

CITY OF KIRKLAND, WASHINGTON

ORDINANCE NO. 2810

AN ORDINANCE fixing the amount, form, date, interest rate, maturity and denominations of the Local Improvement District No. 120 Bonds; providing for the sale and delivery thereof to Boettcher & Company in Seattle, Washington; and fixing the interest rate on Local Improvement District No. 120 assessment installments.

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

Section 1. The total amount of the assessment roll in Local Improvement District No. 120 in the City of Kirkland, Washington (the "City"), created under Ordinance No. 2638, passed December 7, 1981, was \$384,470.54. The 30-day period for making cash payments of assessments without interest in the District expired on April 25, 1984, and the total amount of assessments paid in cash was \$61,701.74, leaving a balance of assessments unpaid on the assessment roll in the sum of \$322,768.80. "Local Improvement District No. 120 Bonds" (the "Bonds") shall be issued, therefore, in the total principal sum of \$322,768.80. The Bonds shall be dated June 1, 1984, shall mature on June 1, 1996, and shall be numbered from 1 to 64, inclusive, in the manner and with any additional designation as the Bond Registrar (collectively, the fiscal agencies of the State of Washington located in Seattle, Washington, and New York, New York) deems necessary for the purpose of identification. Bond No. 1 shall be in the denomination of \$7,768.80 and

Bonds Nos. 2 to 64, inclusive, shall be in the denomination of \$5,000.00 each. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Bonds Nos. 1 through 8 shall bear interest at the rate of 18% per annum, Bonds Nos. 9 through 24 shall bear interest at the rate of 9.25% per annum, Bonds Nos. 25 through 31 shall bear interest at the rate of 9.50% per annum, Bonds Nos. 32 through 44 shall bear interest at the rate of 9.60% per annum, Bonds Nos. 45 through 50 shall bear interest at the rate of 9.75% per annum, Bonds Nos. 51 through 56 shall bear interest at the rate of 9.70% per annum, Bonds Nos. 57 through 60 shall bear interest at the rate of 9.85% per annum and Bonds Nos. 61 through 64 shall bear interest at the rate of 10.00% per annum (for a net effective overall interest rate of 9.89%), payable annually beginning June 1, 1985.

The Bonds shall be issued only in registered form as to both principal and interest on books or records maintained by the Bond Registrar (the "Bond Register"). Such Bond Register shall contain the name and mailing address of the owner of each Bond or nominee of such owner and the principal amount and number of Bonds held by each owner or nominee.

Bonds may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. The transfer of a Bond shall be by the Bond Registrar's receiving the Bond to be transferred, cancelling it and issuing a new certificate in the form of the Bonds to the transferee after registering the name and address of the transferee on the Bond Register. The new certificate shall bear the same Bond number

as the transferred Bond but may have a different inventory reference number or control number. Such exchange or transfer shall be without cost to the owner or transferee.

Both principal of and interest on the Bonds shall be payable solely out of the Bond Fund and from the Local Improvement Guaranty Fund of the City, and shall be payable in lawful money of the United States of America. Interest on the Bonds shall be paid by check or draft mailed to the registered owners or nominees at the addresses appearing on the Bond Register on the 15th day of the month preceding the interest payment date. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the registered owners at the principal offices of either of the fiscal agencies of the State of Washington in Seattle, Washington, and New York, New York, at the option of such owners.

The City reserves the right to redeem the Bonds prior to their stated maturity on any interest payment date, in numerical order, lowest numbers first, at par plus accrued interest, whenever there shall be sufficient money in the Bond Fund to pay the Bonds so called and all earlier numbered Bonds over and above the amount required for the payment of the interest on all unpaid Bonds, by mailing, not less than 15 nor more than 30 days prior to the date fixed for redemption, notice of such redemption by first class mail, postage prepaid, to the registered owner of any Bond to be redeemed at the address appearing on the Bond Register. The requirements of this section shall be deemed to be complied with when notice is mailed as herein provided

whether or not it is actually received by the owner of any Bonds. The interest on the Bonds so called for redemption shall cease on the date fixed for redemption unless such Bond or Bonds so called are not redeemed upon presentation made pursuant to such call.

Section 2. The Bonds shall be printed, lithographed or typed on good bond paper in a form consistent with the provisions of this ordinance and state law, shall be signed by the Mayor and the City Director of Administration and Finance and ex officio City Clerk, both of whose signatures shall be in facsimile, and shall have a facsimile reproduction of the seal of the City printed thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the following form, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance:

CERTIFICATE OF AUTHENTICATION

This bond is one of the fully registered City of Kirkland, Washington, Local Improvement District No. 120 Bonds described in the within mentioned ordinance.

