

Adopted: 10/02/2019

Effective: 10/13/2019

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington

ORDINANCE NO. 19-054

AUTHORIZING THE ISSUANCE AND SALE OF TAX-EXEMPT LIMITED
TAX GENERAL OBLIGATION BONDS OF THE COUNTY IN AN
ORIGINAL PRINCIPAL AMOUNT NOT TO EXCEED \$5,650,000 TO
OBTAIN FINANCING FOR THE PROPERTY TAX SOFTWARE
PROJECT; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS
OF SALE OF THE BONDS; ESTABLISHING FUNDS FOR THE RECEIPT
AND EXPENDITURE OF BOND PROCEEDS AND FOR THE PAYMENT
OF THE BONDS; AND PROVIDING FOR THE ANNUAL LEVY OF
TAXES TO PAY THE PRINCIPAL THEREOF AND INTEREST THEREON

WHEREAS, it is deemed necessary and advisable that the County authorize the
issuance and sale of its tax-exempt limited tax general obligation bonds in an original
principal amount not to exceed \$5,650,000 to obtain financing for the Property Tax
Software Project (all such capitalized terms as hereinafter defined);

NOW, THEREFORE, BE IT ORDAINED:

Section 1. Definitions. The following words and terms as used in this
ordinance have the following meanings for all purposes of this ordinance (including the
recitals hereto), unless some other meaning is plainly intended:

“Bond Fund” means the bond redemption account established for the payment of
the Bonds pursuant to Section 13 of this ordinance.

“Bonds” means the limited tax general obligation bonds of the County in an
aggregate original principal amount not to exceed \$5,650,000, authorized to be issued
by this ordinance to obtain financing for the Property Tax Software Project; provided,
that if the Bonds are sold as Combined Bonds, all references to Bonds herein shall also
refer to such Combined Bonds, except for such references in Sections 4.A, 4.B.1 and
11.A.

“Code” means the federal Internal Revenue Code of 1986, as amended, together
with corresponding and applicable final, temporary or proposed regulations and revenue
rulings issued or amended with respect thereto by the United States Treasury
Department or the Internal Revenue Service.

“Combined Bonds” means the Bonds, together with any other limited tax general
obligation bonds authorized by the County by ordinance enacted in calendar year 2019,
that are designated by the Finance Director to be sold as a single series.

1 “County” means Snohomish County, Washington.

2
3 “County Council” means the Snohomish County Council.

4
5 “Date of Issue” means the date on which the Bonds are issued and delivered to
6 the purchaser in return for payment of the purchase price therefor.

7
8 “DTC” means The Depository Trust Company, New York, New York.

9
10 “Finance Director” means the director of the County Finance Department or any
11 other County officer who succeeds to the duties now delegated to that office.

12
13 “Government Obligations” means “government obligations,” as defined in
14 chapter 39.53 RCW, as now in existence or hereafter amended.

15
16 “Letter of Representations” means the Blanket Issuer Letter of Representations,
17 dated May 20, 1998, from the County to DTC.

18
19 “Official Notice of Bond Sale” means, if the Bonds are sold by competitive bid,
20 the official notice of sale therefor prepared pursuant to Section 11 of this ordinance.

21
22 “Property Tax Software Project” means the project identified as the “Property Tax
23 Software Project” in Exhibit A attached hereto.

24
25 “Rebate Amount” means the amount, if any, determined to be payable by the
26 County to the United States of America in accordance with Section 148(f) of the Code
27 with respect to the Bonds.

28
29 “Record Date” means, for an interest or principal payment date or for a maturity
30 date, the 15th day of the calendar month next preceding that date.

31
32 “Register” means the registration books maintained by the Registrar for purposes
33 of identifying ownership of the Bonds.

34
35 “Registrar” means the fiscal agent of the State of Washington appointed from
36 time to time by the Washington State Finance Committee pursuant to chapter 43.80
37 RCW, serving as the registrar, authenticating agent, paying agent and transfer agent for
38 the Bonds.

39
40 “Rule” means Securities and Exchange Commission Rule 15c2-12 under the
41 Securities and Exchange Act of 1934, as the same may be amended from time to time.

42
43 “Sale Instrument” means (a) if the Bonds are sold by negotiated sale, the
44 purchase contract therefor; or (b) if the Bonds are sold by competitive bid, the notice of
45 sale, the winning bid and a notice of acceptance of bid from the Finance Director, in
46 each case establishing, among other things, the dated date, principal amounts and

1 maturity dates, interest rates and interest payment dates, and the redemption provisions
2 for the Bonds.

