

RESOLUTION NO. 2517

A. RESOLUTION of the Port Commission of the Port of Seattle, Washington, providing for the issuance and sale of general obligation refunding bonds of the port district in the aggregate principal amount of \$15,775,000 for the purpose of providing part of the funds required to refund the port district's outstanding general obligation bonds issued under date of January 1, 1970 in the original principal amount of \$16,000,000; authorizing the use of certain moneys of the port district to effect such refunding; creating a special 1974 Refunding Account in the General Obligation Bond Fund of the port district; providing for the redemption of the outstanding bonds to be refunded; and providing the date, form, terms, maturities and covenants of the refunding bonds to be issued and for unlimited tax levies to pay the principal thereof and interest thereon.

WHEREAS, the Port of Seattle, Washington (hereinafter called the "Port"), now has outstanding its general obligation bonds in the aggregate principal amount of \$14,495,000 issued under date of January 1, 1970 (hereinafter sometimes called the "Refunded Bonds"), which bonds mature January 1 in each of the following years in the following amounts and bear interest as follows:

<u>Bond Nos.</u>	<u>Maturity Year</u>	<u>Amount</u>	<u>Interest Rate</u>
302-414	1975	\$ 565,000	8.00%
415-534	1976	600,000	8.00%
535-661	1977	635,000	8.00%
662-795	1978	670,000	8.00%
796-937	1979	710,000	8.00%
938-1088	1980	755,000	8.00%
1089-1248	1981	800,000	8.00%
1249-1418	1982	850,000	7.00%
1419-1598	1983	900,000	7.00%
1599-1789	1984	955,000	7.00%
1790-1991	1985	1,010,000	7.10%
1992-2206	1986	1,075,000	7.10%
2207-2433	1987	1,135,000	7.20%
2434-2674	1988	1,205,000	7.25%
2675-2929	1989	1,275,000	7.25%
2930-3200	1990	1,355,000	7.00%; and

WHEREAS, Resolution No. 2314 of the Port Commission adopted December 9, 1969, authorizing the issuance of the Refunded Bonds provides that the Port may call them for redemption on January 1, 1980, and any interest payment date thereafter at par plus accrued interest to the date of redemption; and

WHEREAS, after due consideration it appears to this Port Commission that the Refunded Bonds may be refunded by the issuance and sale of the general obligation refunding bonds of the Port authorized herein (hereinafter called "Refunding Bonds") and that a substantial saving to the Port and its taxpayers will be effected by the issuance of the Refunding Bonds and the redemption of the Refunded Bonds on January 1, 1980; and

WHEREAS, in order to effect such refunding in the manner that will be most advantageous to the Port and its taxpayers, it is hereby found necessary and advisable that certain direct obligations of the United States of America (hereinafter called "Acquired Obligations"), bearing interest and maturing at such time or times as necessary to pay the principal of and interest on the Refunded Bonds as the same shall become due and to redeem the then outstanding Refunded Bonds on January 1, 1980, be purchased out of the proceeds of sale of the Refunding Bonds and certain moneys in the General Obligation Bond Fund of the Port;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle, Washington, as follows:

Section 1. For the purpose of providing part of the moneys required to pay the principal of and interest on the Refunded Bonds coming due to and including January 1, 1980 and to redeem and retire the remaining outstanding Refunded

Bonds on said date, the Port shall issue the Refunding Bonds in the aggregate principal amount of \$15,775,000.

The Refunding Bonds shall be dated March 1, 1974, shall be in the denomination of \$5,000 each, shall bear interest payable on the first day of October, 1974 and semiannually on the first days of each April and October thereafter as evidenced by coupons to be attached thereto and shall be numbered and mature on April 1 of each year in order of their number as set forth in Exhibit A attached hereto and by this reference made a part hereof as though fully set forth herein.

Both principal of and interest on the Refunding Bonds shall be payable in lawful money of the United States of America at the office of the Treasurer of King County in Seattle, Washington, or at the option of the holder at either of the fiscal agencies of the State of Washington, in the Cities of Seattle, Washington, or, New York, New York.

Section 2. The Port hereby reserves the right to redeem any or all of the Refunding Bonds outstanding in inverse numerical order on any interest payment date on and after April 1, 1980, at par plus accrued interest to the date of redemption.

