



CO00020787

SNOHOMISH COUNTY, WASHINGTON

LIMITED TAX GENERAL OBLIGATION BONDS, 1997

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AMENDED  
ORDINANCE NO. 97-045

AN ORDINANCE of the County Council of Snohomish County, Washington, providing for the issuance and sale of limited tax general obligation bonds of the County in the aggregate principal amount of not to exceed \$41,000,000 for the purpose of providing funds required to make certain capital improvements; providing the date, form, terms and maturities of the bonds to be issued and for tax levies to pay the principal thereof and interest thereon as a part of the tax millage levy permitted to counties without a vote of the people; approving a preliminary official statement; approving the public sale of such bonds; appropriating funds and extending the repeal of Ch. 4.14 of the Snohomish County Code.

APPROVED ON MAY 21, 1997

PREPARED BY:

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AN ORDINANCE of the County Council of Snohomish County, Washington, providing for the issuance and sale of limited tax general obligation bonds of the County in the aggregate principal amount of not to exceed \$41,000,000 for the purpose of providing funds required to make certain capital improvements; providing the date, form, terms and maturities of the bonds to be issued and for tax levies to pay the principal thereof and interest thereon as a part of the tax millage levy permitted to counties without a vote of the people; approving a preliminary official statement; approving the public sale of such bonds; appropriating funds and extending the repeal of Ch. 4.14 of the Snohomish County Code.

WHEREAS, Snohomish County, Washington (the "County") has undertaken certain capital projects described herein which require funding by the issuance of the limited tax general obligation bonds of the County; and

WHEREAS, it appears to the County Council that it is in the best interest of the County that the bonds provided for herein be sold in a single issue of limited tax general obligation bonds in an aggregate principal amount of not to exceed \$41,000,000 and that the public sale of the Bonds be approved;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF SNOHOMISH COUNTY, WASHINGTON, as follows:

Section 1. Definitions. As used in this Ordinance, the following words shall have the following meanings:

"Accreted Value" means, as of any date of computation, an amount equal to the sum of (i) the Principal Amount of such Series B Bond, plus (ii) interest thereon from the Issue Date to the date of computation at the rate, compounded semiannually, which is necessary to produce the approximate yield to maturity shown for Series B Bonds of the same maturity in the Official Statement, or on such Series B Bond.

"Accreted Value at Maturity" means the Accreted Value of any Series B Bond on the date all of the principal and interest thereof and thereon is scheduled to be paid, which is equal to \$5,000 or any integral multiple thereof within a single maturity for each Series B Bond.

"Bond Registrar" means the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York, for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, effecting transfer of ownership of the Bonds and paying interest on and principal of the Bonds.

"Bonds" means the not to exceed \$41,000,000 in aggregate principal amount of Snohomish County, Washington, Limited Tax General Obligation Bonds, 1997, issued pursuant to this Ordinance.

"Code" means the federal Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations thereunder.

"Capital Projects Fund" means the fund of that name established pursuant to Section 10 of this Ordinance.

"County" means Snohomish County, Washington, a home rule charter county duly organized and existing under and by virtue of the laws of the State of Washington.

"County Council" means the duly constituted County Council as the general legislative authority of the County.

"County Executive" means the duly elected, qualified and acting County Executive of Snohomish County.

"Director of Finance" or "Director" means the duly chosen, qualified and acting Snohomish County Director of Finance, or any successor to the functions of that position.

"District Agreement" means the interlocal joint agreement between the County and Everett School District No. 2 in substantially the form attached hereto as Exhibit B, heretofore authorized by the County Council by Ordinance No. 96-058.

"Issue Date" means the date on which the County delivers the Bonds to the original purchasers thereof and receives payment in full of the purchase price thereof.

"MSRB" means the Municipal Securities Rulemaking Board or any successor to its functions.

"NRMSIR" means a nationally recognized municipal securities information repository.

"Ordinance" means this Ordinance.

"Principal Amount" means the principal amount per \$5,000 Accreted Value at Maturity of each Series B Bond as set forth in the table of Accreted Values shown in the Official Statement for the Series B Bonds or on each Series B Bond.

"Rule" means the Commission's Rule 15c2-12 under the Securities and Exchange Act of 1934, as the same may be amended from time to time.

"SID" means a state information depository for the State of Washington (if one is created).

"Treasurer" means the Treasurer of Snohomish County, as ex officio treasurer of the County, or any successor to the functions of the Treasurer.

"1997 Bond Fund" means the special fund of the County designated as the "Snohomish County Limited Tax General Obligation Bond Redemption Fund 1997" created in the office of the Treasurer by Section 11 of this Ordinance for the purpose of paying the Bonds.

Section 2. Authorization of Bonds.

(a) Purpose and Authorization. Snohomish County, Washington shall now issue and sell a single issue of limited tax general obligation bonds designated "Snohomish County, Washington, Limited Tax General Obligation Bonds, 1997," in the aggregate principal amount of not to exceed \$41,000,000, for the following purposes:

(1) The County shall acquire, construct and equip necessary additions and improvements to the capital facilities of the County, and make other acquisitions and improvements, all as set forth in Exhibit A, attached hereto and incorporated by reference herein. The County may utilize bond proceeds to reimburse funds of the County heretofore expended for such purposes. Bond proceeds used for Conservation Future Projects listed under Category I of

Exhibit A which are acquired by other political subdivisions shall be distributed pursuant to interlocal cooperation agreements with such entities.

(2) The County shall fund, out of the proceeds of sale of the Snohomish County Limited Tax General Obligation Bond Anticipation Note, 1996B, \$1,500,000 for certain improvements to the baseball stadium owned by the Everett School District No. 2, all pursuant to the interlocal joint agreement between the County and the District attached hereto as Exhibit B and incorporated by reference herein. Payment of a portion of the principal of the 1996B Note in the amount of \$1,500,000 shall be funded out of the proceeds of sale of the Bonds and such Note shall be paid and retired as provided in Section 10 hereof.

(b) Description. The Bonds shall be issued in two series designated "Series A" and "Series B." Series A shall be in the principal amount of not to exceed \$39,600,000, and Series B shall be in such amount as shall be fixed by motion of the Council, following receipt of bids for the Bonds, not to exceed \$1,400,000. The Series A Bonds shall be dated as of June 1, 1997, shall be fully registered as to both principal and interest, shall be in the denomination of \$5,000 each, or any integral multiple thereof, provided that no Bond shall represent more than one maturity, shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification, shall bear interest from their date payable on the first days of each December and June, commencing on December 1, 1997, at the actual per annum interest rates established upon the sale of the Bonds as provided in Section 14 hereof, and shall mature on December 1 in the years and amounts as set forth in the notice of bond sale published by the Director of Finance as approved pursuant to Section 14 hereof.

The Series B Bonds shall be dated as of the Issue Date, shall mature on December 1 in the years and having the Accreted Values at Maturity hereafter established by motion of the Council, and shall bear interest payable at maturity at the yield fixed at the sale thereof, compounded semiannually from date of issue on each June 1 and December 1 (in amounts per \$5,000 of

Accreted Value at Maturity determinable by reference to the Table of Accreted Value hereafter approved by motion of the Council).

Section 3. Bond Registration. The Bonds shall be in registered form as to both principal and interest. The Bond Registrar shall maintain 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.