3
4 **Section 2. Findings.** The County Council hereby makes the following
5 findings:

6
7 A. The Property Tax Software Project will contribute to the health, safety and
8 welfare of the citizens of the County.

9
10 B. The issuance and sale of tax-exempt limited tax general obligation bonds
11 of the County, payable from regular property taxes or other revenues, taxes and money
12 of the County legally available for such purposes, to obtain financing for the Property
13 Tax Software Project are in the best interests of the County and its citizens.

14
15 **Section 3. Projects.**

16
17 **A. Property Tax Software Project.** The County Council has previously
18 authorized the Property Tax Software Project.

19
20 **B. General.** The Property Tax Software Project will include the incidental
21 costs and costs related to the sale and issuance of Bonds. The Property Tax Software
22 Project will also include, as applicable, the purchase of all materials, supplies,
23 appliances, equipment and facilities, and the permits, franchises, property and property
24 rights and administrative costs, necessary, incidental or convenient to effect the
25 implementation of the Property Tax Software Project.

26
27 The Property Tax Software Project may include capitalized interest and the costs
28 of sales tax, acquisition and contingency allowances, financing, and surveys,
29 explorations, engineering and architectural studies, drawings, designs and
30 specifications incidental, necessary or convenient to the implementation of the Property
31 Tax Software Project.

32
33 The Property Tax Software Project may be modified where deemed advisable or
34 necessary in the judgment of the County Council, and implementation or completion of
35 any authorized component thereof will not be required if the County Council determines
36 that it has become inadvisable or impractical. If all components of the Property Tax
37 Software Project have been completed, or their completion has been duly provided for,
38 or completion of all or any of them is found to be inadvisable or impractical, the County
39 may pay, redeem or defease Bonds, or apply any remaining proceeds of the Bonds, or
40 any portion thereof, to the acquisition or improvement of other County capital projects
41 as the County Council may determine. In the event that the proceeds of the sale of the
42 Bonds, plus any other money of the County legally available therefor, are insufficient to
43 accomplish the Property Tax Software Project, the County will use the available funds to
44 finance those components of the Property Tax Software Project deemed by the County
45 Council to be most necessary and in the best interest of the County.

1 **Section 4. Purpose, Authorization and Description of Bonds.**
2

3 **A. Purpose and Authorization of Bonds.** The County authorizes the
4 issuance of the Bonds to obtain financing for the Property Tax Software Project. The
5 County may sell the Bonds as a separate series or as Combined Bonds.
6

7 **B. Description of Bonds.**
8

9 1. If the Bonds are sold as a separate series of Bonds, the Bonds will
10 be designated “Snohomish County, Washington, Limited Tax General Obligation
11 Bonds, 2019” with an applicable series designation, in an original principal
12 amount not to exceed \$5,650,000, all as established by the related Sale
13 Instrument. If the Bonds are sold as Combined Bonds with other bonds of the
14 County that are refunding bonds, the Bonds and such other bonds comprising
15 the Combined Bonds will be designated “Snohomish County, Washington,
16 Limited Tax General Obligation and Refunding Bonds, 2019,” with an applicable
17 series designation as established by the related Sale Instrument.
18

19 2. The Bonds will be dated as of such date, will mature on June 1 or
20 December 1 in each of the years and in the principal amounts, will bear interest
21 (computed on the basis of a 360-day year of twelve 30-day months) from their
22 date or the most recent interest payment date to which interest has been paid or
23 duly provided for, whichever is later, at the rates and payable, commencing not
24 later than June 1, 2020, and on June 1 and December 1 in such years, will be
25 subject to optional and mandatory redemption prior to maturity at the prices, in
26 the amounts and in the manner, and will be subject to such other terms and
27 provisions as the County will establish by the Sale Instrument. The Bonds will be
28 fully registered as to both principal and interest, will be in the denomination of
29 \$5,000 each or any integral multiple thereof (but no Bond will represent more
30 than one maturity), and will be numbered separately in such manner and with
31 any additional designation as the Registrar deems necessary for purposes of
32 identification.
33

34 **C. Initial Immobilization of Bonds; Depository Provisions.** The Bonds
35 will initially be held in fully immobilized form by DTC acting as depository pursuant to the
36 terms and conditions set forth in the Letter of Representations. Neither the County nor
37 the Registrar will have any responsibility or obligation to DTC participants or the
38 persons for whom they act as nominees with respect to the Bonds with respect to the
39 accuracy of any records maintained by DTC or any DTC participant, the payment by
40 DTC or any DTC participant of any amount in respect of principal or redemption price of
41 or interest on such Bonds, any notice that is permitted or required to be given to
42 registered owners under this ordinance (except such notice as is required to be given by
43 the County to the Registrar or to DTC), the selection by DTC or any DTC participant of
44 any person to receive payment in the event of a partial redemption of such Bonds or
45 any consent given or other action taken by DTC as owner of such Bonds.
46

