

NON-CODE

**CITY OF REDMOND
ORDINANCE NO. 2809 (AM)**

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF TWO SERIES OF LIMITED TAX GENERAL OBLIGATION AND REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$31,000,000 TO PROVIDE FUNDS TO FINANCE THE COSTS OF TRANSPORTATION IMPROVEMENTS, TO REFUND CERTAIN OUTSTANDING LIMITED TAX GENERAL OBLIGATIONS OF THE CITY, AND TO FINANCE COSTS OF ISSUANCE OF EACH SERIES OF BONDS; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS OF SALE OF THE BONDS; AND DELEGATING AUTHORITY TO APPROVE THE FINAL TERMS OF THE BONDS

WHEREAS, the City Council (the "Council") of the City of Redmond, Washington (the "City"), has deemed it in the best interest of the City and its citizens that the City make certain transportation capital improvements in the City (the "New Money Project"); and

WHEREAS, the City is authorized by Washington State law to issue limited tax general obligation bonds to pay costs of the New Money Project; and

WHEREAS, the City has outstanding its Limited Tax General Obligation Bonds, 2008 (the "2008 Bonds"), issued on September 4, 2008 pursuant to Ordinance No. 2414 passed on August 19, 2008 (the "2008 Bond Ordinance"), which remain outstanding in the aggregate principal amount of \$26,565,000; and

WHEREAS, the 2008 Bond Ordinance provides that the City may call the 2008 Bonds maturing on or after December 1, 2019 (the "2008 Refunding Candidates") for redemption on or after December 1, 2018, in whole or in part on any date, at a price of par plus accrued interest, if any, to the date of redemption; and

WHEREAS, after due consideration it appears to the Council that all or a portion of the 2008 Refunding Candidates (the "Refunded Bonds") may be defeased and refunded by proceeds of limited tax general obligation bonds at a savings to the City and its taxpayers; and

WHEREAS, the Council deems it in the best interest of the City to issue two series of limited tax general obligation bonds pursuant to the terms of this ordinance to provide financing for the New Money Project, to redeem and defease the Refunded Bonds, and to pay costs of issuing each series of bonds; and

WHEREAS, the Council wishes to delegate authority to the Finance Director and the Mayor (each, a "Designated Representative"), for a limited time, to approve the interest rates, maturity dates, redemption terms and principal maturities for each series of bonds within the parameters set by this ordinance; and

WHEREAS, the City expects to receive proposals from Piper Jaffray & Co. (the "Underwriter") and now desires to issue and sell the bonds to the Underwriter as set forth herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Definitions and Interpretation of Terms.

(a) *Definitions.* As used in this ordinance, the following words shall have the following meanings:

Acquired Obligations means the Government Obligations acquired by the City under the terms of this ordinance and the Escrow Agreements to effect the defeasance and refunding of the Refunded Bonds.

Beneficial Owner means any person that has or shares the power, directly or indirectly to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

Bond Counsel means an attorney at law or a firm of attorneys, selected by the City, of nationally recognized standing in matters pertaining to the tax exempt nature of interest on bonds issued by states and their political subdivisions.

Bond Purchase Contracts means the contracts for the purchase of the Bonds between the Underwriter and the City, each executed pursuant to Section 12 of this ordinance.

Bond Register means the registration books showing the name, address and tax identification number of each Registered Owner of the Bonds, maintained pursuant to Section 149(a) of the Code.

Bond Registrar means, initially, the fiscal agent of the State of Washington, for the purposes of registering and authenticating each series of Bonds, maintaining the Bond Register, effecting transfer of ownership of the Bonds and paying interest on and principal of the Bonds.

Bonds mean the 2015 Bonds and the 2016 Bonds authorized to be issued pursuant to this ordinance in the aggregate principal amount of not to exceed \$31,000,000.

Call Date or **Call Dates** means the dates selected by the City and set forth in the applicable Escrow Agreement for redemption of the Refunded Bonds.

City means the City of Redmond, Washington, a municipal corporation duly organized and existing by virtue of the laws of the State of Washington.

City Clerk means the duly appointed and acting City Clerk of the City or the successor to the duties of that office.