Washington State Fiscal Agency
Bond Registrar

By _____
Authorized Officer

Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

In case either or both of the officers who shall have executed the Bonds shall cease to be such officer or officers of the City before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issue, shall be as binding upon the City as though those who signed the same had continued to be such officers of the City. Any Bond also may be signed on behalf of the City by such persons as at the actual date of execution of such Bond shall be proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

Section 3. The Bond Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the City. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this ordinance and to carry out all of the Bond Registrar's powers and duties under this ordinance.

The Bond Registrar shall be responsible for its representations contained in the Registrar's Certificate of Authentication on the Bonds. The Bond Registrar may become the owner of Bonds with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to

act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond owners.

Section 4. The Bonds shall be negotiable instruments to the extent provided by RCW 62A.8-102 and 62A.8-105.

Section 5. The City covenants that it will spend the principal proceeds of the Bonds with due diligence to completion of the purposes specified in this ordinance and will make no use of the proceeds of the Bonds or other funds of the City at any time during the term of the Bonds which will cause the Bonds to be arbitrage bonds within the meaning of Section 103(c) of the United States Internal Revenue Code of 1954, as amended, and the applicable regulations promulgated thereunder.

Section 6. Boettcher & Company in Seattle, Washington, has submitted an offer to purchase all of the Bonds at a price of par, plus accrued interest from the date of the Bonds to the date of their delivery to the purchaser, the City to furnish the printed Bonds and the approving legal opinion of Roberts & Shefelman, municipal bond counsel of Seattle, Washington, at the City's expense. Bond counsel shall not be required to review or express any opinion concerning the completeness or accuracy of any official statement, offering circular or other sales material issued or used in connection with the Bonds, and bond counsel's opinion shall so state. The City Council, deeming that it is in the best interest of the City that such offer be accepted, accepts the same. The Bonds shall, therefore, immediately upon their authentication, be delivered to Boettcher &

Company in Seattle, Washington, upon payment therefor in accordance with such offer.

Section 7. The interest rate on the installments and delinquent payments of the special assessments in Local Improvement District No. 120 are revised and fixed at the rate of 10.30% per annum.

PASSED by the City Council of the City of Kirkland, Washington, at a regular open public meeting thereof, on the 7th day of May, 1984, and signed in authentication of its passage this 7th day of May, 1984.

Doris Cooper
Mayor

AUTHENTICATED:

Jamie Perry Deputy City Clerk
for
City Director of Administration
and Finance and ex officio
City Clerk

I hereby certify under penalty of perjury that the foregoing ordinance was posted on the 9th day of May, 1984 in accordance with the provisions of RCW 35.22.260 and City of Kirkland Ordinance No. 2600.

APPROVED AS TO FORM:

Taylor
City Attorney

Jamie Perry
Clerk

0874k

COPY



Boettcher & Company
Investment Bankers Since 1910

One Union Square Building
Suite 2010
600 University Street
Seattle, Washington 98101
(206) 587-5775

May 1, 1984

\$322,768.80

City of Kirkland, Washington
Local Improvement District No. 120 Bonds

PURCHASE CONTRACT

Director of Finance and Administration
City of Kirkland
Kirkland, Washington

Boettcher and Company, Inc. (the "Purchaser") offers to purchase from the City of Kirkland, Washington (the "Seller"), all the aforementioned bonds (the "Bonds"), with delivery and payment at our offices in Seattle, Washington, based upon the covenants, representations and warranties set forth below. Appendix A, which is incorporated into this Purchase Contract by reference, contains a brief description of the Bonds, the manner of their issuance, the purchase price to be paid, and the date of delivery and payment (the "Closing").

1. Prior to the Closing, Seller will approve an Official Statement, with such changes from the Preliminary Official Statement as Purchaser and Seller shall approve, and will adopt a Bond Ordinance (the "Bond Ordinance") satisfactory in form and substance to Purchaser. Purchaser is authorized by Seller to use these documents and the information contained in them in connection with the public offering and sale of the Bonds.