1 The Bonds will initially be issued in denominations equal to the aggregate
2 principal amount of each maturity and will initially be registered in the name of Cede &
3 Co., as the nominee of DTC. Such Bonds so registered will be held in fully immobilized
4 form by DTC as depository. For so long as any such Bonds are held in fully
5 immobilized form, DTC, its successor or any substitute depository appointed by the
6 County, as applicable, will be deemed to be the registered owner for all purposes
7 hereunder and all references to registered owners, bondowners, bondholders, owners
8 or the like will mean DTC or its nominees and will not mean the owners of any beneficial
9 interests in the Bonds. Registered ownership of such Bonds, or any portions thereof,
10 may not thereafter be transferred except:

11
12 (1) To any successor of DTC or its nominee, if that successor will be
13 qualified under any applicable laws to provide the services proposed to be
14 provided by it;

15
16 (2) To any substitute depository appointed by the County pursuant to
17 this subsection or such substitute depository's successor; or

18
19 (3) To any person as provided in this ordinance if such Bonds are no
20 longer held in immobilized form.

21
22 Upon the resignation of DTC or its successor (or any substitute depository or its
23 successor) from its functions as depository, or a determination by the County that it is
24 no longer in the best interests of beneficial owners of the Bonds to continue the system
25 of book entry transfers through DTC or its successor (or any substitute depository or its
26 successor), the County may appoint a substitute depository. Any such substitute
27 depository will be qualified under any applicable laws to provide the services proposed
28 to be provided by it.

29
30 In the case of any transfer pursuant to clause (1) or (2) of the second paragraph
31 of this subsection, the Registrar, upon receipt of all outstanding Bonds together with a
32 written request on behalf of the County, will issue a single new bond certificate for each
33 maturity of Bonds then outstanding, registered in the name of such successor or such
34 substitute depository, or its nominee, as the case may be, all as specified in such
35 written request of the County.

36
37 In the event that DTC or its successor (or substitute depository or its successor)
38 resigns from its functions as depository, and no substitute depository can be obtained,
39 or the County determines that it is in the best interests of the beneficial owners of the
40 Bonds that they be able to obtain bond certificates, the ownership of such Bonds may
41 be transferred to any person as provided in this ordinance, and such Bonds will no
42 longer be held in fully immobilized form. The County will deliver a written request to the
43 Registrar, together with a supply of definitive Bonds, to issue Bonds as provided in this
44 ordinance in any authorized denomination. Upon receipt of all then outstanding Bonds
45 by the Registrar, together with a written request on behalf of the County to the

1 Registrar, new Bonds will be issued in such denominations and registered in the names
2 of such persons as are requested in such written request.

3
4 **D. Place, Manner and Medium of Payment.** Both principal of and interest
5 on the Bonds will be payable in lawful money of the United States of America. For so
6 long as any outstanding Bonds are registered in the name of Cede & Co., or its
7 registered assigns, as nominee of DTC, payments of principal of and interest on such
8 Bonds will be made in same day funds on the date such payment is due and payable at
9 the place and in the manner provided in the Letter of Representations.

10
11 In the event that the Bonds are no longer held in fully immobilized form by DTC
12 or its successor (or substitute depository or its successor), interest on such Bonds will
13 be paid by checks or drafts mailed to the registered owners of such Bonds at the
14 addresses for such registered owners appearing on the Register on the Record Date for
15 that interest payment date, or by electronic transfer on the interest payment date to an
16 account within the United States designated by a registered owner of at least
17 \$1,000,000 in principal amount of the Bonds. The County shall not be required to make
18 electronic transfers except to a registered owner of Bonds pursuant to a request in
19 writing received on or prior to the Record Date for that interest payment date and any
20 such electronic transfer shall be at the sole expense of that registered owner. Principal
21 of the Bonds will be payable at maturity or on such dates as may be fixed for prior
22 redemption upon presentation and surrender of such Bonds by the owners to the
23 Registrar.

24
25 **E. Form of Bonds.** The Bonds shall be word processed, printed or
26 lithographed on good bond paper in a form consistent with this ordinance and State law.

27
28 **F. Execution of Bonds.** The Bonds will be executed on behalf of the
29 County with the manual or facsimile signatures of the County Executive and the Clerk of
30 the County Council, and will have the seal of the County impressed or imprinted
31 thereon.