Closing means the date of delivery of a series of Bonds to the Underwriter.

Code means the Internal Revenue Code of 1986, as amended, and shall include all applicable regulations and rulings relating thereto.

Commission means the Securities and Exchange Commission.

Council or **City Council** means the legislative body of the City as duly and regularly constituted from time to time.

Couplet Conversion Project means converting Redmond Way and Cleveland Street from 160th Ave NE to Avondale Way in the City's downtown corridor, to two-way travel lanes.

Designated Representatives mean the Mayor or Finance Director, or his or her designee. The signature of one Designated Representative shall be sufficient to bind the City.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds pursuant to Section 4 of this ordinance.

Escrow Agent means the banking institution appointed by a Designated Representative pursuant to this ordinance.

Escrow Agreement means the Escrow Deposit Agreements between the City and the Escrow Agent to be dated as of the date of Closing of a series of Bonds.

Federal Tax Certificate means the certificates executed by a Designated Representative setting forth the requirements of the Code for maintaining the tax exemption of interest on the

Bonds to be dated as of the date of Closing of a series of Bonds, and attachments thereto.

Finance Director means the duly appointed Finance Director of the City or the officer of the City authorized to succeed to the duties of such office.

Government Obligations mean those obligations now or hereafter defined as such in chapter 39.53 RCW.

Letter of Representations means the blanket issuer letter of representations from the City to DTC.

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

New Money Project means the capital projects described in Section 2 of this ordinance.

Official Statement means the disclosure documents prepared and delivered in connection with the issuance of each series of Bonds.

Project Account means the "Project Account" as described in Section 8 of this ordinance.

Refunded Bonds mean all or a portion of the Refunding Candidates designated from time to time by a Designated Representative for refunding pursuant to this ordinance.

Refunding Account means the account by that name established pursuant to Section 8 of this ordinance.

Refunding Candidates mean the 2008 Bonds maturing on or after December 1, 2019.

Registered Owner means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

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

2008 Bond Ordinance means the ordinance authorizing the issuance of the 2008 Bonds as described in the recitals of this ordinance.

2008 Bonds mean the City of Redmond, Washington, Limited Tax General Obligation Bonds, 2008, with a dated date of September 4, 2008, issued pursuant to the 2008 Bond Ordinance as described in the recitals of this ordinance.

2015 Bond Account means the "City of Redmond, Washington, General Obligation 2015 Bond Account" and the subaccounts therein authorized to be created pursuant to Section 10 of this ordinance.

2016 Bond Account means the "City of Redmond, Washington, General Obligation 2016 Bond Account" and the subaccounts therein authorized to be created pursuant to Section 10 of this ordinance.

2015 Bonds mean the City's Limited Tax General Obligation Refunding Bonds, 2015 authorized to be issued pursuant to this ordinance.

2016 Bonds mean the City's Limited Tax General Obligation and Refunding Bonds, 2016 authorized to be issued pursuant to this ordinance.

Underwriter means Piper Jaffray & Co., or its successors.

(b) *Interpretation.* In this ordinance, unless the context otherwise requires:

(1) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this ordinance, refer to this ordinance as a whole and not to any particular article, section, subdivision or clause hereof, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this ordinance;

(2) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(3) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(4) Any headings preceding the text of the several articles and sections of this ordinance, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this ordinance, nor shall they affect its meaning, construction or effect; and

(5) All references herein to "articles," "sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of the New Money Project. The 2016 Bonds are being issued, in part, to finance the costs of transportation related improvements, including but not limited to the Couplet Conversion Project, in the City and other capital improvements of the City (together, the "New Money Project"). Any remaining costs of the New Money Project shall be paid from other City funds legally available for such purposes.

Section 3. Authorization of Bonds and Bond Details.

(a) *2015 Bonds.* For the purpose of refunding and defeasing a portion of the Refunded Bonds and paying costs of issuance of the 2015 Bonds, the City shall issue and sell its limited tax general obligation bonds as set forth herein.