Notice of any such intended redemption shall be given by one publication thereof in the official newspaper of King County, Washington, and in a financial newspaper or journal of general circulation throughout the United States, with each such publication to be not more than forty nor less than thirty days prior to said redemption date, and by mailing a like notice at the same time to the manager or managers of the account that purchases the Refunding Bonds at their sale by the Port at its or their main office or offices or to the

business successor or successors, if any, of such account manager or managers at its or their main office or offices. Interest on any Refunding Bond or Bonds so called for redemption shall cease on such redemption date unless the same are not redeemed upon presentation made pursuant to such call. Such notice of intended redemption shall also be mailed, postage prepaid, not more than forty nor less than thirty days prior to such redemption date to the registered owners of any Refunding Bonds which are to be redeemed at their last known addresses, if any, appearing on the registration books, but such mailing shall not be a condition precedent to such redemption, and failure to so mail such notice to any of such registered owners shall not affect the validity of the proceedings for the redemption of the Refunding Bonds. In addition to such publication and mailing, the Port shall also mail notice of such intended redemption to Standard & Poor's Corporation and Moody's Investors Service, Inc., New York, New York, or to their successors, if any. The mailing of such notice shall not, however, be a condition precedent to the call of any Refunding Bonds for redemption.

Section 3. The Refunding Bonds shall be designated "Port of Seattle General Obligation Refunding Bonds, 1974" and shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____ \$5,000

STATE OF WASHINGTON

PORT OF SEATTLE

GENERAL OBLIGATION REFUNDING BOND, 1974

THE PORT OF SEATTLE, a municipal corporation
organized and existing under and by virtue of the

laws of the State of Washington, hereby acknowledges itself indebted and for value received promises to pay to bearer or, if registered, to the registered holder hereof, the principal sum of

FIVE THOUSAND DOLLARS

on the first day of April, 19___, with interest thereon from the date hereof at the rate of _____% per annum until such principal sum is paid or payment has been duly provided for, payable October 1, 1974, and semiannually thereafter on the first days of April and October. Payment of the interest on this bond shall be made only upon presentation and surrender of the coupons representing such interest as the same respectively fall due. Both principal of and interest on this bond are payable in lawful money of the United States of America at the office of the Treasurer of King County, Washington, in Seattle, Washington, or, at the option of the holder, at either of the fiscal agencies of the State of Washington in the Cities of Seattle, Washington, or, New York, New York.

The port district has reserved the right to redeem any or all of the outstanding bonds of this issue in inverse numerical order on any interest payment date on and after April 1, 1980, at par plus accrued interest to the date of redemption.

Notice of any such intended redemption shall be given by one publication thereof in the official newspaper of King County, Washington, and in a financial newspaper or journal of general circu-

lation throughout the United States, with each such publication to be not more than forty nor less than thirty days prior to said redemption date, and by mailing a like notice at the same time to

In addition to such publication and mailing, the port district shall also mail notice of such intended redemption to the registered owners of the bonds to be redeemed and to Standard & Poor's Corporation and Moody's Investors Service, Inc., New York, New York, or to their successors, if any. The mailing of such notice shall not, however, be a condition precedent to the call of any bonds for redemption.

This bond is one of an issue of 3,155 bonds of the port district of like amount, date and tenor except as to number, rate of interest and date of maturity in the aggregate principal amount of \$15,775,000, and is issued pursuant to duly adopted resolutions of the Port Commission for the purpose of providing money to pay part of the cost of refunding certain outstanding general obligation bonds of the port district issued under date of January 1, 1970.

The bonds of this refunding issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and resolutions duly adopted by the Port Commission of the port district.

The port district hereby irrevocably covenants that it will levy taxes annually upon all the taxable property in the port district without limitation as to rate or amount and in amounts sufficient, with other moneys 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 port district are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

IN WITNESS WHEREOF, the Port of Seattle has caused this bond to be executed in its name by the facsimile or manual signature of the President of its Commission, to be attested by the facsimile or manual signature of the secretary of its Commission, the corporate seal of the Port of Seattle to be impressed hereon, and the interest coupons attached hereto to be signed with the facsimile signatures of said officials, this first day of March, 1974.

PORT OF SEATTLE, WASHINGTON

By _____
President of its Commission

ATTEST:

Secretary of its Commission

KING COUNTY TREASURER'S
REFERENCE NO. _____

The interest coupons attached to the Refunding

Bonds shall be in substantially the following form:

KING COUNTY TREASURER'S
REFERENCE NO. _____ \$ _____

On the first day of _____, 19____,
the Port of Seattle will pay to bearer at the office
of the Treasurer of King County, in Seattle, Washington,
or, at the option of the holder, at the fiscal
agencies of the State of Washington, in the Cities
of Seattle, Washington or New York, New York, the
amount shown hereon in lawful money of the United
States of America, said amount being the semiannual
interest due that day on its General Obligation
Refunding Bond, 1974 dated March 1, 1974, and
numbered _____.