Upon surrender thereof to the Bond Registrar, the Bonds are interchangeable for Bonds in any authorized denomination of an equal aggregate principal amount and of the same interest rate and maturity. Bonds may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Such exchange or transfer shall be without cost to the owner or transferee.

Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be paid by check or draft mailed (on the date such interest is due) to the registered owners or assigns at the addresses appearing on the Bond Register as of 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 the cities of Seattle, Washington, or New York, New York, at the option of such owners.

Interest on each Bond shall cease to accrue on its respective maturity date whether or not it is surrendered for payment, unless the County fails to deposit with the Bond Registrar sufficient funds to provide for the payment of principal and interest thereon when due, in which case interest shall continue to accrue on the unpaid principal balance until the full amount of such unpaid principal balance shall have been paid or deposited with the Bond Registrar.

Section 4. Payment of Bonds and Interest. The principal of, premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America. All such payments shall be valid and shall satisfy and discharge the liability of the County upon such Bonds to the extent of the amount or amounts so paid.

The principal and premium, if any, on the Bonds shall be payable at the principal offices of the Bond Registrar in Seattle, Washington or New York, New York. Interest on the Bonds will be paid by check or draft of the Bond Registrar mailed to the registered owner or assigns (on the date such interest payment is due) at the addresses appearing on the registration books as of the 15th day of the month prior to such interest payment dates. Wire transfers will be made only if so requested to the Bond Registrar in writing and if the registered owner owns at least \$1,000,000 par value of the Bonds.

All payments of or on account of interest to any registered owner of any Bond (or to his or her assigns), and all payments of or on account of principal to any registered owner of any Bond (or to his or her assigns), shall be valid and effectual and shall be a discharge of the County and the Bond Registrar in respect of the liability upon the Bonds or claims for interest, as the case may be, to the extent of the sum or sums paid.

The County or Bond Registrar shall not be required to issue, transfer, or exchange Bonds after the 15th day of the month prior to any interest payment date.

Section 5. Optional Redemption and Purchase of Bonds. The Series A Bonds maturing prior to December 1, 2008 are not subject to optional redemption prior to their stated maturity dates. The Series A Bonds maturing on and after December 1, 2008, are subject to redemption at the option of the County on and after December 1, 2007, in whole or in part on any date (maturities to be selected by the County and by lot within a maturity in such manner as the Bond Registrar shall determine), at a price of par plus accrued interest to the date of redemption.

If Bonds are called for optional redemption, portions of the principal amount of Bonds, in installments of \$5,000 or any integral multiple of \$5,000, may be redeemed. If less than all of the Bonds subject to optional redemption are called for redemption, the District shall choose the maturities to be redeemed. If less than a whole of a maturity is called for redemption, the Bonds to be redeemed shall be chosen by lot by the Bond Registrar or, for so long as the Bonds are in book-entry form, the selection of Bonds within a maturity to be redeemed and the manner of



providing notice of redemption to beneficial owners shall be governed by the operational arrangements of DTC, as then in effect.

The Series B Bonds are not subject to redemption in advance of their scheduled maturities.

The County reserves the right to purchase any of the Bonds in the open market at any time at a price deemed reasonable by the County.

Section 6. Notice of Redemption. Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the County by mailing a copy of an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

- (a) the redemption date,
- (b) the redemption price,
- (c) if fewer than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (d) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

On or prior to any redemption date, the County shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the County as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; (iv) the maturity date of each Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption may be sent at least 35 days before the redemption date by first class mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being The Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania) and shall be sent to one or more national information services that disseminate notices of redemption of obligations such as the Bonds (such as Moody's

Investors Service and Standard & Poor's Corporation at their respective offices in New York, New York).

The Bond Registrar shall provide additional notice of redemption (at least 30 days) to each NRMSIR and SID, if any, in accordance with Section 17 hereof. The foregoing notice provisions of this Section 6, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 7. Form of Bonds. The Series A Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. \_\_\_\_\_ \$ \_\_\_\_\_

STATE OF WASHINGTON  
SNOHOMISH COUNTY, WASHINGTON  
LIMITED TAX GENERAL OBLIGATION BOND, 1997

INTEREST RATE: \_\_\_\_\_ MATURITY DATE: \_\_\_\_\_ CUSIP NO.: \_\_\_\_\_

SEE REVERSE SIDE FOR  
CERTAIN ADDITIONAL PROVISIONS

Registered Owner:

Principal Amount:

SNOHOMISH COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount set forth above and to pay interest thereon from June 1, 1997, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on the first days of each December and June, commencing on December 1, 1997. Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest shall be paid by mailing a check or draft (on the date such interest is due) to the Registered Owner or assigns at the address shown on the Bond Register as of the 15th day of the month prior to the interest payment date. Principal shall be paid to the Registered Owner or assigns upon presentation and surrender of this bond at the principal office of the fiscal agencies of the State of Washington in either Seattle, Washington or New York, New York (collectively the "Bond Registrar").



Notice of any such intended redemption as provided above shall be given no fewer than 30 nor more than 60 days prior to said redemption date 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 the Bond Ordinance shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether or not it is actually received by the owner of any bond. Interest on any bond so called for redemption shall cease on such redemption date unless the same is not paid in full upon presentation made pursuant to such call.

Portions of the principal sum of this bond in installments of \$5,000 or any integral multiple thereof may also be redeemed in accordance with the provisions set forth above, and if less than all of the principal sum hereof is to be redeemed, upon the surrender of this bond at the principal office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum hereof, at the option of the owner, a bond or bonds of like maturity and interest rate in any of the denominations authorized by the Bond Ordinance.

The bonds of this issue are not "private activity bonds" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The bonds of this issue are not qualified tax-exempt obligations under Section 265(b) of the Code.

The County hereby irrevocably covenants that it will budget for and levy taxes annually upon all the taxable property in the County within and as a part of the tax millage levy permitted to counties without a vote of the people in amounts sufficient, with other money legally available therefor, to pay the principal of and interest on the bonds of this issue as the same shall become due. The full faith, credit and resources of the County are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest. The pledge of tax levies may be discharged prior to maturity of the bonds by making provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

Bonds are interchangeable for bonds of any authorized denomination of equal aggregate principal amount and of the same series, interest rate and maturity upon presentation and surrender to the Bond Registrar.

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

UNIF GIFTS (TRANSFERS)

MIN ACT - \_\_\_\_\_  
(Cust)

Custodian \_\_\_\_\_  
(Minor)

under Uniform Gifts (Transfers) to Minors Act

\_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in the list above.

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is one of the bonds described in the within-mentioned Bond Ordinance and is one of the Limited Tax General Obligation Bonds, 1997 of Snohomish County, Washington, dated June 1, 1997.

WASHINGTON STATE FISCAL  
AGENCY as Bond Registrar

By \_\_\_\_\_  
Authorized Signer

(form of assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

[Empty box for Social Security or Taxpayer Identification Number]

(Please print or typewrite name and address, including zip code of Transferee)

the within bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ of \_\_\_\_\_, or its successor, as Bond Registrar to transfer said bond on the books kept for registration thereof with full power of substitution in the premises.