32
33 In case any officer who has executed the Bonds ceases to be an officer of the
34 County authorized to sign the Bonds before the Bonds bearing his or her signature are
35 authenticated or delivered by the Registrar or issued by the County, those Bonds may
36 nevertheless be authenticated, issued and delivered and, when authenticated, issued
37 and delivered, will be as binding upon the County as though that person had continued
38 to be an officer of the County authorized to sign the Bonds. Any Bond also may be
39 signed on behalf of the County by any person who, on the actual date of signing of the
40 Bond, is an officer of the County authorized to sign the Bonds, although he or she did
41 not hold the required office on the date of issuance of the Bonds.

42
43 Only such Bonds as shall bear thereon a Certificate of Authentication in the form
44 hereinbefore recited, manually executed by the Registrar, will be valid or obligatory for
45 any purpose or entitled to the benefits of this ordinance. Such Certificate of
46 Authentication will be conclusive evidence that the Bonds so authenticated have been

1 duly executed, authenticated and delivered hereunder and are entitled to the benefits of
2 this ordinance.

3
4 **Section 5. Open Market Purchase.** The County reserves the right to
5 purchase any or all of the Bonds on the open market at any time and at any price.
6

7 **Section 6. Registration, Transfer and Exchange of Bonds.** The County
8 hereby adopts for the Bonds the system of registration specified and approved by the
9 Washington State Finance Committee. The Registrar will keep, or cause to be kept, at
10 its principal corporate trust office, sufficient books for the registration and transfer of the
11 Bonds, which will at all times be open to inspection by the County. Such Register will
12 contain the name and mailing address of the owner (or nominee thereof) of each Bond,
13 and the principal amount and number of Bonds held by each owner or nominee. The
14 Registrar is authorized, on behalf of the County, to authenticate and deliver Bonds
15 transferred or exchanged for other Bonds in accordance with the provisions thereof and
16 of this ordinance, and to carry out all of the Registrar's powers and duties under this
17 ordinance.
18

19 The Registrar will be responsible for its representations contained in the
20 Certificate of Authentication on the Bonds. The Registrar may become the owner of
21 Bonds with the same rights it would have if it were not the Registrar, and to the extent
22 permitted by law may act as depository for and permit any of its officers or directors to
23 act as a member of, or in any other capacity with respect to, any committee formed to
24 protect the rights of Bond owners.
25

26 Upon surrender thereof to the Registrar, the Bonds are exchangeable for other
27 Bonds of the same maturity and interest rate and for the same aggregate principal
28 amount, in any authorized denomination. Bonds may be transferred only if endorsed in
29 the manner provided thereon and surrendered to the Registrar. Upon such surrender,
30 the Registrar will cancel the surrendered Bond and will authenticate and deliver, without
31 charge to the owner or transferee therefor (other than taxes, if any, payable on account
32 of such transfer), one or more (at the option of the new owner) new Bonds of the same
33 maturity and interest rate and for the same aggregate principal amount, in any
34 authorized denomination, naming as owner the person or persons listed as the
35 assignee on the assignment form appearing on the canceled and surrendered Bond, in
36 exchange therefor. The Registrar will not be obligated to transfer or exchange any
37 Bond during the period beginning at the opening of business on the Record Date for a
38 maturity date and ending at the close of business on such maturity date.
39

40 The County and the Registrar, each in its discretion, may deem and treat the
41 registered owner of each Bond as the absolute owner thereof for all purposes, and
42 neither the County nor the Registrar will be affected by any notice to the contrary.
43

44 **Section 7. Mutilated, Lost, Stolen or Destroyed Bonds.** If any Bond
45 becomes mutilated, the Registrar will authenticate and deliver one or more (at the
46 option of the registered owner) new Bonds of the same maturity and interest rate and

1 for the same aggregate principal amount, in any authorized denomination, in exchange
2 and substitution therefor, upon the owner's paying the expenses and charges of the
3 County and the Registrar in connection therewith and upon surrender to the Registrar of
4 the mutilated Bond. Every mutilated Bond so surrendered will be canceled and
5 destroyed by the Registrar.

6
7 If any Bond is lost, stolen or destroyed, the Registrar may authenticate and
8 deliver one or more (at the option of the registered owner) new Bonds of the same
9 maturity and interest rate and for the same aggregate principal amount, in any
10 authorized denomination, to the registered owner thereof upon the owner's paying the
11 expenses and charges of the County and the Registrar in connection therewith and
12 upon his or her filing with the Registrar evidence satisfactory to the Registrar that such
13 Bond was actually lost, stolen or destroyed and of his or her ownership thereof, and
14 upon furnishing the County and the Registrar with indemnity satisfactory to the Finance
15 Director and the Registrar.