The 2015 Bonds shall be general obligations of the City, shall be designated "City of Redmond, Washington, Limited Tax General Obligation Refunding Bonds, 2015" with any such

additional designation as determined to be necessary by a Designated Representative; shall be dated as of their date of delivery; 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 2015 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; and shall bear interest from their date payable on the days and at the rates set forth in the applicable Bond Purchase Contract; and shall mature on the dates and in the principal amounts set forth in such Bond Purchase Contract and as approved by a Designated Representative pursuant to Section 12 of this ordinance. The 2015 Bonds of any of the maturities may be combined and issued as term bonds, subject to mandatory redemption as provided in the applicable Bond Purchase Contract.

(b) *2016 Bonds.* For the purpose of refunding and defeasing a portion of the Refunded Bonds, paying the costs of the New Money Project and paying costs of issuance of the 2016 Bonds, the City shall issue and sell its limited tax general obligation bonds as set forth herein.

The 2016 Bonds shall be general obligations of the City, shall be designated "City of Redmond, Washington, Limited Tax General Obligation and Refunding Bonds, 2016" with any such

additional designation as determined to be necessary by a Designated Representative; shall be dated as of their date of delivery; 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 2016 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; and shall bear interest from their date payable on the days and at the rates set forth in the applicable Bond Purchase Contract; and shall mature on the dates and in the principal amounts set forth in such Bond Purchase Contract and as approved by a Designated Representative pursuant to Section 12 of this ordinance. The 2016 Bonds of any of the maturities may be combined and issued as term bonds, subject to mandatory redemption as provided in the applicable Bond Purchase Contract.

Section 4. Registration, Exchange and Payments.

(a) *Bond Registrar/Bond Register.* The City hereby specifies and adopts the system of registration approved by the Washington State Finance Committee from time to time through the appointment of state fiscal agencies. The City shall cause a Bond Register to be maintained by the Bond Registrar. So long as any Bonds remain outstanding, the Bond Registrar shall make all necessary provisions to permit the exchange or registration

or transfer of Bonds at its principal corporate trust office. The Bond Registrar may be removed at any time at the option of the Finance Director upon prior notice to the Bond Registrar and a successor Bond Registrar appointed by the Finance Director. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this ordinance and to carry out all of the Bond Registrar's powers and duties under this ordinance. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication of the Bonds.

b) *Registered Ownership.* The City and the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in Section 14 of this ordinance), and neither the City nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 4(h), but such Bond may be transferred as herein provided. All such payments made as described in Section 4(h) shall be valid and shall

satisfy and discharge the liability of the City upon such Bond to the extent of the amount or amounts so paid.

(c) DTC Acceptance/Letters of Representations. The Bonds initially shall be held in fully immobilized form by DTC acting as depository. The City has executed and delivered to DTC a Blanket Issuer Letter of Representations. Neither the City nor the Bond Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant, the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Bonds, any notice which is permitted or required to be given to Registered Owners under this ordinance (except such notices as shall be required to be given by the City to the Bond Registrar or to DTC (or any successor depository)), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Bonds are held in fully immobilized form by a depository, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its

nominee and shall not mean the owners of any beneficial interest in such Bonds.

(d) Use of Depository.

(1) The Bonds shall be registered initially in the name of "Cede & Co.", as nominee of DTC, with one Bond maturing on each of the maturity dates for the Bonds in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Finance Director pursuant to subsection (2) below or such substitute depository's successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Finance Director to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Finance Director may hereafter appoint a substitute depository. Any such substitute depository shall be qualified

under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds of a series, together with a written request on behalf of the Finance Director, issue a single new Bond for each maturity then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Finance Director.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository and no substitute depository can be obtained, or (B) the Finance Director determines that it is in the best interest of the beneficial owners of the Bonds that such owners be able to obtain physical Bond certificates, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and such Bonds shall no longer be held by a depository. The Finance Director shall deliver a written request to the Bond Registrar, together with a supply of physical Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds of a series together with a written request on behalf of the Finance Director to the Bond Registrar,

new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.* The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer of any such Bond shall be valid unless it is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and canceled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to register the transfer or to exchange any Bond during the 15 days

preceding any principal payment date any such Bond is to be redeemed.

(f) *Bond Registrar's Ownership of Bonds.* The Bond Registrar may become the Registered Owner of any Bond 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 right of the Registered Owners of Bonds.

