

RESOLUTION NO. 2667

A RESOLUTION of the Port Commission of the Port of Seattle, Washington, providing for the issuance and sale of general obligation bonds of the port district in the aggregate principal amount of \$18,250,000, \$10,940,000 of which are for the purpose of providing funds required to refund the port district's outstanding general obligation bonds issued under date of June 1, 1976 and \$7,310,000 of which are for the purpose of providing part of the funds required to acquire, construct, equip and make certain improvements to port facilities; providing for the redemption of the outstanding bonds to be refunded; and providing the date, form, terms, maturities and covenants of the bonds to be issued and for ad valorem 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 \$10,300,000 issued under date of June 1, 1976 (hereinafter sometimes called the "Outstanding Bonds"), which bonds mature June 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>
1-61	1978	\$305,000	5.75%
62-125	1979	320,000	5.75%
126-193	1980	340,000	5.75%
194-265	1981	360,000	5.75%
266-342	1982	385,000	5.75%
343-424	1983	410,000	5.75%
425-510	1984	430,000	5.75%
511-602	1985	460,000	5.75%
603-699	1986	485,000	5.50%
700-802	1987	515,000	5.50%
803-911	1988	545,000	5.60%
912-1027	1989	580,000	5.75%
1028-1150	1990	615,000	5.90%
1151-1280	1991	650,000	6.00%
1281-1418	1992	690,000	6.10%
1419-1565	1993	735,000	6.20%
1566-1720	1994	775,000	6.30%
1721-1885	1995	825,000	6.40%
1886-2060	1996	875,000	6.40%

WHEREAS, Resolution No. 2633 of the Port Commission adopted May 13, 1976, authorizing the issuance of the Outstanding Bonds provides that the Port may call them for redemption on June 1, 1986, 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 Outstanding Bonds may be refunded by the issuance and sale of the general obligation bonds of the Port authorized herein and that a substantial saving to the Port and its taxpayers will be effected by the issuance of such bonds and the redemption of the Outstanding Bonds on June 1, 1986; 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 Outstanding Bonds as the same shall become due and to redeem the then balance of the Outstanding Bonds on June 1, 1986, be purchased out of the proceeds of sale of the bonds authorized herein; and

WHEREAS, it is further deemed necessary and advisable that the Port acquire, construct, equip and make certain improvements to its facilities and that in order to pay part or all of the costs thereof that the Port issue its general obligation bonds in the aggregate principal amount of \$7,310,000; and

WHEREAS, it is hereby found that it is in the best interest of the Port that such general obligation bonds be combined and sold as one issue in the total principal amount of \$18,250,000 (hereinafter called the "Bonds"); and

WHEREAS, it is necessary that the date, form, terms and maturities of the Bonds now be fixed;

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

SECTION 1. For the purpose of providing moneys required to pay the principal of and interest on the Outstanding Bonds coming due to and including June 1, 1986 and to redeem and retire the balance of the Outstanding Bonds on said date, the Port shall issue its general obligation bonds in the aggregate principal amount of \$10,940,000. Said bonds shall mature in the years and amounts

set forth in Exhibit A attached hereto and by this reference made a part hereof. Any proceeds of such bonds not required to effect such refunding shall be deposited in the Port of Seattle Construction Fund, 1975 and used for the purposes set forth in Section 11 hereof.

Section 2. For the purpose of providing part or all of the cost of acquiring, constructing, equipping and making improvements to the Port's facilities at Piers 90-91 and at Pier 66 the Port shall issue its general obligation bonds in the aggregate principal amount of \$7,310,000. Such bonds shall mature in the years and amounts set forth in Exhibit B attached hereto and by this reference made a part hereof.