DATED: \_\_\_\_\_, \_\_\_\_\_

NOTE: The signature on this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

\_\_\_\_\_  
NOTICE: Signature(s) must be  
guaranteed pursuant to law.

The Series B Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. \_\_\_\_\_

\$ \_\_\_\_\_

STATE OF WASHINGTON  
SNOHOMISH COUNTY

LIMITED TAX GENERAL OBLIGATION BOND, 1997, SERIES B  
(DEFERRED INTEREST BOND)

YIELD:

MATURITY DATE:

CUSIP NO.:

SEE REVERSE SIDE FOR  
CERTAIN ADDITIONAL PROVISIONS

Registered Owner:

Principal Amount:

Accreted Value at Maturity :

SNOHOMISH COUNTY, Washington (the "County"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Accreted Value at Maturity indicated above. The Accreted Value at Maturity represents the Principal Amount plus interest accrued thereon from the Issue Date, as defined in Ordinance No. \_\_\_\_ of the County (the "Bond Ordinance"), compounded on each June 1 and December 1 at the Yield specified above. Both principal of and interest on this bond are payable at maturity in lawful money of the United States of America to the Registered Owner or assigns upon presentation and surrender of this bond at the principal office of the fiscal agencies of the State of Washington in either Seattle, Washington or New York, New York (or such other fiscal agency or agencies as the Snohomish County Treasurer may, from time to time, designate) (collectively the "Bond Registrar").

Reference is hereby made to additional provisions of this bond set forth on the reverse side hereof and such additional provisions shall for all purposes have the same effect as if set forth in this space.





The County has not designated the bonds of this issue as qualified tax-exempt obligations under Section 265(b) of the Internal Revenue Code of 1986, as amended.

The County hereby irrevocably covenants that it will levy taxes annually upon all of the taxable property in the County without limitation as to rate or amount and in amounts sufficient, with other monies legally available therefor, to pay the principal of and interest on the bonds of this issue as the same shall become due. The full faith, credit and resources of the County are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest. The pledge of tax levies may be discharged prior to maturity of the bonds by making provision for the payment thereof on the terms and conditions set forth in the Ordinance authorizing their issuance.

This bond is transferable by the Registered Owner hereof or by the Registered Owner's duly authorized agent at the Bond Registrar, but only in the manner and subject to the limitations set forth in the Bond Ordinance, and only upon the due completion of the assignment form appearing hereon and upon the surrender and cancellation of this bond. Upon such transfer, a new bond (or bonds at the option of the new Registered Owner) of the same maturity, interest rate and for the same aggregate principal amount will be issued to the new Registered Owner, without charge, in exchange therefor. This bond and other bonds of this series may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of bonds of the same maturity and interest rate in any authorized denomination. The Bond Registrar shall not be obligated to transfer or exchange any bond during the 15 days preceding any principal payment or redemption date.

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

UNIF GIFTS (TRANSFERS)

MIN ACT - \_\_\_\_\_  
(Cust)

Custodian \_\_\_\_\_  
(Minor)

under Uniform Gifts (Transfers) to Minors Act

\_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in the list above.

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

DATE OF AUTHENTICATION: \_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Bond Ordinance and is one of the Limited Tax General Obligation Bonds, 1997, Series B, of the County, dated the Issue Date.

WASHINGTON STATE FISCAL AGENCY,  
as Bond Registrar

By \_\_\_\_\_  
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

[Empty rectangular box for Social Security or Taxpayer Identification Number]

(Please print or typewrite name and address, including zip code of Transferee)

the within bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ of \_\_\_\_\_, or its successor, as Bond Registrar to transfer said bond on the books kept for registration thereof with full power of substitution in the premises.

DATED: \_\_\_\_\_, \_\_\_\_\_

NOTE: The signature on this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed pursuant to law.

Section 8. Execution of Bonds. The Bonds shall be executed on behalf of the County with the facsimile signatures of the County Executive and Clerk of the County Council, and the seal of the County shall be imprinted thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Ordinance. 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 of the officers who shall have executed the Bonds shall cease to be an officer or officers of the County before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the County, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the County as though those who signed the same had continued to be such officers of the County. Any Bond may also be signed and attested on behalf of the County by such persons who are at the actual date of delivery of such Bond the proper officers of the County although at the original date of such Bond any such person shall not have been such officer of the County.

Section 9. Bond Registrar. The County appoints the fiscal agencies of the State of Washington as Bond Registrar and hereby adopts the system of registration specified and approved by the Washington State Finance Committee. 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 County. The Bond Registrar is authorized, on behalf of the County, to authenticate and deliver the 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 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.

The Bonds shall be transferable by the registered owners thereof or by any registered owner's duly authorized agent at the office of the Bond Registrar, but only upon the due completion of the assignment form appearing thereon and upon the surrender and cancellation of the Bond to be transferred. Upon such transfer, a new Bond (or Bonds at the option of the new registered owner) of the same maturity and interest rate and for the same aggregate principal amount will be issued to the new registered owner, without charge, in exchange therefor. The Bonds may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same maturity and interest rate in any authorized denomination. The Bond Registrar shall not be obligated to transfer or exchange any Bond during the fifteen days preceding any principal payment or redemption date.

Section 10. Application of Bond Proceeds. The proceeds of sale of the Bonds shall be applied as follows:

A. There shall be paid into the Snohomish County Limited Tax General Obligation Note Fund, 1996, a sum sufficient, together with other legally available moneys on hand therein, to pay the principal of and interest on the outstanding Bond Anticipation Note, 1996, issued under date of April 24, 1996, the proceeds of which were used to fund Project III as set forth in Exhibit A and such note shall be paid and redeemed.

B. There shall be paid into the Snohomish County Limited Tax General Obligation Note Fund, 1996A, a sum sufficient, together with other legally available moneys on hand therein, to pay the principal of and interest on the outstanding Bond Anticipation Note, 1996A, (tax-exempt) issued under date of September 9, 1996, the proceeds of which were and are to be applied to fund Project IV as set forth on Exhibit A and such note shall be paid and redeemed.

C. There shall be paid into the Snohomish County Limited Tax General Obligation Note Fund, 1996B, the sum of \$1,500,000 (representing part of the amount which was

applied out of the proceeds of the Snohomish County Limited Tax General Obligation Bond Anticipation Note, 1996B (taxable), to pay part of the cost of acquisition of 67 acres of land from the United States, Department of the Navy, as provided for by Ordinance No. 96-058 and there shall be paid into such note fund, out of other legally available funds of the County, which are not the proceeds of any borrowing, a sum sufficient to pay the remaining principal of and interest on such 1996B bond anticipation note and such note shall be paid and redeemed.

D. All remaining proceeds of sale of the Bonds (exclusive of accrued interest which shall be paid into the Bond Fund) shall be paid into the Capital Projects Fund (hereby created) and applied to pay the costs of the projects set forth in Exhibit A which are not provided for above in this Section and to pay all costs related thereto, to pay incidental costs and costs related to the sale and issuance of the Bonds. Moneys shall be transferred from the Capital Projects Fund to the funds set forth in section 18 hereof, as necessary to provide part or all of the appropriated amounts. No part of the proceeds of the Bonds which are transferred to the Conservation Futures Fund shall be expended for purposes other than those specified in RCW 84.34.210, RCW 84.34.220, and RCW 84.34.240.