(g) *Registration Covenant.* The City covenants that, until all Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment.* 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 calculated on the basis of a year of 360 days and twelve 30 day months. For so long as all Bonds are held by a depository, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds are no longer held by a depository, interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on

the Bond Register on the 15th day of the month preceding the interest payment date, or upon the written request of a Registered Owner of more than \$1,000,000 of Bonds (received by the Bond Registrar at least 15 days prior to the applicable payment date), such payment shall be made by the Bond Registrar by wire transfer to the account within the United States designated by the Registered Owner. Principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Bond Registrar.

If any Bond shall be duly presented for payment and funds have not been duly provided by the City on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until it is paid.

Section 5. Redemption Prior to Maturity and Purchase of Bonds.

(a) *Mandatory Redemption of Term Bonds and Optional Redemption, if any.* Each series of Bonds shall be subject to optional redemption on the dates, at the prices and under the terms set forth in the applicable Bond Purchase Contract approved by a Designated Representative pursuant to Section 12 of this ordinance. Each series of Bonds shall be subject to mandatory redemption to the extent, if any, set forth in the

applicable Bond Purchase Contract and as approved by a Designated Representative pursuant to Section 12 of this ordinance.

(b) *Purchase of Bonds.* The City reserves the right to purchase any of the Bonds offered to it at any time at a price deemed reasonable by the Finance Director.

(c) *Selection of Bonds for Redemption.* For as long as the Bonds are held in book-entry only form, the selection of particular Bonds within a series and maturity to be redeemed shall be made in accordance with the operational arrangements then in effect at DTC. If the Bonds are no longer held in uncertificated form, the selection of such Bonds to be redeemed and the surrender and reissuance thereof, as applicable, shall be made as provided in the following provisions of this subsection (c). If the City redeems at any one time fewer than all of the Bonds having the same maturity date within a series, the particular Bonds or portions of Bonds of such series and maturity to be redeemed shall be selected by lot (or in such manner determined by the Bond Registrar) in increments of \$5,000. In the case of a Bond of a denomination greater than \$5,000, the City and the Bond Registrar shall treat each Bond of such series and maturity as representing such number of separate Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Bond of such series

and maturity by \$5,000. In the event that only a portion of the principal sum of a Bond is redeemed, upon surrender of such 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 thereof, at the option of the Registered Owner, a Bond or Bonds of like maturity, series, and interest rate in any of the denominations herein authorized.

(d) *Notice of Redemption.*

(1) Official Notice. For so long as the Bonds are held in uncertificated form, notice of redemption (which notice may be conditional) shall be given in accordance with the operational arrangements of DTC as then in effect, and neither the City nor the Bond Registrar will provide any notice of redemption to any Beneficial Owners. Thereafter (if the Bonds are no longer held in uncertificated form), notice of redemption shall be given in the manner hereinafter provided. Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption (which redemption may be conditioned by the Bond Registrar on the receipt of sufficient funds for redemption or otherwise) shall be given by the Bond Registrar on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 20 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 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 by series and maturity (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,

(E) any conditions to redemption, and

(F) 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, unless any condition to such redemption has not been satisfied or waived or notice of such redemption has been rescinded, the City 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. The City retains the right to rescind any redemption notice and the related optional redemption of Bonds by giving notice of rescission to the affected registered owners at any time on or prior to the scheduled redemption date. Any notice of optional redemption that is so rescinded shall be of no effect, and the Bonds for which the notice of optional redemption has been rescinded shall remain outstanding.

(2) Effect of Notice; Bonds Due. If notice of redemption has been given and not rescinded, or if the conditions set forth in a conditional notice of redemption have been satisfied or waived, the Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and, if the Bond Registrar then holds sufficient funds to pay such Bonds at the redemption price, then from and after such date 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. All Bonds which have been redeemed shall be canceled by the Bond Registrar and shall not be reissued.