Section 3. The general obligation bonds authorized in Sections 1 and 2 hereof shall be combined and sold as a single issue aggregating \$18,250,000 in principal amount (the "Bonds"), shall be dated April 1, 1977, shall be in the denomination of \$5,000 each, shall bear interest payable on October 1, 1977 and semiannually thereafter on the first days of April and October as evidenced by coupons to be attached thereto and shall be numbered and mature on April 1 of each year in order of their numbers as set forth in Exhibit C attached hereto and by this reference made a part hereof as though fully set forth herein.

Both principal of and interest on the 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 4. The Port hereby reserves the right to redeem any or all of the Bonds outstanding in inverse numerical order on any interest payment date on and after October 1, 1986 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 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 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. 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 successor, if any. The mailing of such notice shall not, however, be a condition precedent to the call of any Bonds for redemption.

Section 5. The Bonds shall be designated "Port of Seattle General Obligation Bonds, 1977" and shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____

\$5,000

STATE OF WASHINGTON

PORT OF SEATTLE

GENERAL OBLIGATION BOND, 1977

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, 1977, and semi-annually thereafter on the first days of April and October. Payment of

the interest on this bond to maturity 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 October 1, 1986 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 _____

_____.

In addition to such publication and mailing, the port district shall also mail notice of any 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 bonds for redemption.

This bond is one of an issue of three thousand six hundred fifty 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 \$18,250,000, and is issued pursuant to duly adopted resolutions of the Port Commission for the purpose of providing money to refund certain outstanding general obligation bonds of the port district issued under date of June 1,

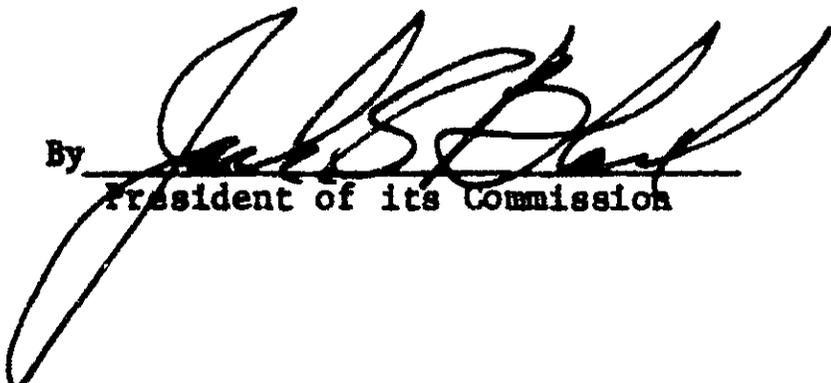
1976 and to pay part or all of the cost of acquiring, constructing, equipping and making certain improvements to the facilities of the port district.

The bonds of this 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.

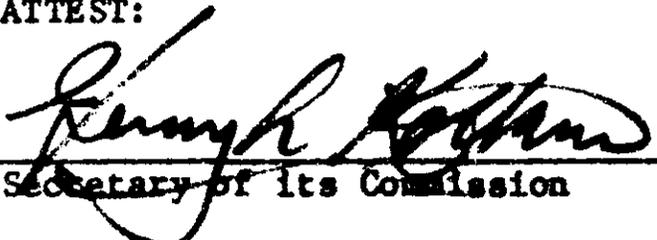
The port district hereby irrevocably covenants that it will include in its budget and levy taxes annually upon all the taxable property in the port district within and as a part of its property taxes authorized by law without a vote of the people in amounts sufficient, with other moneys legally available 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 April, 1977.

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 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 either of 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 Bond, 1977 dated April 1, 1977, and numbered _____.

PORT OF SEATTLE, WASHINGTON

By _____
President of its Commission

ATTEST:

Secretary of its Commission

Section 6. The 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 thereto shall be signed with the facsimile signatures of said officials.

Section 7. The 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 Standard Time on the 8th day of March, 1977, at the Bell Street offices of the Port of Seattle in Seattle, Washington. Such bids will be considered and acted upon at a meeting of the Commission to be held at said office at 2:00 o'clock P.M. Pacific Standard Time, on such date. Bidders must agree to pay at least par

plus accrued interest from April 1, 1977, to date of delivery of the Bonds.