Section 11. Creation of Bond Fund and Provision for Tax Levy. A special fund of the County known as the "Snohomish County Limited Tax General Obligation Bond Redemption Fund 1997 (the "1997 Bond Fund"), is hereby created in the office of the County Treasurer. The 1997 Bond Fund shall be a trust fund drawn upon for the sole purpose of paying the principal of and interest on the Bonds.

The County hereby irrevocably covenants and agrees for as long as any of the Bonds are outstanding and unpaid, that each year it will include in its budget and levy an *ad valorem* tax in the amount which will be sufficient, together with other money of the County on hand and legally available for such purposes, to pay the principal of and interest on the Bonds as the same shall become due. All of such taxes and any such other money shall be paid into the 1997 Bond Fund. None of the money in the 1997 Bond Fund shall be used for any purpose other than the payment of the principal of and interest on the Bonds. Moneys in the 1997 Bond Fund not needed to pay

the interest or principal next coming due, either at maturity or upon optional or mandatory redemption, may temporarily be deposited in such institutions or invested in such obligations as may be lawful for the investment of County money. Any interest or profit from the investment of such money shall be deposited in the 1997 Bond Fund, and any losses from such investments shall be charged against the 1997 Bond Fund.

The annual tax provided for herein to be levied for the payment of such principal and interest shall be within and as a part of the tax millage levy permitted to counties without a vote of the people, and a sufficient portion of each annual levy to be levied and collected by the County prior to the full payment of the principal of and interest on the Bonds will be and is hereby irrevocably pledged to be set aside and appropriated for the payment of the principal of and interest on the Bonds.

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

Section 12. Defeasance. In the event that money and/or "Government Obligations," as such Obligations are defined in Ch. 39.53 RCW, as now or hereafter amended, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds authorized hereunder in accordance with their terms, are set aside in a special fund of the County to effect such redemption and retirement, and such money and the principal of and interest on such obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the 1997 Bond Fund of the County for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this Ordinance except the right to receive the money so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder. If less than all of a maturity is so provided for, the specific Bonds so provided for shall be chosen by the Bond Registrar or by DTC, as appropriate, by lot.

Section 13. Tax Covenants Regarding Arbitrage and Private Activity Bonds. The County shall comply with the provisions of this section unless, in the written opinion of nationally-recognized bond counsel to the County, such compliance is not required in order to maintain the exemption of the interest on the Bonds from federal income taxation.

The County hereby covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the County which may be deemed to be proceeds of such Bonds pursuant to Section 148 of the Code which will cause the Bonds to be "arbitrage bonds" within the meaning of said section and said Regulations. The County will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Bonds) and the applicable Regulations thereunder throughout the term of the Bonds.

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

Section 14. Sale of Bonds. Bids for the Bonds were received by the County at the office of the Snohomish County Treasurer, 3000 Rockefeller Avenue, Everett, Washington, at 10:00 a.m. on this date.

The County shall determine by motion whether or not to accept the best bid for the Bonds which bid is now on file with the County. The Council shall also determine by motion the final principal amount, redemption provisions and maturities of the Bonds.

The actions of the Director of Finance and A. Dashen & Associates in publishing notice of the public sale of such Bonds and in preparing an official statement of the County with respect thereto, are hereby approved, ratified and confirmed. The form and content of the notice of bond sale is approved. The official statement is approved as more fully provided in Section 16 hereof.

The proper officials of the County are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the Bonds to the purchaser at such sale and for the proper application and use of the proceeds of sale thereof. The Director is authorized to enter

into agreements providing for insurance for the Bonds, if the Director determines that such insurance would provide an interest saving to the County.

Section 15. Authorization of Temporary Bond. Until the definitive Bonds are prepared, the County may utilize a temporary Bond or Bonds which shall be typewritten and shall be delivered to the purchaser or purchasers of the Bonds in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds. The temporary Bond shall be in the denomination of not to exceed \$41,000,000, shall be substantially of the tenor of definitive Bonds, but with such omissions, insertions and variations as may be appropriate to temporary bonds, and shall be signed by the County Executive and Clerk of the County Council.

Upon surrender to the County Treasurer of the temporary Bond, the County, without charge to the holder, shall execute and deliver to the holder of such temporary Bond, in exchange therefor, definitive Bonds of the same maturities, interest rates, redemption provisions and aggregate principal amount as the temporary Bond, if any, surrendered. Until so exchanged, a temporary Bond shall be in all respects entitled to the same benefit and security as definitive Bonds executed and issued pursuant to this Ordinance.

Section 16. Approval of Preliminary Official Statement. The County hereby approves the preliminary official statement presented to the County Council on this date and authorizes, ratifies and approves the distribution of the preliminary official statement in connection with the offering of the Bonds. Pursuant to Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"), the County deems this preliminary official statement as final as of its date except for the omission of information dependent upon the pricing of the issue and the completion of the underwriting agreement, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, and other terms of the Bonds dependent on the foregoing matters. The County agrees to cooperate with the successful bidder to deliver or cause to be delivered, within seven business days from the date of the sale of the Bonds and in sufficient time to accompany any confirmation that requests payment from any customer of the purchaser of the Bonds, copies of a final official statement in sufficient quantity to



comply with paragraph (b)(4) of Rule 15c2-12 and the rules of the Municipal Securities Rule-making Board.

Section 17. Undertaking to Provide Ongoing Disclosure

A. Contract/Undertaking. This section constitutes the County's written undertaking for the benefit of the owners of the Bonds as required by Section (b)(5) of the Rule.

B. Financial Statements/Operating Data. The County agrees to provide or cause to be provided to each NRMSIR and to the SID, if any, in each case as designated by the Commission in accordance with the Rule, the following annual financial information and operating data for the prior fiscal year (commencing in 1998 for the fiscal year ended December 31, 1997):

1. Annual financial statements showing ending fund balances prepared in accordance with regulations prescribed by the Auditor of the State of Washington from time to time and generally of the type included in the official statement for the Bonds under the headings "Statement of General Fund Revenues and Expenditures" and "Summary of Debt Service Requirements."

2. The assessed valuation of taxable property in the County;
3. Property taxes due, property taxes collected and property taxes delinquent;
4. Property tax levy rates per \$1,000 of assessed valuation; and
5. Outstanding general obligation debt of the County.

Such annual information and operating data described above shall be so provided on or before the expiration of nine months after the end of the County's fiscal year (which now ends December 31). The County may adjust such date if the County changes its fiscal year by providing written notice of the change of fiscal year and the new reporting date to each then existing NRMSIR and the SID, if any. In lieu of providing such annual financial information and operating data, the County may cross-reference to other documents provided to the NRMSIRs, the SID or to the Commission and, if such document is a final official statement within the meaning of the Rule, available from the MSRB.

If not provided as part of the annual financial information discussed above, the County shall provide the County's audited annual financial statement prepared in accordance with regulations prescribed by the Washington State Auditor, when and if available, to each then existing NRMSIR and the SID, if any.