16
17 **Section 8. Pledge of Taxation and Credit.** The County hereby irrevocably
18 covenants and agrees that, for as long as any of the Bonds are outstanding and unpaid,
19 each year it will include in its budget and levy an *ad valorem* tax upon all the property
20 within the County subject to taxation in an amount that will be sufficient, together with all
21 other revenues and money of the County legally available for such purposes, to pay the
22 principal of and interest on the Bonds as the same will become due.

23
24 The County hereby irrevocably pledges that the annual tax provided for in this
25 ordinance to be levied for the payment of such principal and interest will be within and
26 as a part of the tax levy permitted to counties without a vote of the people, and that a
27 sufficient portion of the taxes to be levied and collected annually by the County prior to
28 the full payment of the principal of and interest on the Bonds will be and is hereby
29 irrevocably set aside, pledged and appropriated for the payment of the principal of and
30 interest on the Bonds.

31
32 The full faith, credit and resources of the County are hereby irrevocably pledged
33 for the annual levy and collection of said taxes and for the prompt payment of the
34 principal of and interest on the Bonds as the same will become due.

35
36 **Section 9. Federal Tax Law Covenants.** The County shall comply with the
37 provisions of this section with respect to the Bonds unless, in the written opinion of
38 nationally-recognized bond counsel to the County, such compliance is not required.

39
40 The County hereby covenants that it will not make any use of the proceeds from
41 the sale of the Bonds (or of any other funds of the County that may be deemed to be
42 proceeds of the Bonds pursuant to Section 148 of the Code and the applicable
43 regulations thereunder) that will cause the Bonds to be "arbitrage bonds" within the
44 meaning of said Section 148 of the Code and said regulations. The County will comply
45 with the applicable requirements of Section 148 of the Code (or any successor provision
46 thereof applicable to the Bonds) and the applicable regulations thereunder throughout

1 the term of the Bonds. In particular, the County will compute, if necessary, and pay the
2 Rebate Amount, if any, to the United States of America at the times and in the amounts
3 necessary to meet the requirements of the Code, as set forth in the Federal Tax
4 Certification for the Bonds.

5
6 The County further covenants that it will not take any action or permit any action
7 to be taken that would cause the Bonds to constitute “private activity bonds” under
8 Section 141 of the Code.

9
10 **Section 10. Other Covenants and Warranties.** The County makes the
11 following additional covenants with and warranties to the owners of the Bonds:

12
13 A. The County has full legal right, power and authority to enact this
14 ordinance, and as of the Date of Issue, will have full legal right, power and authority to
15 sell, issue and deliver such Bonds as provided in this ordinance and to carry out and
16 consummate all other transactions contemplated by this ordinance.

17
18 B. As of the Date of Issue, by all necessary official action, the County will
19 have duly authorized and approved the execution and delivery of, and the performance
20 by the County of its obligations contained in, such Bonds and this ordinance and the
21 consummation by it of all other transactions necessary to effectuate this ordinance in
22 connection with the issuance of such Bonds, and such authorizations and approvals will
23 be in full force and effect and will not have been amended, modified or supplemented in
24 any material respect.

25
26 C. This ordinance, when effective, will constitute a legal, valid and binding
27 obligation of the County.

28
29 D. When issued, sold, authenticated and delivered as provided in this
30 ordinance, the Bonds will constitute legal, valid and binding general obligations of the
31 County.

32
33 E. The County will maintain or cause to be maintained a system of
34 registration of the Bonds that complies with the applicable provisions of the Code until
35 all of the Bonds shall have been surrendered and canceled.

36
37 F. The enactment of this ordinance, and compliance on the County’s part
38 with the provisions contained herein, will not conflict with, constitute a breach of, or
39 constitute a default under, any constitutional provisions, law, administrative regulation,
40 judgment, decree, loan agreement, indenture, bond, note, resolution, ordinance, motion,
41 agreement or other instrument to which the County is a party or to which the County or
42 any of its property or assets are otherwise subject.

43
44 G. The Bonds will be issued within all statutory and constitutional debt
45 limitations applicable to the County.