PORT OF SEATTLE, WASHINGTON

By _____
President of its Commission

ATTEST:

Secretary of its Commission

Section 4. The Refunding Bonds shall be executed
on behalf of the Port with the facsimile or manual signature
of the President of its Commission, shall be attested by the
facsimile or manual signature of the Secretary thereof (at
least one of which signatures shall be manual), and shall
have the seal of the Port impressed thereon. The interest
coupons attached hereto shall be signed with the facsimile
signatures of said officials.

Section 5. The Refunding Bonds shall be sold at public

sale. Sealed proposals for the purchase of the Bonds shall be received, publicly opened and read at 10:00 o'clock A.M. Pacific Daylight Time on the 12th day of March, 1974, at the Bell Street offices of the Port of Seattle in Seattle, Washington. Such bids will be considered and acted upon at the regular meeting of the Commission to be held at said office at 2:00 o'clock P.M. Pacific Daylight Time, on such date. Bidders must agree to pay at least par plus accrued interest from March 1, 1974, to date of delivery of the Refunding Bonds.

Notice of such sale shall be published once in The Bond Buyer prior to said date of sale. Such other publicity of such sale shall be given as found advisable by the Controller of the Port.

Upon the sale of the Refunding Bonds the proper officials of the Port are hereby authorized and directed to do all things necessary for the prompt execution and delivery of the Refunding Bonds and for the proper use and application of the proceeds of sale thereof.

Section 6. The Port hereby irrevocably covenants that for as long as any of the Refunding Bonds are outstanding it will make annual levies of ad valorem taxes without limitation as to rate or amount upon all the property within the port district subject to taxation which, with other moneys legally available therefor, will be sufficient in amount to pay the principal of and interest on the Refunding Bonds as the same shall become due. The full faith, credit and resources of the Port are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest.

Section 7. There is hereby created in the Port of

Seattle General Obligation Bond Fund an account known as the "Port of Seattle 1974 Refunding Bond Account," which Account is to be drawn upon for the sole purpose of paying the principal of and interest on the Refunded Bonds. The proceeds of sale of the Refunding Bonds (exclusive of accrued interest thereon, if any, which shall be paid into the General Obligation Bond Fund, created in the office of the King County Treasurer) shall be deposited immediately upon the receipt thereof in the Port of Seattle 1974 Refunding Bond Account to discharge the obligations of the Port under Resolution No. 2314 of the Port Commission authorizing the issuance of the Refunded Bonds, by providing for the payment of such Refunded Bonds as hereinafter set forth. To the extent practicable the Port shall discharge such obligations by the use of certain moneys now held in the above-mentioned General Obligation Bond Fund and by the purchase of "Acquired Obligations," bearing such interest and maturing as to principal and interest in such amounts and at such times so as to provide for the payment of:

(a) The principal of and interest on the Refunded Bonds which will become due and payable on or before January 1, 1980.

(b) The redemption price payable on January 1, 1980 for the Refunded Bonds maturing after January 1, 1980.

Such money and Acquired Obligations shall be irrevocably held by the comptroller and Ex-Officio Treasurer of King County (hereinafter called the "Refunding Agent"). Any amounts described in subparagraphs (a) and (b) of this section which are not provided for in full by such money and the purchase and deposit of the Acquired Obligations referred to in this

section shall be provided for by the irrevocable deposit of the necessary amount out of the proceeds of sale of the Refunding Bonds or any other moneys of the Port legally available therefor with the aforesaid Refunding Agent; provided, however, that the Port may from time to time transfer, or cause to be transferred, from the Port of Seattle 1974 Refunding Bond Account to the Bond Redemption Fund any moneys not thereafter required for the purposes set forth in (a) and (b) above. The Port further reserves the right to substitute higher yield Acquired Obligations in the event it may do so pursuant to Section 103(d)(2) of the Internal Revenue Code and applicable regulations thereunder.

Section 8. The Port hereby irrevocably calls for redemption on January 1, 1980, the Refunded Bonds maturing after January 1, 1980 in accordance with the provisions of Resolution No. 2314 of the Port Commission authorizing the redemption and retirement of the Refunded Bonds prior to their fixed maturities. Said call for redemption shall be irrevocable after the delivery of the Refunding Bonds to the initial purchasers thereof.

The Refunding Agent is hereby authorized and directed to give notice of the redemption of the Refunded Bonds in accordance with the provisions of said Resolution No. 2314.