C. Material Events. The County agrees to provide or cause to be provided, in a timely manner, to the SID, if any, and to each NRMSIR or to the MSRB notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. Principal and interest delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves for the Bonds, if any, reflecting financial difficulties; and
4. Unscheduled draws on credit enhancements, if any, for the Bonds reflecting financial difficulties;
5. Substitution of credit or liquidity providers, if any, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
7. Modifications to the rights of bond owners;
8. Optional redemption of Bonds prior to their maturity;
9. Defeasance of the Bonds; and
10. Release, substitution or sale of property, if any, securing repayment of the Bonds.
11. Rating changes for the Bonds.

With reference to items 3 and 10 above, no debt service reserves secure payment of the Bonds and no property secures the repayment thereof, as the County lacks legal authority for either measure. Therefore, the occurrence of such events is not now possible. If further changes in the law permit such measures, and if the County subsequently chooses to establish such

reserves or provide such property as security for the Bonds, the County will provide notice of such establishment or provision and will provide notice of material events relating thereto, should such events occur.

D. Notification Upon Failure to Provide Financial Data. The County agrees to provide or cause to be provided, in a timely manner, to each NRMSIR or to the MSRB and to the SID, if any, notice of its failure to provide the annual financial information described in subsection B above on or prior to the date set forth in subsection B above.

E. Termination/Modification. The County's obligations to provide annual financial information and notices of material events shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds. This section, or any provision hereof, shall be null and void if the County (1) obtains an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this section, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; and (2) notifies each then existing NRMSIR and the SID, if any, of such opinion and the cancellation of this section. Notwithstanding any other provision of the Ordinance, the County may amend this Section 17 and any provision of this Section 17 may be waived, provided that the following conditions are satisfied:

1. If the amendment or waiver relates to the provisions of Section 17B 1 to 5 or C, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

2. The undertaking, as amended or taking into account such waiver, would, in the opinion of national recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

3. The amendment or waiver either (i) is approved by the owners of the Bonds, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the owners or beneficial owners of the Bonds.

In the event of any amendment of or waiver of a provision of this Section 17, the County shall describe such amendment in the next annual report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a material event under Subsection C, and (ii) the annual report for the year in which the change is made should present a comparison (in narrative form and also, if practical, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

F. Bond Owner's Remedies Under This Section. The right of any Bondowner or Beneficial Owner of Bonds to enforce the provisions of this section shall be limited to a right to obtain specific enforcement of the County's obligations hereunder, and any failure by the County to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds under the Ordinance. For purposes of this section, "Beneficial Owner" means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of any Bonds, including persons holding Bonds through nominees or depositories.

Section 18. Appropriation Authority. Revenue and expenditure appropriations in the amount of \$39,607,000 are hereby authorized as follows:

<u>Fund Name</u>	<u>Fund No.</u>	<u>Amounts</u>
Facility Construction - (energy project-campus	311-018	\$ 2,700,000
Elections Equipment Cum Res	189-011	300,000
Airport projects	410-021	8,035,000
ER&R - GTE Building	502-006 ((2,500,000))	<u>2,000,000</u>
Conservation Futures	185-009	24,000,000
Facility Construction - (energy project - corrections)	311-009	572,000
Construction Projects - Stadium	317-018	1,500,000

Said amounts so appropriated shall be derived from Bond proceeds, proceeds of bond anticipation notes, and other legally available funds of the County.

Section 19. Severability. If any one or more of the covenants or agreements provided in this Ordinance to be performed on the part of the County shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this Ordinance and shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds.


Section 20. Extension of Sunset. The sunset provisions applicable to the Conservation Futures Program, as set forth in Snohomish County Code § Ch. 4.14, shall be amended to extend the effective date of such sunset provisions until June 1, 2003. Section 4.14.110 of the Snohomish County Code is amended as follows:

In accordance with Section 2.115 of the Snohomish County Charter, this chapter is hereby repealed effective June 1, 2003 unless otherwise enacted prior to that date.

Section 21. Effective Date. This Ordinance shall become effective ten days following its passage and enactment as provided by the County Charter.

ADOPTED by the County Council of Snohomish County, Washington, at a regular meeting thereof held this 21st day of May, 1997.

SNOHOMISH COUNTY COUNCIL  
SNOHOMISH COUNTY, WASHINGTON

  
\_\_\_\_\_  
Vice-Chair

Approved as to Form:

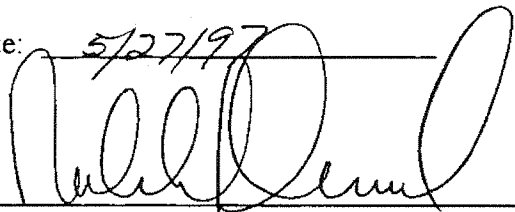
\_\_\_\_\_  
Special Deputy  
Prosecuting Attorney

ATTEST:

  
\_\_\_\_\_  
Clerk of the County Council

Approved \_\_\_\_\_

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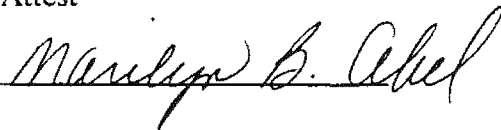
Date: 5/27/97  
  
\_\_\_\_\_

County Executive

ROBERT J. DREWEL  
County Executive

Published \_\_\_\_\_ and \_\_\_\_\_

Attest

  
\_\_\_\_\_

D-11

## EXHIBIT A

### CAPITAL PROJECTS

#### I. Conservation Futures Project Descriptions:

- A. *Historic Robe Canyon* -- The Snohomish County Department of Parks and Recreation will purchase over 1,000 acres of Robe Canyon, near the City of Granite Falls, completing a 1,480 acre park along and including the gorge dug by the north fork of the Stilliguamish River, to provide a backwoods hiking experience along the grade of the former Monte Cristo Railroad.
- B. *Thrashers Corner Regional Park* -- The City of Bothell will purchase 62 acres of uplands, wetlands, and wildlife habitat along North Creek, in the City of Bothell, to provide open space, picnicking, hiking, wildlife habitat and interpretation, and passive recreational opportunities.
- C. *Osprey Park Aquatic Wetland* -- The City of Sultan will purchase 35.4 acres of undeveloped land along the Sultan River, adjacent to the City of Sultan's Osprey Park, to protect unique natural habitats including quality wetlands and salmon habitat.
- D. *Weeda Farm* -- The Snohomish County Department of Parks and Recreation will purchase 115 acres of farmland along Tributary 80, on the Snohomish County and Skagit County line, through which passes the future Phase II of the Snohomish County Centennial Trail, recognized as a portion of the National Trail System, to be used for a major trailhead for the Centennial Trail, for camping, for preservation of wetlands and wildlife habitat, and for interpretive opportunities.
- E. *Centennial Trail* -- The Snohomish County Department of Parks and Recreation will purchase approximately 125 acres of railroad right-of-way and other property to provide the 100 foot right-of-way required for construction of the future Phase III, City of Snohomish to King County, of the Snohomish County Centennial Trail.
- F. *Meadowdale Beach/Lund's Gulch Natural Area* -- The County or its designee will purchase up to 50 acres of undeveloped critical wildlife habitat adjacent to Snohomish County Meadowdale Beach Park, located in the Cities of Edmonds and Lynnwood, to preserve and buffer Lund's Gulch, protect the water quality of Lund's Creek, and provide improved access to Meadowdale Beach Park.