1 **Section 11. Sale of Bonds.**
2

3 **A. General; Delegation of Authority.** The County hereby authorizes the
4 public sale of the Bonds. The Finance Director is authorized to execute a Sale
5 Instrument on behalf of the County for the Bonds in accordance with the terms of this
6 ordinance. The Finance Director will determine, in consultation with the County's
7 municipal advisor, whether the Bonds will be sold separately or as Combined Bonds.
8

9 **1. Bonds Sold Separately.** If the Finance Director determines that
10 the Bonds shall be sold separately, then:

11 a. The original aggregate principal amount of the Bonds shall
12 not exceed \$5,650,000;

13 b. One or more rates of interest may be fixed for the Bonds,
14 which rate(s) must be in multiples of 1/1000th of 1%, and no rate of interest
15 for any maturity of the Bonds shall exceed 6.00%;

16 c. The true interest cost to the County for the Bonds shall not
17 exceed 6.00%;

18 d. The purchase price for the Bonds shall not be less than 97%
19 nor greater than 130% of the original aggregate principal amount of the
20 Bonds;

21 e. The Bonds may be issued subject to provisions for optional
22 redemption prior to maturity at a price of par, plus accrued interest, if any,
23 commencing not later than 10.5 years following the Date of Issue;

24 f. The Bonds may be issued subject to provisions for
25 mandatory redemption prior to maturity, including designation of term
26 bonds, if any, at a price of par;

27 g. The final maturity date of the Bonds shall not be later than
28 December 1, 2027; and

29 h. The Date of Issue of the Bonds shall not be later than
30 December 31, 2019.

31 **2. Combined Bonds.** If the Finance Director determines that the
32 Bonds shall be sold as Combined Bonds, then:

33 a. The original aggregate principal amount of all of the
34 Combined Bonds shall not exceed the sum of the respective maximum
35 principal amount of the bonds comprising the Combined Bonds, as
36 authorized by their respective ordinances;

1
2 b. One or more rates of interest may be fixed for the Combined
3 Bonds, which rate(s) must be in multiples of 1/1000th of 1%, and no rate of
4 interest for any maturity of the Combined Bonds shall exceed 6.00%;

5
6 c. The true interest cost to the County for the Combined Bonds
7 shall not exceed 6.00%;

8
9 d. The purchase price for the Combined Bonds shall not be
10 less than 97% nor greater than 130% of the original aggregate principal
11 amount of the Bonds;

12
13 e. The Combined Bonds may be issued subject to provisions
14 for optional redemption prior to maturity at a price of par, plus accrued
15 interest, if any, commencing not later than 10.5 years following the Date of
16 Issue;

17
18 f. The Combined Bonds may be issued subject to provisions
19 for mandatory redemption prior to maturity, including designation of term
20 bonds, if any, at a price of par;

21
22 g. The final maturity date of the Combined Bonds shall not be
23 later than December 1, 2049; and

24
25 h. The Date of Issue of the Combined Bonds shall not be later
26 than December 31, 2019.

27
28 **B. Method of Sale.** The Finance Director will determine, in consultation with
29 the County's municipal advisor, whether the Bonds shall be sold by negotiated sale or
30 competitive bid.

31
32 **1. Negotiated Sale.** If the Finance Director determines that the
33 Bonds should be sold by negotiated sale, the Finance Director will, in
34 consultation with the County's municipal advisor, solicit one or more underwriting
35 firms with which to negotiate the sale of the Bonds pursuant to a written purchase
36 contract therefor. Subject to Section 11.A of this ordinance, if the Bonds are sold
37 by negotiated sale, the purchase contract for the Bonds will establish the date,
38 aggregate principal amount, interest payment dates, interest rate(s), maturity
39 schedule and principal amounts per maturity, redemption provisions and delivery
40 date of the Bonds. The County Council authorizes the Finance Director (i) to
41 serve as the County's designated representative; (ii) to accept, on behalf of the
42 County, the offer to purchase the Bonds pursuant to the purchase contract, which
43 offer must be consistent with the terms of this ordinance; and (iii) to execute and
44 deliver such purchase contract for and on behalf of the County. The Finance
45 Director will provide a copy of the executed purchase contract and report the

1 results of the Bond sale to the County Council at its administrative session next
2 following the sale date of the Bonds.

3
4 **2. Competitive Bid.** If the Finance Director determines that the
5 Bonds should be sold by competitive bid, bids for the purchase of the Bonds will
6 be received at such time or place and by such means as the Finance Director, in
7 consultation with the County’s municipal advisor, will direct. Subject to Section
8 11.A of this ordinance, if the Bonds are to be sold by competitive bid, the Finance
9 Director is authorized to prepare an Official Notice of Bond Sale for the Bonds,
10 which notice will establish the date, estimated aggregate principal amount,
11 interest payment dates, estimated maturity schedule and principal amount per
12 maturity, redemption provisions and estimated delivery date of the Bonds. After
13 consultation with the County’s municipal advisor, the Finance Director may direct
14 that the Official Notice of Bond Sale or an abridged form thereof be published in
15 such newspapers or financial journals as may be deemed desirable or
16 appropriate by the Finance Director.

