000.00 par value, being the combined total par value, of negotiable general obligation bonds authorized by the qualified voters of the City at a special election held on November 2, 1976, in conjunction with the general State election held on the same date, pursuant to Ordinance No. 2324 passed and approved September 7, 1976, for the purpose of

(1) acquiring property within and adjacent to the shoreline of Lake Washington for waterfront parks and open space and including, where necessary or desirable, limited development or improvement for the purpose of protecting the shoreline; (2) developing and constructing a multi-purpose municipal center to facilitate and accommodate senior citizens' activities; (3) acquiring lands, including shoreline and associated wetlands and uplands, within the area adjoining or adjacent to Juanita Bay and the Juanita Slough, including some shoreline and wetland protective development or improvement to preserve for future uses; and (4) expansion, addition and enlargement of the existing library facility. The bonds shall be dated February 1, 1977, shall be in denominations of \$5,000.00 each, shall be numbered from 1 to 320, inclusive, and shall bear interest at a rate or rates not to exceed an effective rate of 8% per annum payable on August 1, 1977, and semiannually thereafter on each succeeding February 1 and August 1 as evidenced by interest coupons to be attached to the bonds representing interest to maturity, with full obligation on the part of the City to pay interest at the bond rate or rates from and after maturity until the bonds, both principal and interest, are paid in full. Both principal and interest are to be paid in lawful money of the United States of America at the office of the Director of Administration and Finance of the City or, at the option of the holder, at either fiscal agency of the State of Washington in the Cities of Seattle, Washington, or New York, New York. The bonds shall be payable serially over a period of from two to twenty years from the date of issue and shall mature in order of their numbers as follows (based on an assumed interest rate of 5.25% per annum):

<u>Bond Numbers (Inclusive)</u>	<u>Amounts</u>	<u>Maturities</u>
1 to 10	\$ 50,000	February 1, 1979
11 to 21	55,000	February 1, 1980
22 to 32	55,000	February 1, 1981
33 to 44	60,000	February 1, 1982
45 to 57	65,000	February 1, 1983
58 to 70	65,000	February 1, 1984
71 to 84	70,000	February 1, 1985
85 to 99	75,000	February 1, 1986
100 to 114	75,000	February 1, 1987
115 to 130	80,000	February 1, 1988
131 to 147	85,000	February 1, 1989
148 to 165	90,000	February 1, 1990
166 to 184	95,000	February 1, 1991
185 to 204	100,000	February 1, 1992
205 to 225	105,000	February 1, 1993
226 to 247	110,000	February 1, 1994
248 to 270	115,000	February 1, 1995
271 to 294	120,000	February 1, 1996
295 to 320	130,000	February 1, 1997

Section 2. The City reserves the right to redeem any or all of the outstanding bonds of this issue on February 1, 1985, or on any semiannual interest payment date thereafter, in inverse numerical order, highest numbers first, at the following redemption prices expressed as a percentage of par, plus accrued interest to date of redemption, if redeemed on the following dates:

February 1, 1985, and August 1, 1985	101.00%
February 1, 1986, and August 1, 1986	100.75%
February 1, 1987, and August 1, 1987	100.50%
February 1, 1988, and August 1, 1988	100.25%
February 1, 1989, and August 1, 1989	100.125%
February 1, 1990, and any interest payment date thereafter	100% (par)

Notice of such intended redemption shall be published in the official newspaper of the City at least once not less than thirty nor more than forty-five days prior to the call date, and a copy of such notice shall be mailed within the same period to the original purchaser or the account manager of the underwriter who

purchases the bonds. In addition, such redemption notice shall also be sent to Moody's Investors Service, Inc., and Standard & Poor's Corporation, at their offices in New York, New York, but the mailing of such notice to such corporations shall not be a condition precedent to the redemption of such bonds. Interest on any bonds so called for redemption shall cease on such call date upon payment of the redemption price into the bond redemption fund for the bonds.

The City further reserves the right to purchase any or all of the bonds in the open market at any time at a price not in excess of 101% of par if purchased prior to February 1, 1986, and thereafter at a price not in excess of the call price applicable at the time of such purchase.

Section 3. The City hereby irrevocably pledges itself to levy taxes annually, without limitation as to rate or amount, on all property in the City subject to taxation in an amount sufficient to pay the principal of and interest on the bonds as the same shall become due, and the full faith, credit and resources of the City are hereby irrevocably pledged for the payment of the principal of and interest on such bonds.