- G. *Narbeck Wetlands Educational Park* -- The Snohomish County Airport and the City of Everett will purchase up to 50 acres of undeveloped industrial lands in proximity to Paine Field to preserve and enhance wetlands and wildlife habitat, provide interpretive programs, hiking, and other passive recreational opportunities.
- H. *North East Park/Manor Way Park* -- The City of Lynnwood will purchase up to 9 undeveloped wooded acres in a heavily urbanized section of the City of Lynnwood to be developed for open space, wildlife habitat, and passive recreational opportunities including picnicking, hiking, and interpretive programs.
- I. *Rhodes Property* -- The City of Everett will purchase 17 acres of pasture located near the City of Everett Water Pollution Control Facility characterized by emergent estuary wetlands related to the Snohomish River to add to and provide improved access to the Snohomish County Spencer Island Park, and to provide additional estuary preservation and interpretive opportunities.
- J. *Eagle Heights Park* -- The City of Lake Stevens will purchase 15.6 acres of undeveloped open space characterized by the headwaters of Hulbert Creek and Eagle Creek in the City of Lake Stevens to preserve salmon and eagle habitat and provide passive recreational opportunities including hiking, picnicking, and interpretive programs.
- K. *Pioneer Park Expansion Parcel/Virginia Mason* -- The City of Lynnwood will purchase up to 10 acres of wooded and pastured open space adjacent to Pioneer Park in the City of Lynnwood to provide for expansion of the existing park, add open space and wildlife habitat, and provide passive recreational opportunities including hiking, picnicking, and interpretive programs.
- L. *Gold Property at College Place* -- The City of Lynnwood will purchase 6.44 undeveloped wooded acres in the College Place neighborhood in the City of Lynnwood to preserve open space and provide passive recreational and interpretive opportunities.
- M. *Elledge/Lake Cassidy Wildlife Sanctuary* -- The Snohomish County Department of Parks and Recreation will purchase 3.28 undeveloped acres between the Centennial Trail and Lake Cassidy near the City of Lake Stevens to preserve open space, wildlife habitat and wetlands, and to provide views for users of the Centennial Trail.
- N. *Witcher Farm* -- The Snohomish County Department of Parks and Recreation will purchase up to 114 acres adjacent to the Arlington to Darrington Trail and the Stilligumish River to preserve wildlife habitat and wetlands, to continue to operate the existing nine hole golf course, and to provide additional vistas and recreational opportunities for users of the Arlington to Darrington Trail.



- O. *Stocker Property* -- The Snohomish County Department of Parks and Recreation will purchase 30 acres of pasture south of the City of Snohomish at the confluence of the Snohomish and Pilchuck Rivers to provide open space, river access, and non-motorized recreational opportunities including fishing, canoe/kayaking, and picnicking.
- P. *Snohomish River Estuary - Eastern Margin* -- The Snohomish County Department of Parks and Recreation will purchase conservation easements on up to 230 acres on the eastern margin of the Snohomish River Estuary near the City of Everett adjacent to Snohomish County Spencer Island Park to preserve a 500 foot buffer between developed areas and Ebey Slough and to provide enhancement plantings for land owners.
- Q. *Eag-A-Lee Trailhead Site Acquisition* -- The Snohomish County Department of Parks and Recreation will purchase 8 acres of wooded wetlands and open grassy meadow adjacent to and between the Centennial Trail and the Pilchuck River, north of the City of Snohomish, to preserve open space and provide for picnicking and a trailhead for the users of the Centennial Trail.
- R. *Lake Gardner Park* -- The City of Granite Falls will purchase 26 acres in a portion of the City of Granite Falls to preserve open space, wetlands, and wildlife habitat and to provide passive recreational opportunities including hiking, fishing, picnicking, and interpretive programs.
- S. *Drainage District #6 Buyout* -- The Snohomish County Department of Public Works will purchase 80 acres of pasture near the City of Everett as part of the purchase of 453 acres as the first phase to restore disturbed wetlands for public use, provide for flood water retention.
- T. *Snohomish River Estuary - Ebey Island* -- The Snohomish County Department of Parks and Recreation will purchase up to 53.5 acres adjacent to another County ownership on Ebey Island in the Snohomish River Estuary near the City of Everett to preserve and protect wetlands and wildlife habitat and provide passive recreational opportunities including trails, interpretive programs, picnicking, and water access.
- U. *King Property* -- The Snohomish County Department of Parks and Recreation will purchase 40 undeveloped wooded acres north of the City of Lake Stevens and near Lake Cassidy, adjacent to another 20 acre Parks holding and the Centennial Trail to preserve open space and wildlife habitat and to provide passive recreational opportunities such as trails, picnicking and camping, enhancing and expanding opportunities available to users of the Centennial Trail.
- V. *Lowell-Snohomish Trail Acquisition* -- The Snohomish County Department of Parks and Recreation will purchase 7.63 acres of undeveloped agricultural

property, as a 30 foot right-of-way, along the Snohomish River adjacent to the Lowell-Snohomish Road, connecting the City of Everett with the City of Snohomish.

- W. *East Silver Lake Shoreline Acquisition* -- The City of Everett will purchase 2 acres of property on the shore of Silver Lake in South Everett, to preserve open space and wildlife habitat along the lake and to provide public access to Silver Lake.
- X. *Historic Pilchuck Townsite* --The Snohomish County Department of Parks and Recreation will acquire up to 40 acres of forested wetland north of the City of Arlington and adjacent to Pilchuck Creek and the Centennial Trail to preserve open space, wetland habitat, and a historic site and to provide access to the Centennial Trail and Pilchuck Creek, historic interpretive opportunities, and recreation centered around the Centennial Trail and Pilchuck Creek.
- Y. *Marcus Property* -- The Snohomish County Department of Parks and Recreation will purchase 23 wooded acres south of the City of Arlington, along the Centennial Trail and adjacent to the north fork of Quilceda Creek to preserve open space and wildlife habitat, to provide additional trail opportunities off the Centennial Trail, camping, and access to Quilceda Creek.
- Z. *Edmonds Waterfront* -- The City of Edmonds will purchase 1 acre of property including tidelands on Puget Sound in the City of Edmonds adjacent to tidelands owned by the City of Edmonds to the north and south, to provide public waterfront access, and to enhance an integrated system of open space conservation areas.
- AA. *Twin Lakes Park Addition* -- The Snohomish County Department of Parks and Recreation will acquire approximately 20 acres of pasture adjacent to Snohomish County Twin Lakes Park, near the City of Marysville, to preserve open space and to provide passive recreational opportunities including trails, landscaping, picnicking, and access to the swimming lake in the existing park.
- BB. *Reese Park Extension Opportunity* -- The City of Sultan will purchase 15.75 acres in the City of Sultan along the Sultan River to preserve open space, wetlands, and wildlife habitat and to provide public access to the river for fishing and swimming, and other passive recreational opportunities including trails.
- CC. *Cathcart Property* -- The Snohomish County Department of Parks and Recreation will acquire 37.5 undeveloped wooded acres in unincorporated southeast Snohomish County to preserve open space and wildlife habitat and to provide passive recreational opportunities such as trails, picnic areas, and appropriate support facilities.