17
18 Upon the date and time established for the receipt of bids for the purchase
19 of the Bonds by competitive bid, the Finance Director or his or her designee will
20 open the bids and will cause the bids to be mathematically verified by the
21 County’s municipal advisor. The County Council authorizes the Finance Director
22 (i) to serve as the County’s designated representative; (ii) to accept, on behalf of
23 the County, the winning bid to purchase the Bonds, which bid may be adjusted
24 with respect to the aggregate principal amount and principal amount per maturity
25 as reflected in the written notice of acceptance of winning bid, and which must be
26 consistent with the terms of this ordinance; and (iii) to execute and deliver such
27 notice of acceptance for and on behalf of the County. The Finance Director will
28 provide a copy of the executed notice of acceptance and report the results of the
29 Bond sale to the County Council at its administrative session next following the
30 sale date of the Bonds.

31
32 **Section 12. Delivery of Bonds.** Following the sale of the Bonds, the County
33 will cause definitive Bonds to be prepared, executed and delivered to the purchaser
34 thereof in accordance with the provisions of this ordinance.

35
36 If definitive Bonds are not ready for delivery by the date established for their
37 delivery to the initial purchaser thereof, then the Finance Director, upon the approval of
38 the purchaser, may cause to be issued and delivered to the purchaser one or more
39 temporary Bonds with appropriate omissions, changes and additions. Any temporary
40 Bond or Bonds will be entitled and subject to the same benefits and provisions of this
41 ordinance with respect to the payment, security and obligation thereof as definitive
42 Bonds authorized hereby. Such temporary Bond or Bonds will be exchangeable without
43 cost to the owners thereof for definitive Bonds when the latter are ready for delivery.

44
45 **Section 13. Bond Fund.** There has heretofore been created in the office of the
46 Finance Director a special fund known as the “Limited Tax General Obligation Debt

1 Service Fund” to be drawn upon for the purpose of paying the principal of and interest
2 on the limited tax general obligation bonds of the County. There is hereby authorized to
3 be created within said fund a special account for the Bonds to be known as the “Limited
4 Tax General Obligation Bond Redemption Account, 2019, [Series]” (the “Bond Fund”).
5

6 Any accrued interest received from the sale of the Bonds will be deposited in the
7 Bond Fund at the time of delivery of the Bonds and will be applied to the payment of
8 interest thereon.
9

10 The taxes levied for the purpose of paying principal of and interest on the Bonds
11 and other funds to be used to pay such Bonds will be deposited in the Bond Fund no
12 later than the date such funds are required for the payment of principal of and interest
13 on such Bonds; provided, however, that if the payment of principal of or interest on such
14 Bonds is required prior to the receipt of such levied taxes, the County may make an
15 interfund loan to the Bond Fund pending actual receipt of such taxes. The Bond Fund
16 will be drawn upon solely for the purpose of paying the principal of and interest on the
17 Bonds. Money in the Bond Fund not needed to pay the interest or principal next coming
18 due may temporarily be deposited in such institutions or invested in such obligations as
19 may be lawful for the investment of County funds.
20

21 **Section 14. Deposit of Bond Proceeds.** There has heretofore been created
22 the Data Processing Capital Fund.
23

24 The exact amount of proceeds from the sale of the Bonds to be deposited into
25 the Data Processing Capital Fund and, if the Bonds are sold as Combined Bonds, such
26 other funds or account of the County designated for the payment of costs of issuing the
27 Combined Bonds, shall be established by the related Sale Instrument.
28

29 **Section 15. Investment of and Accounting for Funds.** Funds deposited in
30 the funds and accounts described in Sections 13 and 14 of this ordinance will be
31 invested as permitted by law for the sole benefit of the respective funds. Money other
32 than proceeds of the Bonds may be deposited in the funds and accounts described in
33 Section 14 of this ordinance; provided, however, that proceeds of the Bonds, and the
34 earnings thereon, will be accounted for separately for purposes of the arbitrage rebate
35 computations required to be made under the Code. For purposes of such
36 computations, Bond proceeds will be deemed to have been expended first, and then
37 any other funds.
38

39 **Section 16. Preliminary Official Statement and Final Official Statement.**
40 The County hereby authorizes and directs the Finance Director: (i) to review and
41 approve the information contained in the preliminary official statement (the “Preliminary
42 Official Statement”) prepared in connection with the sale of the Bonds; and (ii) for the
43 sole purpose of compliance by the purchaser of the Bonds with subsection (b)(1) of the
44 Rule, to “deem final” the Preliminary Official Statement as of its date, except for
45 information permitted to be omitted therefrom by the Rule. After the Preliminary Official
46 Statement has been reviewed and approved in accordance with the provisions of this

1 section, the County hereby authorizes the distribution of such Preliminary Official
2 Statement to prospective purchasers of the Bonds.