Notice of such sale shall be published once a week for four consecutive weeks in the Daily Journal of Commerce, Seattle, Washington, with the first publication being at least 23 days prior to the date of sale. Such other publicity of such sale shall be given as found advisable by the Director of Finance and Administration of the Port.

Upon the sale of the 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 Bonds and for the proper use and application of the proceeds of sale thereof.

Section 8. There is hereby created in the office of the King County Treasurer a special fund of the Port to be known as the "Port of Seattle 1977 General Obligation Bond Redemption Fund," which Fund is to be drawn on for the sole purpose of paying the principal of and interest on the Bonds.

The Port hereby irrevocably covenants that for as long as any of the Bonds are outstanding it will include in its budget and levy taxes annually upon all the property within the port district subject to taxation amounts which, with other moneys available therefor, will be sufficient in amount to pay the principal of and interest on the 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.

All such taxes so collected, and such other moneys, if any, shall be deposited to the credit of the 1977 Bond Redemption Fund and shall be used solely for the payment of the principal of and interest on the Bonds, and such monies are hereby irrevocably pledged, set aside and appropriated for such purposes.

Section 9. There has heretofore been created a special fund of the Port known as the Seattle 1976 General Obligation Bond Redemption Fund (the "1976 Bond Redemption Fund"), which Fund is to be drawn upon for the sole purpose of paying the principal of and interest on the Outstanding Bonds.

The Director of Finance and Administration is authorized and directed to deposit in the 1976 Bond Redemption Fund so much of the proceeds of the sale of the \$10,940,000 Bonds authorized by Section 1 hereof as are required to enable the Director of Finance and Administration to purchase direct obligations of the United States of America ("Acquired Obligations") bearing interest and maturing at such times in such amounts as are required to provide adequate funds to pay the principal of and interest on the Outstanding Bonds as the same become due to and including June 1, 1986 and to redeem and retire the balance of the Outstanding Bonds on said date. Provided, however, that in the event the Director of Finance and Administration deems it advisable, a portion of the funds held in the 1976 Bond Redemption Fund may be held in cash. The balance, if any, of the proceeds of the \$10,940,000 of Bonds shall be deposited in the Port of Seattle Construction Fund, 1975.

Such Acquired Obligations and cash, if any, shall be irrevocably deposited with Rainier National Bank, Seattle, Washington (hereinafter called the "Refunding Agent"), in trust for the owners and holders of the Outstanding Bonds.

The 1976 Bond Redemption Fund shall be drawn upon only for the payment of the principal of and interest on the Outstanding Bonds coming due on or before June 1, 1986 and to redeem and retire the balance of the Outstanding Bonds on said date. Provided, however, that the Port may from time to time transfer, or cause to be transferred, from the 1976 Bond Redemption Fund to any other bond redemption fund created for the payment of general obligation bonds of the Port any moneys not thereafter required for the purposes set forth in the preceding paragraph. 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 10. The Port hereby irrevocably calls for redemption on June 1, 1986, the Outstanding Bonds maturing after June 1, 1986 in accordance with the provisions of Resolution No. 2633 of the Port Commission authorizing the redemption and retirement of the Outstanding Bonds prior to their fixed maturities. Said call

for redemption shall be irrevocable after the delivery of the Bonds to the initial purchasers thereof.

The Refunding Agent acting in concert with the King County Treasurer is hereby authorized and directed to give notice of the redemption of the Outstanding Bonds in accordance with the provisions of said Resolution No. 2633.

The President and Secretary of the Port Commission are to execute an agreement with the Refunding Agent to carry out the provisions hereof. 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. 2633, 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 Outstanding Bonds shall be paid when due.

