

CITY OF KIRKLAND, WASHINGTON

ORDINANCE NO. 2854

AN ORDINANCE relating to Local Improvement District No. 121; fixing the amount, form, date, interest rates, maturity and denominations of the Local Improvement District No. 121 Bonds; providing for the purchase of such bonds by the City of Kirkland, Washington, from funds on deposit in the Current Expense Fund; and fixing the interest rate on Local Improvement District No. 121 assessment installments.

WHEREAS, the City Council of the City of Kirkland, Washington (the "City"), has determined to issue \$269,761.02 par value of Local Improvement District No. 121 Bonds of the City and finds it is in the best interest of the City that such bonds be purchased by the City from funds on deposit in the Current Expense Fund of the City and available for investment; NOW, THEREFORE,

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. 121 in the City of Kirkland, Washington (the "City"), created under Ordinance No. 2772, as amended by Ordinance No. 2837, was \$285,406.72. The 30-day period for making cash payments of assessments without interest in the District expired on March 13, 1985, and the total amount of assessments paid in cash was ~~\$15,645.79,~~ leaving a balance of assessments unpaid on the assessment roll in the sum of

\$269,761.02. "Local Improvement District No. 121 Bonds" (the "Bonds") shall be issued, therefore, in the total principal amount of \$269,761.02. The Bonds shall be dated April 15, 1985, shall mature on April 15, 1997, and shall be numbered from 1 to 54, 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 \$4,761.02 and Bonds Nos. 2 to 54, 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. The bonds shall bear interest, payable annually beginning April 15, 1986, in accordance with the following schedule:

<u>Bond Numbers (Inclusive)</u>	<u>Interest Rates</u>
1 to 6	7.50%
7 to 12	8.00
13 to 18	8.50
19 to 24	8.75
25 to 30	9.00
31 to 35	9.25
36 to 40	9.50
41 to 45	9.75
46 to 50	10.00
51 to 54	10.25

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 Local Improvement Fund, District No. 121 (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 last business 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, and such notice requirements shall be deemed waived with respect to any Bonds registered in the name of the Current Expense Fund of the City at the time of such redemption. 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, 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. 121 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. The City will purchase all of the Bonds from funds on deposit in the Current Expense Fund of the City at a price of par plus accrued interest from the date of the Bonds to the date of their transfer to the City, 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 the Bonds be purchased by the City from funds on deposit in the Current Expense Fund which are in excess of the current needs of such fund and available for investment, authorizes such sale and purchase. The Bonds, therefore, immediately upon their authentication, shall be registered in the name of the Current Expense Fund of the City, upon payment therefor as provided herein.

Section 7. The interest rate on the installments and delinquent payments of the special assessments in Local

Improvement District No. 121 are revised and fixed at the rate of 9.90% per annum.

PASSED by the City Council of the City of Kirkland, Washington, at a regular open public meeting thereof, on the 18th day of March, 1985, and signed in authentication of its passage this 18th day of March, 1985.

Lorin Cooper
MAYOR

AUTHENTICATED:

Tom Alen
Director of Administration and Finance, ex officio City Clerk

APPROVED AS TO FORM:

Raymond
City Attorney

1580k

CERTIFICATION OF POSTING

I hereby certify under penalty of perjury that the foregoing ordinance was posted on the 19th day of March, 1985 in accordance with the provisions of RCW 35A.12.160 and City of Kirkland Ordinance No. 2600.

Janice Perry
Deputy City Clerk