Section 4. The bonds shall be in substantially the following form:

No. _____ \$5,000.00

UNITED STATES OF AMERICA

STATE OF WASHINGTON

CITY OF KIRKLAND

GENERAL OBLIGATION BOND, 1977

_____ &

KNOW ALL MEN BY THESE PRESENTS: That the City of Kirkland (the "City), State of Washington, for value

received, promises to pay to bearer on the FIRST DAY OF FEBRUARY, 19__, the principal sum of

FIVE THOUSAND DOLLARS

together with interest thereon at the rate of ____% per annum, until fully paid, payable on August 1, 1977, and semiannually thereafter on each succeeding February 1 and August 1 with interest to maturity being evidenced by and payable upon the presentation and surrender of the attached interest coupons as they severally become due, with full obligation on the part of the City to pay interest at the same rate from and after the maturity date, in the absence of coupons, until this bond with interest is paid in full. The bond is payable, both principal and interest, in lawful money of the United States of America at the office of the Director of Administration and Finance of the City or, at the option of the holder, at either fiscal agency of the State of Washington in the Cities of Seattle, Washington, or New York, New York.

This bond is one of an issue of \$1,600,000.00 of bonds of like date, tenor and effect, except as to maturities [and interest rates if more than one interest rate is bid], and is issued by the City pursuant to a special election authorizing the same for strictly various municipal capital purposes, other than the replacement of equipment, all as provided in Ordinances Nos. 2324 and 2333, passed and approved September 7, 1976, and January 3, 1977, respectively, and is issued in full compliance with the ordinances of the City and the laws and Constitution of the State of Washington.

The City reserves the right to redeem any or all of the outstanding bonds of this issue on February 1, 1985, or on any semiannual interest payment date thereafter, in inverse numerical order, highest numbers first, at the following redemption prices expressed as a percentage of par, plus accrued interest to date of redemption, if redeemed on the following dates:

February 1, 1985, and August 1, 1985	101.00%
February 1, 1986, and August 1, 1986	100.75%
February 1, 1987, and August 1, 1987	100.50%
February 1, 1988, and August 1, 1988	100.25%
February 1, 1989, and August 1, 1989	100.125%
February 1, 1990, and any interest payment date thereafter	100% (Par)

Notice of such intended redemption shall be published in the official newspaper of the City at least once not less

than thirty nor more than forty-five days prior to the call date, and a copy of such notice shall be mailed within the same period to [the original purchaser or the account manager of the underwriter who purchases the bonds]. In addition, such redemption notice shall also be sent to Moody's Investors Service, Inc., and Standard & Poor's Corporation, at their offices in New York, New York, but the mailing of such notice to such corporations shall not be a condition precedent to the redemption of such bonds. Interest on any bonds so called for redemption shall cease on such call date upon payment of the redemption price into the bond redemption fund.

The City further reserves the right to purchase any or all of the bonds in the open market at any time at a price not in excess of 101% of par if purchased prior to February 1, 1986, and thereafter at a price not in excess of the call price applicable at the time of such purchase.

The City hereby irrevocably pledges itself to levy taxes annually, without limitation as to rate or amount, on all property in the City subject to taxation in an amount sufficient to pay the principal of and interest on the bonds.

It is hereby certified that all acts, conditions and things required to be done precedent to and in the issuance of this bond have been done, have happened and have been performed as required by law, and that the total indebtedness of the City, including this bond issue, does not exceed any constitutional or statutory limitations.

IN WITNESS WHEREOF, the City has caused this bond to be signed by the facsimile signature of its Mayor and attested by the manual signature of its Director of Administration and Finance, ex officio City Clerk, and its corporate seal to be hereto affixed and the interest coupons attached to be signed with the facsimile signatures of said officials this first day of February, 1977.