- DD. *May Creek Park* -- The City of Gold Bar will purchase 20.28 acres of high quality wetlands along May Creek in the City of Gold Bar to preserve open space, wetlands, and wildlife habitat, including salmon spawning, and to provide water access, trails, and interpretive opportunities.
- EE. *Centennial Park* -- The City of Lake Stevens will purchase 6.33 acres to preserve open space and wildlife habitat, to provide passive recreational opportunities such as a portion of a trail that will bring pedestrians and bicyclists from downtown Lake Stevens to the Snohomish County Centennial Trail which is adjacent to this property.
- FF. *Riverscene Park Addition* -- The Snohomish County Department of Parks and Recreation will acquire .75 acres of property adjacent to the existing Snohomish County Riverscene Park and the Stilliguamish River to preserve open space and wildlife habitat, to add to the existing park, to provide additional water access and passive recreational opportunities including fishing and picnicking.
- GG. *Woodway Reserve* -- The Town of Woodway will purchase 20.8 acres of forested urban wildlife habitat in the Town of Woodway, to preserve open space, wetlands, and wildlife habitat and to provide passive recreational opportunities such as trails and interpretive programs.
- HH. *Harbour Pointe Tidelands* -- The City of Mukilteo will purchase 59.4 acres of forested open space and tidelands on Possession Sound in the City of Mukilteo adjacent to Puget Sound to preserve open space and tidelands and to provide passive recreational opportunities.
- II. *92nd Street Park Expansion* -- The City of Mukilteo will purchase 11.3 acres adjacent to the existing City of Mukilteo park and Big Gulch Creek to preserve open space and provide opportunities for restoration of the Big Gulch Creek watershed while providing a trail connection with the existing park.
- JJ. *Noble Bog Interpretive Park* -- The City of Granite Falls will purchase approximately 6.6 acres of wetlands to preserve wetlands and wildlife habitat.
- KK. *Sunnyside Nature Trail* -- The County or its designee in cooperation with the City of Marysville, will purchase 5 acres of partly wooded property characterized by wetlands and a pond that will preserve open space and wildlife habitat while continuing to provide an educational nature trail and passive recreational opportunities such as walking and picnicking.
- LL. *Harborview Park: Phase II* -- The City of Everett will purchase 4 acres on the bluff overlooking Puget Sound to preserve open space adjacent to a recently purchased portion of the park, and to provide view, aesthetic, and interpretive opportunities for users of the park.

- MM. *Marshland Flood District: Everett* -- The City of Everett will purchase 8 acres of undeveloped wetland in an agricultural area to preserve open space with potential interpretive paths and view point areas.
- NN. *Lake Stevens Outflow Wetland Preservation* -- The City of Lake Stevens will purchase 1 acre of historic forested wetland at the outfall of Lake Stevens to preserve wildlife habitat and provide holding capacity for surface water and Lake Stevens drainage and provide passive recreational and educational opportunities.
- OO. *Fairgrounds Educational Wetlands* -- The County or its designee will purchase approximately 47 acres of wetland adjacent to the Evergreen State Fairgrounds in Monroe to preserve wetlands and wildlife habitat and provide passive recreational and educational opportunities.

II. Paine Field Project Descriptions:

- A. *Purchase Aulinger Property* -- Purchase a 17-acre parcel located on the SW corner of the airport, between the main runway safety area and State Highway 525, the main commercial boulevard for the City of Mukilteo and access route for the Washington State Ferry route to Whidbey Island. No more than \$245,000 of bond proceeds shall be applied to this purchase, the balance to be paid out of other County funds.
- B. *Medical Examiner Development* -- Snohomish County has committed to a long term land lease (at full appraised rates) with the Airport to construct a new medical examiner facility. The development costs include remediation of contaminated soil and establishment of a record of survey for the parcel.
- C. *Paine Field Boulevard Noise Wall and Utility Improvements* -- Paine Field Boulevard is a new four-lane road, approximately one mile long and located on the western edge of the airport, which will connect State Highway 525 with State Highway 526. The airport will enhance the roadway project's noise wall to reduce airport noise impacts on the residential area west of the new road. The utility improvements include underground conduits and pipes which would reduce future development costs.
- D. *Airport Terminal* -- (\$800,000) The present airport terminal requires extensive updates to the roof, utility systems, and public areas for continued service. This project would bring the terminal facilities up to current standards and increase the size of the public areas. Up to \$800,000 of bond proceeds will be applied to improve the public areas and facilities not leased to or primarily used by private businesses.

- E. *Wetland Mitigation Bank Construction* (\$3,100,000) -- The airport is constructing a wetland mitigation bank to allow construction and development which will correct safety deficiencies in the main runway safety area and enhance aviation access and use of the airfield.
- F. *Sewer Improvements* (\$100,000) -- Design and construction of a new sewer lift station and gravity and pressure sewer system for the central portion of the airport. This utility improvement will replace old and deteriorating equipment and pipe.
- G. *Safety Area* (\$350,000) -- This is the airport share of the \$3.5 million dollar FAA-sponsored project to correct deficiencies in the main runway safety area.
- H. *Airport Equipment* (\$450,000) -- Includes capital equipment acquisition over next three years, such as snow removal equipment, aircraft rescue and fire fighting equipment, major maintenance vehicles and other equipment used to operate and maintain the airport.
- I. *Navy Property Purchase* (\$1,500,000) -- The Airport purchased surplus Navy property for \$6.0 million. The property will be used for future redevelopment activities.

### III. HVAC Improvements.

In order to improve heating, ventilation and air conditioning systems in county buildings, the County has entered into a \$2.7 million contract with Honeywell to improve a number of key energy systems.

### IV. General Improvements

A. *Elections Equipment.* Ballot counting equipment for the Snohomish County Auditor.

B. *GTE Building Purchase.* Purchase and improve the GTE Building to house the County's equipment rental operation and other Public Works operations.

C. *Aviation Hangar and Office.* Acquisition of a 19,900 square foot aviation hangar located on 1.65 acres of land adjacent to the Snohomish County Airport.

### V. Memorial Stadium.

In 1995 the County funded Improvements to Everett School District's Memorial Stadium totaling approximately \$4.3 million. Bids were opened earlier this year, and came in above engineer's estimates. The County has allocated an additional \$1.5 million for this project.

### VI. HVAC Improvements.

In order to improve heating, ventilation and air conditioning systems in the jail, the County has entered into a \$572,000 contract with Honeywell to improve a number of key energy systems.

EXHIBIT B

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT, dated 9/23/96, 1996 ("Agreement"), is entered into by and between SNOHOMISH COUNTY, WASHINGTON ("County") and EVERETT SCHOOL DISTRICT NO. 2 ("District"), each a municipal corporation of the State of Washington (collectively the "Parties").