The Refunding Agent is hereby authorized and directed to pay the principal of and interest on the Refunded Bonds (either direct or through the fiscal agency of the State of Washington) when due from the Acquired Obligations and from any moneys deposited with said Refunding Agent pursuant to the previous section of this resolution. All moneys and Acquired Obligations deposited with said Refunding Agent and any income therefrom shall be held, invested and applied in accordance with the

provisions of said Resolution No. 2314, this resolution and with the statutes of the State of Washington.

The Port will take such actions as are found necessary to see that all necessary and proper fees, compensation and expenses, if any, of the Refunding Agent for the Refunded Bonds shall be paid when due.

Section 9. 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 the Refunding Bonds in accordance with their terms, are set aside in the General Obligation Bond Fund of the Port to effect such redemption and retirement, and such moneys and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the General Obligation Bond Fund for the payment of the principal of and interest on the Refunding Bonds, and the Refunding Bonds and the coupons appurtenant thereto shall cease to be entitled to any lien, benefit or security of this resolution except the right to receive the moneys so set aside and pledged, and the Refunding Bonds and such coupons shall be deemed not to be outstanding hereunder.

Section 10. The Port hereby covenants that it will not make any use of the proceeds of sale of the Refunding Bonds or any other funds of the Port which may be deemed to be proceeds of such Refunding Bonds pursuant to Section 103(d)(2) of the Internal Revenue Code and the applicable Regulations thereunder which, if such use had been reasonably expected on the date of

delivery of the Refunding Bonds to the initial purchasers thereof, would have caused the Refunding Bonds to be "arbitrage bonds" within the meaning of said section and said Regulations. The Port will comply with the requirements of subsection (d) of Section 103 of the Internal Revenue Code and the applicable Regulations thereunder throughout the term of the Refunding Bonds.

The Port Commission hereby finds and determines that the issuance and sale of the Refunding Bonds at this time will effect a saving to the Port and its taxpayers. In making such finding and determination this Commission has given consideration to the interest to the fixed maturities of the Refunding Bonds and the Refunded Bonds, the costs of the issuance of the Refunding Bonds and the known earned income from the investment of the proceeds of sale of the Refunding Bonds pending redemption of the Refunded Bonds.

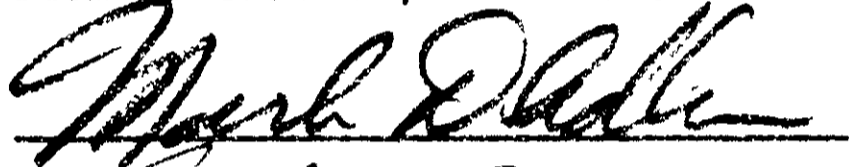
The Port Commission hereby further finds and determines that the moneys and Acquired Obligations to be deposited with the Refunding Agent for the Refunded Bonds in accordance with Section 7 of this resolution will discharge and satisfy the obligations of the District under Resolution No. 2314 authorizing the issuance of the Refunded Bonds and the pledges, charges, trusts, covenants and agreements of the Port therein made or provided for as to said Refunded Bonds, and that said Refunded Bonds shall no longer be deemed to be outstanding under said Resolution No. 2314 immediately upon the deposit of such moneys and the Acquired Obligations with the Refunding Agent.

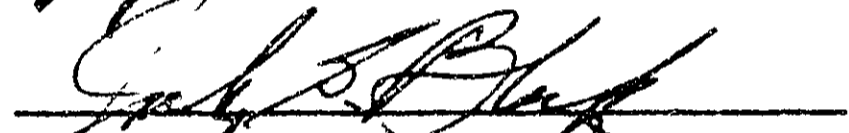
Section 11. If any one or more of the covenants or agreements provided in this Resolution to be performed on

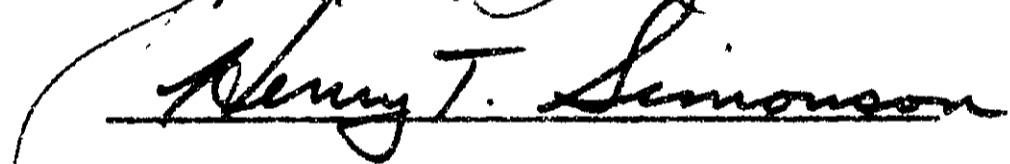
the part of the Port shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Resolution and shall in no way affect the validity of the other provisions of this Resolution or of the Refunding Bonds.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof, held this 12th day of March, 1974, and duly authenticated in open session by the signatures of the Commissioners present and voting in favor thereof and the seal of the Commission.

PORT OF SEATTLE, WASHINGTON







Port Commissioners

ATTEST:


Secretary of said Commission