(3) Additional Notice. In addition to the foregoing

notice, further notice shall be given by the City 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. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the series and maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent at least 20 days before the redemption date to each party entitled to receive notice pursuant to Section 14 of this ordinance and to the Underwriter and with such additional information as the City shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(4) Amendment of Notice Provisions. The foregoing notice provisions of this Section 5 of this ordinance, 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 in order to maintain

compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____ \$ _____

STATE OF WASHINGTON

CITY OF REDMOND

LIMITED TAX GENERAL OBLIGATION [AND] REFUNDING BOND, [_____]

INTEREST RATE: MATURITY DATE: CUSIP NO.:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Redmond, Washington (the "City"), 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 indicated above and to pay interest thereon from _____, 20__, 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 _____, and semiannually thereafter on the first days of each succeeding _____ and _____. Both principal of and interest on this bond are payable in lawful money of the United States of America. The fiscal agent of the State of Washington has been appointed by the City as the authenticating agent, paying agent and registrar for the bonds of this issue (the "Bond Registrar"). For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the City to DTC.

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 Ordinance No. _____ duly passed by the City Council on November 17, 2015 (the "Bond

Ordinance"). Capitalized terms used in this bond have the meanings given such terms in the Bond Ordinance.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar or its duly designated agent.

This bond is one of an authorized issue of bonds of like date, tenor, rate of interest and date of maturity, except as to number and amount in the aggregate principal amount of \$_____ and is issued pursuant to the Bond Ordinance to provide funds to pay the cost of [transportation related projects in the City,] defeasing and refunding certain limited tax general obligation bonds of the City and paying costs of issuance for the Bonds.

The bonds of this issue are [not] subject to redemption prior to their stated dates of maturity as provided for in the Bond Purchase Contract.

The City hereby irrevocably covenants and agrees with the owner of this bond that it will include in its annual budget and levy taxes annually, within and as a part of the tax levy permitted to the City without a vote of the electorate, upon all the property subject to taxation in amounts sufficient, together with other money legally available therefor, to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

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 have [not] been designated by the City as "qualified tax-exempt obligations" for investment by financial institutions under Section 265(b) of the Code.

The pledge of tax levies for payment of principal of and interest on the bonds 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.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist and to have happened, been done and performed precedent to and in the issuance of this bond exist and have happened, been done and performed and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City may incur.

IN WITNESS WHEREOF, the City of Redmond, Washington has caused this bond to be executed by the manual or facsimile signatures of the Mayor and City Clerk and the seal of the City imprinted, impressed or otherwise reproduced hereon as of this _____ day of _____, 20__.

CITY OF REDMOND, WASHINGTON

[SEAL]

By /s/ manual or facsimile
Mayor

ATTEST:

 /s/ manual or facsimile
City Clerk

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

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____, 20__

This is one of the Limited Tax General Obligation [and] Refunding Bonds, 20__ of the City of Redmond, Washington, dated _____, 20__.

WASHINGTON STATE FISCAL
AGENT, as Registrar

By _____
Authorized Signer

Section 7. Execution of Bonds. The Bonds of each series shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and City Clerk of the City, and the seal of the City shall be impressed, imprinted or otherwise reproduced 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 City before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City as though those who signed the same had continued to be such officers of the City. Any Bond may be signed and attested on behalf of the City by such persons who at the date of the actual execution of such Bond, are the proper

officers of the City, although at the original date of such Bond any such person shall not have been such officer of the City.

Section 8. Application of Bond Proceeds; Plan of Refunding.

(a) *Application of Bond Proceeds.* As provided in this Section 8, proceeds of the 2015 Bonds shall be used to defease and refund the designated Refunded Bonds and to pay costs of issuance for the 2015 Bonds. Proceeds of the 2016 Bonds shall be used to pay and/or reimburse the City for costs of the New Money Project, to defease and refund the designated Refunded Bonds and to pay costs of issuance for the 2016 Bonds.

(b) *Project Account.* The City shall establish an account designated the "Project Account" into which the proceeds of the 2016 Bonds allocable to the New Money Project shall be deposited. Money on hand in the Project Account shall be used to pay the costs of the New Money Project. The Finance Director may invest money in the Project Account in legal investments for City funds. Earnings on such investments shall accrue to the benefit of the account earning such interest. Any part of the proceeds of the 2016 Bonds remaining in the Project Account after all costs of the New Money Project have been paid (including costs of issuance) may be used to finance other capital projects of the City or transferred to the 2016 Bond Account to pay principal on the 2016 Bonds.