CITY OF KIRKLAND, WASHINGTON

By (facsimile signature)
Mayor

ATTEST:

Director of Administration and
Finance, ex officio City Clerk

The form of the interest coupons shall be substantially as follows:

Coupon No. ____

\$ _____

(Unless the bond referred to below has been previously redeemed)

On the FIRST DAY OF (FEBRUARY) (AUGUST), 19__, the CITY OF KIRKLAND, WASHINGTON, upon presentation and surrender of this coupon will pay to the bearer at the office of the Director of Administration and Finance of the City or, at the option of the holder, at either fiscal agency of the State of Washington in the Cities of Seattle, Washington, or New York, New York, the amount shown hereon in lawful money of the United States of America, said sum being the interest due that date on its "General Obligation Bond, 1977," dated February 1, 1977, and numbered ____.

CITY OF KIRKLAND, WASHINGTON

By (facsimile signature)
Mayor

ATTEST:

(facsimile signature)
Director of Administration and
Finance, ex officio City Clerk

Section 5. The bonds shall be printed or lithographed on good bond paper and shall be signed by the facsimile signature of the Mayor and attested by the manual signature of the Director of Administration and Finance, ex officio City Clerk, under the seal of the City, and the coupons shall bear the facsimile signatures of said officials.

Section 6. There are hereby created and established in the office of the Director of Administration and Finance of the City five special funds as follows: (1) one to be known and designated as the "General Obligation Bond Fund, 1977," for the payment of the

principal and interest on the bonds, into which fund shall be paid the accrued interest received from the sale of the bonds, together with all taxes collected for the payment of the principal of and interest on the bonds; (2) one to be known and designated as the "Shoreline Acquisition Fund," into which fund shall be deposited \$300,000.00 of the principal proceeds received from the sale of the bonds to be used for the purpose of acquisition of property within and adjacent to the shoreline of Lake Washington for waterfront parks and open space and including, where necessary or desirable, limited development or improvement for the purpose of protecting the shoreline; (3) one to be known and designated as the "Senior Citizens Center Construction Fund," into which fund shall be deposited \$250,000.00 of the principal proceeds received from the sale of the bonds to be used for the purpose of development and construction of a multi-purpose municipal center to facilitate and accommodate senior citizens' activities; (4) one to be known and designated as the "Juanita Bay Acquisition Fund," into which fund shall be deposited \$750,000.00 of the principal proceeds received from the sale of the bonds to be used for the purpose of acquiring lands, including shoreline and associated wetlands and uplands, within the area adjoining or adjacent to Juanita Bay and the Juanita Slough, including some shoreline and wetland protective development or improvement to preserve for future uses; and (5) one to be known and designated as the "Library Construction Fund," into which fund shall be deposited \$300,000.00 of the principal proceeds received from the sale of the bonds to be used for the purpose of expansion, addition and enlargement of the existing library facility. Any moneys remaining in such

acquisitions and improvements funds, including investment income therefrom, after such authorized acquisitions and improvements have been carried out and completed, may be retained in such funds and used to carry out any similar acquisitions or improvements deemed appropriate by the City Council.

Section 7. The bonds shall be sold for cash at public sale for not less than par, plus accrued interest, upon sealed bids to be received at the office of the Director of Administration and Finance, ex officio City Clerk, up to the day and hour stated in the Notice of Bond Sale hereinafter directed to be given.

Notice calling for bids to purchase the bonds shall be published once a week for four consecutive weeks in the official newspaper of the City and a short abbreviated form of such notice shall also be published once in the Daily Journal of Commerce of Seattle, Washington, at least ten days before the bid opening date. Such notice shall specify that the bids for the purchase of the bonds shall be received by the Director of Administration and Finance, ex officio City Clerk, of the City at his office in the City Hall on February 7, 1977, up to 1:00 o'clock p.m. (PST), and such bids will be publicly opened at such time and will be considered by the City Council at a meeting thereof to be held in the Council Chambers on the same date commencing at 8:00 o'clock p.m. (PST).

A copy of the notice shall, at least three weeks prior to the date fixed for the sale, be mailed to the State Finance Committee, Olympia, Washington.

Bidders are invited to name the rate or rates of interest which the bonds are to bear, not exceeding an effective rate of 8% per annum. Bidders shall submit a bid specifying:

(a) The lowest rate or rates of interest and premium, if any, above par at which the bidder will purchase the bonds; or

(b) The lowest rate or rates of interest at which the bidder will purchase the bonds at par.

No bid will be considered for the bonds for less than par and accrued interest. The purchaser must pay accrued interest to date of delivery of the bonds.