WITNESSETH:

WHEREAS, the Parties are authorized by Chapter 39.34 RCW, RCW 67.28.120 and RCW 67.28.130 to enter into interlocal agreements for cooperative action with respect to any power or authority that each may exercise separately, to improve public stadium facilities and to participate in the financing of such facilities; and

WHEREAS, the existing public baseball facilities within the Everett Memorial Stadium Complex, owned by the District ("Facility"), are in need of substantial renovation and improvement; and

WHEREAS, the Parties desire to work together to finance and make such improvements to the Facility (the "Project"), more fully described in Exhibit A, attached hereto and incorporated by reference herein; and

WHEREAS, RCW 67.28.300 authorizes the County to levy a special hotel-motel excise tax for public stadium purposes (sometimes referred to as the "Hotel-Motel Tax"); and

WHEREAS, the Parties have heretofore entered into an agreement under date of March 6, 1995, which provided for the issuance of \$4,120,000 of limited tax levy general obligation bonds (the "Bonds") by the County and the transfer of the net proceeds of such bonds to the District; and

WHEREAS, the Parties have agreed that it is necessary to increase the amount of funding from the County to the District for stadium purposes and the Parties have agreed on the terms of this additional interlocal agreement (the "Agreement") which provides for the issuance of \$1,500,000 of general obligation bonds by the County (the "Bonds") and the transfer of the net proceeds of such Bonds to the District; and

WHEREAS, this Agreement provides for the responsibilities of the Parties in providing for the construction of the Project and the issuance of the Bonds, which Bonds will be repaid primarily with revenue generated by the Hotel-Motel Tax and other moneys legally available therefor; and

WHEREAS, by Ordinance No. 96-058 of the County, adopted on August 28, 1996, the County Council has authorized execution and delivery of this Agreement on behalf of the County; and

WHEREAS, by motion adopted on 9/23/96, 1996, the Board of Directors of the District has authorized execution and delivery of this Agreement on behalf of the District; and

WHEREAS, the primary use of the Everett Memorial Stadium Complex is for students of the District; and

WHEREAS, the policies of the District promote uses of the Facility which benefit residents of the County, as well as residents of the District; and

WHEREAS, the improvements to public stadium facilities provided for herein are found and declared to be for the use and benefit of all citizens of Snohomish County, as well as the students and citizens of the District;

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the Parties hereby formally covenant, agree and bind themselves as follows:

**Section 1: Duration.** This Agreement shall remain in full force and effect from the date of execution hereof until terminated by the Parties; provided, however, that this Agreement shall be terminated when the Bonds are repaid in full according to the terms hereof.

**Section 2: Purposes.** The purposes of this Agreement are to undertake and finance the construction of the Project, to provide for the issuance of the Bonds to fund a portion of such cost and to provide for the interim advance of County funds for such purposes.

**Section 3: Administrator.** The Parties agree that the District shall be responsible for administering the Project.

The District shall contract for the design and construction of the Project.

The District shall be responsible for managing and supervising the construction and installation of the Project and, as owner of the property, for managing the Facility after completion of the Project. The District may enter into any contracts with respect to, or leases of, the Facility permitted by law; provided, however, that any such contracts or leases for a term of more than one year are subject to the requirement that an opinion be obtained from Bond Counsel to the County that such contract or lease will not adversely affect the exemption of interest on any bonds of the County from federal income tax or the validity of the Bonds.

As owner of the property, the District shall retain responsibility for all costs of maintenance and operation of and repairs to the facility and shall hold the County harmless from any liability arising by reason of the construction or operation thereof.

The County will issue the Bonds referenced herein and will pay the debt service on the Bonds, applying thereto a portion of the proceeds of the Hotel-Motel Tax, and legally available funds received for that purpose from any other source.

**Section 4: Manner of Financing—Bonds.** The Parties hereby agree that the County shall issue Bonds in an aggregate principal amount of not to exceed \$1,500,000 to pay costs of the Project.



The County will proceed with the sale of such Bonds and will distribute the proceeds thereof as provided in this Agreement, upon completion of the following steps:

(a) Completion of an agreement by the District with a long term, part time user of the Facility.

(b) Completion of an agreement between the County and such long term user with respect to the participation by such user in the cost of debt service on the Bonds.

The term "Bonds" as used herein, shall apply to and include any interim financing done by the County in anticipation of the issuance of the Bonds.

**Section 5: Use of the Bond Proceeds.** The County covenants that it will deposit the net proceeds of the Bonds (after payment of all costs of issuance and all other costs of the County incurred in connection with the Project) into the Capital Projects Fund of the District, on or prior to February 1, 1997; provided that the conditions set forth in Section 4 above have been met. The District may use the proceeds of such Bonds to reimburse itself for preliminary and planning expenses already incurred, committed to or associated with the Project. The District covenants to proceed with due diligence with completion of the Project.

If any of such proceeds of the Bonds remain on hand in the Capital Projects Fund of the District after completion of the Project and payment of all costs relating thereto, such remaining proceeds shall be returned to the County; provided such payment complies with all applicable legal requirements.

The District will continue in effect (subject to such changes from time to time as the District may, in its discretion, determine) its policies with respect to the use of the Facility which allow the benefits of the Project to be enjoyed by all residents of the County, upon reasonable terms and conditions, as well as by District students; provided, however, that the District may place first priority on the needs of its students with respect to use of the Facility.

**Section 6: Representations and Warranties of the Parties.**

a. The County represents that it is a municipal corporation duly organized and existing under the Constitution and laws of the State of Washington. The County has the power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action, the County has been duly authorized to execute, deliver and duly perform this Agreement.

b. The District represents that it is a municipal corporation duly organized and existing under the Constitution and laws of the State of Washington. The District has the power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action, the District has been duly authorized to execute, deliver and duly perform this Agreement.

**Section 7: Remedies Not Exclusive; No Waiver of Rights.** No remedy herein conferred upon or reserved to the Parties is intended to be exclusive of any other available remedy

or remedies, but each and every such remedy, to the extent permitted by law, shall be in addition to every other remedy given under this Agreement, or now or hereafter existing at law or in equity, or otherwise. In order to entitle the Parties to exercise any remedy, to the extent permitted by law, reserved to them in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

No delay in exercising or omitting to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

**Section 8: Notices.** All notices or communications herein required or permitted to be given shall be in writing and mailed by first class mail, postage prepaid, or delivered as follows:

Everett School District  
Attn: Superintendent  
4730 Colby Avenue  
Everett, WA 98203

Snohomish County  
Attn: Director of Finance  
County Courthouse  
3000 Rockefeller Avenue  
Everett, WA 98201

The Parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

**Section 9: Governing Law.** This Agreement shall be construed in accordance with and governed by the Constitution and laws of the State of Washington.

**Section 10: Binding Effect.** This Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective successors, assigns and legal representatives, subject, however, to the limitations contained herein.

**Section 11: Severability.** If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

**Section 12: Amendments.** This Agreement may not be effectively amended, changed, modified, altered or terminated except by the written agreement of the Parties.

**Section 13: Execution of Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

**EVERETT SCHOOL DISTRICT NO. 2**  
Everett, Washington

By: *Lee Cooper*  
President of the Board

ATTEST:

( SCHOOL DISTRICT SEAL )

By: *[Signature]*  
Superintendent

**SNOHOMISH COUNTY, Washington**

Reviewed as to Form and  
Approved for Content

By: *Joan M. Earl*  
County Executive

**JOAN M. EARL**  
Deputy Executive

By: *[Signature]*  
Special Deputy Prosecuting Attorney

ATTEST:

( COUNTY SEAL )

\_\_\_\_\_  
Clerk

**EXHIBIT A**

The Project shall consist of the improvement of Everett Memorial Stadium Complex baseball facilities, including, but not limited to, construction and installation of additional seating, improvement of restroom facilities and improvement of concession facilities, all as determined by the Board of Directors of the District.

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