3
4 Following the sale of the Bonds, the Finance Director is hereby authorized to
5 review and approve on behalf of the County a final official statement with respect to the
6 Bonds. The County agrees to cooperate with the purchaser of the Bonds to deliver or
7 cause to be delivered, within seven business days from the date of the Sale Instrument
8 and in sufficient time to accompany any confirmation that requests payment from any
9 customer of such purchaser, copies of a final official statement pertaining to the Bonds
10 in sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules of the
11 Municipal Securities Rulemaking Board.

12
13 **Section 17. Undertaking to Provide Ongoing Disclosure.** The Finance
14 Director is hereby authorized and directed to enter into a written undertaking for the
15 benefit of owners and beneficial owners of the Bonds to the extent required by and
16 consistent with the requirements of paragraph (b)(5) of the Rule, as applicable to a
17 participating underwriter for the Bonds.

18
19 **Section 18. General Authorization.** The Finance Director and other
20 appropriate County officials, agents and representatives are hereby authorized and
21 directed to do everything necessary for the prompt sale, issuance, execution and
22 delivery of the Bonds, and for the proper use and application of the proceeds of the sale
23 thereof.

24
25 **Section 19. Refunding or Defeasance of Bonds.** The County may issue
26 refunding obligations pursuant to the laws of the State of Washington or use money
27 available from any other lawful source to pay when due the principal of and interest on
28 the Bonds, or any portion thereof included in a refunding or defeasance plan, and to
29 redeem and retire, refund or defease such Bonds and to pay the costs of the refunding
30 or defeasance.

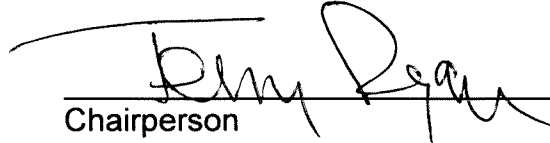
31
32 In the event that money and/or noncallable Government Obligations maturing at
33 such time or times and bearing interest to be earned thereon in amounts (together with
34 such money, if necessary) sufficient to redeem and retire, refund or defease part or all
35 of the Bonds in accordance with their terms, are set aside in a special account of the
36 County to effect such redemption and retirement, and such money and the principal of
37 and interest on such Government Obligations are irrevocably set aside and pledged for
38 such purpose, then no further payments need be made into the Bond Fund for the
39 payment of the principal of and interest on the Bonds so provided for, and such Bonds
40 will cease to be entitled to any lien, benefit or security of this ordinance except the right
41 to receive the money so set aside and pledged, and such Bonds will be deemed not to
42 be outstanding hereunder.

43
44 **Section 20. Contract; Severability.** The covenants contained in this ordinance
45 will constitute a contract between the County and the owners of each and every Bond.
46 If any one or more of the covenants or agreements provided in this ordinance to be

1 performed on the part of the County shall be declared by any court of competent
2 jurisdiction to be contrary to law, then such covenant or covenants, agreement or
3 agreements, will be null and void and will be deemed separable from the remaining
4 covenants and agreements of this ordinance and will in no way affect the validity of the
5 other provisions of this ordinance or the Bonds.

6
7 PASSED this 2nd day of October, 2019.

8
9 SNOHOMISH COUNTY COUNCIL
10 Snohomish County, Washington

11
12 
13 _____
14 Chairperson


15 ATTEST:

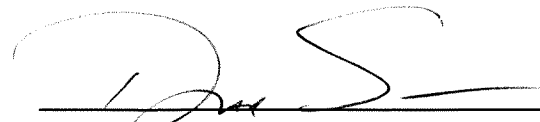
16
17 
18 _____
19 Clerk of the County Council, Asst.

20
21
22
23 APPROVED
24 EMERGENCY
25 VETOED

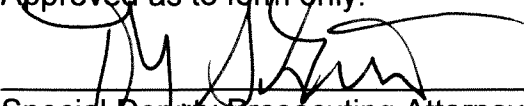
26
27
28 DATE: 10/3/19

29 ATTEST:

30
31 
32 _____

33 
34 _____
35 County Executive

36 Approved as to form only:

37
38 
39 _____
40 Special Deputy Prosecuting Attorney

D-16

EXHIBIT A

Property Tax Software Project

Acquisition and installation of a new software system for the collection and assessment of real property taxes by the County.