Coupon rates shall be in multiples of 1/8 or 1/20 of 1%, or both. No more than one rate of interest may be fixed for any one maturity. Only one coupon will be attached to each bond for each installment of interest thereon, and bids providing for additional or supplemental coupons will be rejected. The maximum differential between the lowest and highest coupon rates named in any bid shall not exceed 2%.

For the purpose of comparing the bids only, the coupon rates bid being controlling, each bid shall state the total interest cost over the life of the bonds and the net effective interest rate of the bid.

The bonds shall be sold to the bidder making the best bid, subject to the right of the City Council of the City to reject any and all bids and to readvertise the bonds for sale in the manner provided by law, and no bid for less than all of the bonds will be considered.

All bids shall be sealed and, except the bid of the State of Washington, if one is received, shall be accompanied by a deposit of \$80,000.00. The deposit shall be either cash or

certified or cashier's check made payable to the Director of Administration and Finance of the City, which shall be promptly returned if the bid is not accepted. If the bonds are ready for delivery and the successful bidder shall fail and neglect to complete the purchase of the bonds within forty days following the acceptance of its bid, the amount of its deposit shall be forfeited to the City and in that event the City Council may accept the bid of the one making the next best bid. If there be two or more equal bids for the bonds for not less than par plus accrued interest and such bids are the best bids received, the City Council will determine by lot which bid will be accepted. The bonds will be delivered to the successful bidder at the office of the Director of Administration and Finance of the City of Kirkland or in the City of Seattle at the expense of the City, or at such other place as the Director of Administration and Finance of the City and the successful bidder may mutually agree upon at the purchaser's expense. Settlement shall be made by the purchaser in federal funds.

Any bid presented after the hour specified for the receipt of bids will not be received, and any bid not accompanied by the required bid deposit at the time of opening such bid will not be read or considered.

It is understood that if, prior to the delivery of the bonds, the income receivable by the holders thereof shall become taxable, directly or indirectly, by the terms of any federal income tax law, the successful bidder may at its option be relieved of its obligation to purchase the bonds, and in such case the deposit accompanying its bid will be returned, without interest.

The City will cause the bonds to be printed or lithographed and signed without expense to the successful bidder.

CUSIP numbers will be printed on the bonds, if requested in the bid of the successful bidder, but neither failure to print such numbers on any bond nor error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the bonds shall be paid by the issuer; provided, however, that the fee of the CUSIP Service Bureau for the assignment of said numbers shall be the responsibility of and shall be paid for by said purchaser.

The Director of Administration and Finance, ex officio City Clerk, of the City shall be and is hereby authorized and directed to publish notice for the purchase of the bonds in the manner required by law in accordance with the provisions of this section. Such notice shall provide that the City will cause the bonds to be printed or lithographed and signed and will furnish the approving legal opinion of Messrs. Roberts, Shefelman, Lawrence, Gay & Moch, municipal bond counsel of Seattle, Washington, covering the bonds without cost to the purchaser, such opinion also being printed on each bond. Such bond opinion shall state that bond counsel expresses no opinion on the completeness or accuracy of any official statement, offering circular or other sales material relating to the issuance of the bonds prepared by the City or its financial advisor or otherwise used in connection with such bonds. A no-litigation certificate will be included in the closing papers. Such notice shall also

provide that further information regarding the details of such bonds may be received upon request made to the City Clerk or to Seattle-Northwest Securities Corporation, 500 Union Street, Seattle, Washington 98101, the City's financial consultant.

Section 8. This Ordinance shall take effect and be in force five days from and after its passage by the Council and publication as required by law.

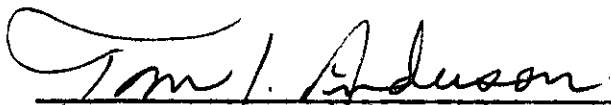
PASSED by the City Council of the City of Kirkland, Washington, at a regular open public meeting thereof, this 3rd day of January, 1977.

SIGNED in authentication thereof on the 3rd day of January, 1977.



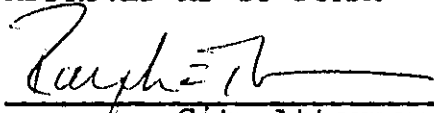
Mayor

ATTEST:



Director of Administration and
Finance, ex officio City Clerk

APPROVED AS TO FORM:



City Attorney

Published: January 8, 1977