Section 11. The Director of Finance and Administration of the Port is hereby authorized and directed to deposit the proceeds of sale of the \$7,310,000 of Bonds authorized by Section 2 hereof into the Port of Seattle Construction Fund, 1975 (the "Construction Fund"). Such proceeds so deposited shall be used to acquire, construct, equip and make improvements to the Piers 90-91 and Pier 66 facilities of the Port as set forth in Section 2 hereof, to pay any expenses incidental to any of these purposes and to the issuance of the Bonds, and to repay moneys, if any, advanced from any other fund of the Port for such purpose. Provided, however, in the event the permissible rate of return on the investment of the proceeds of the \$10,940,000 of Bonds is such that such proceeds are insufficient to purchase Acquired Obligations sufficient to meet the requirements of Section 9 hereof, the Director of Finance and Administration shall deposit in the 1976 Bond Redemption Fund the amount of proceeds of the \$7,310,000 Bonds authorized by Section 2 hereof necessary to make up such deficiency and shall execute a certificate setting forth the amount so deposited. Bond proceeds in the Construction Fund to be used to finance the acquisition, construction, installation or making of harbor improvements

shall be expended only after such improvements have been properly included in the Comprehensive Scheme and only after compliance with applicable Washington State and United States statutes and regulations relating to the acquisition, construction, installation or making of such improvements including but not limited to statutes and regulations relating to environmental protection and shoreline management; nor shall such moneys be expended for any purpose which would result in interest on the Bonds becoming taxable income to the holder of the Bonds under Section 103 of the Internal Revenue Code.

Moneys, if any, remaining in the Construction Fund after the expenditures authorized pursuant to the preceding paragraph have been made may be used to acquire additional terminal equipment or to acquire, construct, equip, install or make other improvements to the Facilities of the Port, subject to the conditions set forth in said paragraph, or may be transferred to the Bond Redemption Fund for the uses and purposes herein provided.

Section 12. 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 Bonds in accordance with their terms, are set aside in the 1977 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 1977 General Obligation Bond Fund for the payment of the principal of and interest on the Bonds, and the 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 Bonds and such coupons shall be deemed not to be outstanding hereunder.

Section 13. The Port hereby covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the Port which may be deemed

to be proceeds of such Bonds pursuant to 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 Bonds to the initial purchasers thereof, would have caused the 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 Bonds.

The Port Commission hereby finds and determines that the issuance and sale of the \$10,940,000 Bonds authorized by Section 1 hereof 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 such Bonds and the Outstanding Bonds, the costs of the issuance of such Bonds and the known earned income from the investment of the proceeds of sale of the Bonds pending redemption of the Outstanding Bonds.

The Port Commission hereby further finds and determines that the moneys and Acquired Obligations to be deposited with the Refunding Agent for the Outstanding Bonds in accordance with Section 9 of this resolution will discharge and satisfy the obligations of the District under Resolution No. 2633 authorizing the issuance of the Outstanding Bonds and the pledges, charges, trusts, covenants and agreements of the Port therein made or provided for as to said Outstanding Bonds, and that said Outstanding Bonds shall no longer be deemed to be outstanding under said Resolution No. 2633 immediately upon the deposit of such moneys and the Acquired Obligations with the Refunding Agent.

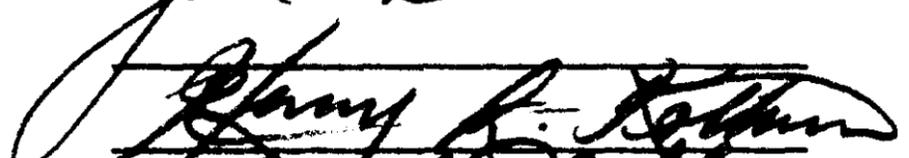
Section 14. If any one or more of the covenants or agreements provided in this Resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Resolution and shall

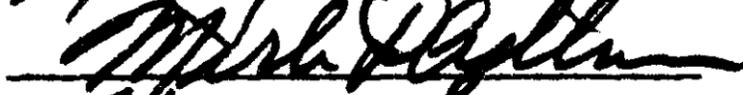
in no way affect the validity of the other provisions of this Resolution or of the Bonds.