2. You represent and covenant to the Purchaser that:

(a) You have and will have at the Closing the power and authority to enter into and perform this Purchase Contract, to adopt the Bond Ordinance and to deliver and sell the Bonds to the Purchaser,

(b) this Purchase Contract and the Bonds do not and will not conflict with or create a breach or default under any existing law, regulation, order or agreement to which Seller is subject,

(c) no governmental approval or authorization other than the Bond Ordinance is required in connection with the sale of the Bonds to the Purchaser,

(d) this Purchase Contract and the Bonds (when paid for by the Purchaser) are and shall be at the time of Closing legal, valid, and binding obligations of Seller enforceable in accordance with their terms, subject only to applicable bankruptcy, insolvency or other similar laws generally affecting creditors' rights, and,

(e) both the Preliminary Official Statement, except as to matters corrected in the Final Official Statement, and the Final Official Statement are or shall be accurate and complete in all material respects as of the date issued and as of the Closing with respect to information obtained from or utilized by officers and employees of the Seller in the normal course of their duties, and with respect to information not so obtained or utilized, such Official Statements are or shall be accurate and complete in all material respects as of such dates to the knowledge and belief of such officers and employees, after due review.

3. As conditions to Purchaser's obligations hereunder:

(a) From the time of Seller's acceptance of this Purchase Contract to the date of Closing, there shall not have been any:

(i) material adverse change in the financial condition or general affairs of Seller;

(ii) event, court decision, proposed law or rule which may have the effect of changing the federal income tax incident to the Bonds or the contemplated transactions; or

(iii) international or national crisis, suspension of stock exchange trading or banking moratorium materially affecting, in Purchaser's opinion, the market price of the Bonds.

(b) At the Closing, Seller will deliver or make available to Purchaser:

(i) The Bonds, in definitive form, duly executed and bearing proper CUSIP numbers;

(ii) The unqualified approving opinion of Bond Counsel satisfactory to Purchaser ("Bond Counsel"), dated the Closing Date, relating to the legality and tax-exempt status of the Bonds and an opinion of Bond Counsel confirming the enforceability of this Purchase Contract.

(iii) Such additional certificates, instruments and other documents (including, without limitation, those set forth on Appendix A) as the Purchaser may deem necessary with respect to the issuance and sale of the Bonds, all in form and substance satisfactory to Purchaser.

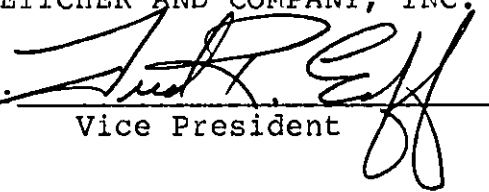
4. From the proceeds of the Bonds shall be paid the cost of preparing, printing, and executing the Bonds, the fees and disbursements of Bond Counsel, and miscellaneous Seller expenses, and Purchaser will pay all other costs incurred by Purchaser in connection with the offering and distribution of the Bonds.

5. This Purchase Contract is intended to benefit only the parties hereto, and Seller's representations and warranties shall survive any investigation made by or for Purchaser, delivery and payment for the Bonds, and the termination of this Purchase Contract. Should the Purchaser fail (other than for circumstances beyond its control or for reasons permitted in this Purchase Contract) to pay for the Bonds at Closing, any expenses incurred shall be borne in accordance with Section 4. Should the Seller fail to satisfy any of the foregoing conditions or covenants, or if Purchaser's obligations are terminated for any reason permitted under the Purchase Contract, then neither Purchaser nor Seller shall have any further obligations under this Purchase Contract, except that any expenses incurred shall be borne in accordance with Section 4.

6. This offer expires on the date set forth on Appendix A.

Very Truly Yours,


BOETTCHER AND COMPANY, INC.

BY: 
Vice President

ACCEPTED BY:

The City of Kirkland, Washington

This 7th day of May 1984

BY: 

APPENDIX A

DESCRIPTION OF BONDS

- a. Purchase Price: \$100 per \$100 par amount, or 100% plus accrued interest from June 1, 1984.
- b. Denomination: \$5,000, except Bond No. 1 in the denomination of \$7,768.80.
- c. Form: Fully registered as to principal and interest.
- d. Interest Payable: Annually, commencing June 1, 1985.
- e. Maturity Schedule: Bonds shall have a stated maturity date of June 1, 1996.
- f. Interest Rates: The Bonds shall bear interest as specified below:

<u>Bonds Numbered</u>	<u>Amount</u>	<u>Interest Rate</u>
1-8	\$42,768.80	18%
9-24	80,000.00	9.25
25-31	35,000.00	9.50
32-44	65,000.00	9.60
45-50	30,000.00	9.75
51-56	30,000.00	9.70
57-60	20,000.00	9.85
61-64	20,000.00	10.00

- g. Redemption: The Bonds are redeemable on any interest payment date at par, plus accrued interest.
- h. Closing Date: On or about June 1, 1984
- i. Miscellaneous
- Section 3 (b) iii. Bond Counsel: Roberts & Shefelman
- Section 6. Offer Expires: May 7, 1984

Information Only:

Net Effective Rate 9.89%