ADOPTED by the Port Commission of the Port of Seattle at a special meeting thereof, held this 4th day of February, 1977, 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









Commissioners

ATTEST:



Secretary of said Commission

EXHIBIT A

PORT OF SEATTLE

Section 1 Bonds

<u>Year</u>	<u>Amount</u>
4/1/78	\$ 390,000
4/1/79	400,000
4/1/80	415,000
4/1/81	350,000
4/1/82	340,000
4/1/83	440,000
4/1/84	480,000
4/1/85	505,000
4/1/86	530,000
4/1/87	555,000
4/1/88	585,000
4/1/89	620,000
4/1/90	650,000
4/1/91	685,000
4/1/92	720,000
4/1/93	760,000
4/1/94	795,000
4/1/95	840,000
4/1/96	880,000

EXHIBIT B

PORT OF SEATTLE

Section 2 Bonds

<u>Year</u>	<u>Amount</u>
4/1/79	\$ 20,000
4/1/80	245,000
4/1/81	255,000
4/1/82	270,000
4/1/83	285,000
4/1/84	305,000
4/1/85	320,000
4/1/86	340,000
4/1/87	360,000
4/1/88	380,000
4/1/89	400,000
4/1/90	425,000
4/1/91	445,000
4/1/92	470,000
4/1/93	500,000
4/1/94	525,000
4/1/95	555,000
4/1/96	590,000
4/1/97	620,000

Calculated at 5.50%

EXHIBIT C
PORT OF SEATTLE

Combined Issue

<u>Bond Numbers</u>	<u>Year</u>	<u>Amount</u>
1-78	4/1/78	\$ 390,000
79-162	4/1/79	420,000
163-294	4/1/80	660,000
295-415	4/1/81	605,000
416-537	4/1/82	610,000
538-682	4/1/83	725,000
683-839	4/1/84	785,000
840-1004	4/1/85	825,000
1005-1178	4/1/86	870,000
1179-1361	4/1/87	915,000
1362-1554	4/1/88	965,000
1555-1758	4/1/89	1,020,000
1759-1973	4/1/90	1,075,000
1974-2199	4/1/91	1,130,000
2200-2437	4/1/92	1,190,000
2438-2689	4/1/93	1,260,000
2690-2953	4/1/94	1,320,000
2954-3232	4/1/95	1,395,000
3233-3526	4/1/96	1,470,000
3527-3650	4/1/97	620,000

PORT OF SEATTLE
P. O. BOX 1209 / SEATTLE, WASHINGTON 98111

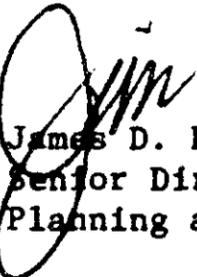
January 27, 1977

Commissioner Paul S. Friedlander
Friedlander & Sons, Inc.
5th and Pike
Seattle, Washington 98101

Dear Paul:

Enclosed is a "Consent for Final Passage" for Resolution No. 2667. Since you will be absent from the February 4, 1977 Special Commission Meeting and it is essential that this matter be executed and underway, will you please sign the consent and return by messenger.

Sincerely,



James D. Dwyer
Senior Director,
Planning and Port Relations

jmo

Enclosure

CONSENT FOR FINAL PASSAGE

I, Paul S. Friedlander, Commissioner, Port of Seattle, do hereby certify that I shall not be present for the Special Commission meeting scheduled for February 4, 1977. I further certify that I am familiar with the contents of Resolution No. 2667 Providing for the sale and issuance of General Obligation Bonds in an amount not to exceed \$18,250,000.00.

I hereby consent to Resolution No. 2667 being advanced to final passage at the Special Commission meeting of February 4, 1977 and request that this consent be entered in the official minutes of that meeting.

Executed this 27th day of January, 1977.

A handwritten signature in black ink, appearing to read "Paul S. Friedlander", written over a horizontal line.

Commissioner