(c) *Refunding Plan.* For the purpose of realizing a debt service savings, the City proposes to apply a portion of the proceeds of the 2015 Bonds and the 2016 Bonds to defease and refund the Refunded Bonds as set forth herein. If a Designated Representative determines that it is in the best interest of the City to proceed with the refunding authorized herein, a Designated Representative shall designate all or a portion of the Refunding Candidates as Refunded Bonds and such designation shall be set forth in the applicable Bond Purchase Contract. A portion of the proceeds of the 2015 Bonds and the 2016 Bonds shall be deposited with the Escrow Agent pursuant to the applicable Escrow Agreement to be used immediately upon receipt thereof to defease the Refunded Bonds as authorized by the 2008 Bond Ordinance and to pay costs of issuance of the 2015 Bonds and the 2016 Bonds, as applicable.

The net proceeds deposited with the Escrow Agent shall be used to defease the Refunded Bonds and discharge the obligations thereon by maintaining the net proceeds in cash or by the purchase of certain Government Obligations (which obligations so purchased, are herein called "Acquired Obligations"), bearing such interest and maturing as to principal and interest in such amounts and at such times which, together with any necessary beginning cash balance, will provide for the payment of:

(1) interest on the Refunded Bonds as such becomes due on and prior to the selected Call Date; and

(2) the redemption price (100% of the principal amount) of the Refunded Bonds on the selected Call Date.

Such Acquired Obligations shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to acquired obligations in connection with refunding bond issues.

(d) *Escrow Agent/Escrow Agreement.* The Designated Representatives are hereby authorized to appoint an escrow agent for the Refunded Bonds (the "Escrow Agent"). A beginning cash balance, if any, and the Acquired Obligations shall be deposited irrevocably with the Escrow Agent in an amount sufficient to defease the Refunded Bonds. The proceeds of the applicable series of Bonds remaining after acquisition of the Acquired Obligations and provision for the necessary beginning cash balance shall be utilized to pay expenses of the acquisition and safekeeping of the Acquired Obligations and costs of issuance of such Bonds.

In order to carry out the purposes of this section, the Finance Director is authorized and directed to execute and deliver to the Escrow Agent, the Escrow Agreement.

(e) *Call for Redemption of Refunded Bonds.* The City is hereby authorized to irrevocably set aside sufficient funds out

of the purchase of Acquired Obligations from proceeds of each series of Bonds to make the payments described above.

The City is hereby authorized to irrevocably call the Refunded Bonds for redemption on the applicable Call Date in accordance with the 2008 Bond Ordinance authorizing the redemption and retirement of the 2008 Bonds prior to their fixed maturities.

Said defeasance and call for redemption of the Refunded Bonds shall be irrevocable after the issuance of each series of Bonds and delivery of the Acquired Obligations to the Escrow Agent.

The Escrow Agent is hereby authorized and directed to provide for the giving of notices of the redemption of the Refunded Bonds in accordance with the 2008 Bond Ordinance. The costs of publication of such notices shall be an expense of the City.

The Escrow Agent is hereby authorized and directed to pay to the Finance Director, or, at the direction of the Finance Director, to the paying agent for the Refunded Bonds, sums sufficient to pay, when due, the payments specified in this Section 8. All such sums shall be paid from the moneys and Acquired Obligations deposited with the Escrow Agent, and the income therefrom and proceeds thereof. All such sums so paid to or to the order of the Finance Director shall be credited to the

Refunding Accounts hereby authorized to be created by the City. All moneys and Acquired Obligations deposited with the Escrow Agent and any income therefrom shall be held, invested (but only at the direction of the Finance Director) and applied in accordance with the provisions of this ordinance and with the laws of the State for the benefit of the City and owners of the Refunded Bonds.

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

Section 9. Tax Covenants. The City shall comply with the provisions of this section unless, in the written opinion of Bond Counsel to the City, such compliance is not required to maintain the exemption of the interest on the Bonds from federal income taxation.

The City hereby covenants that it will not make any use of the proceeds of sale of any Bonds or any other funds of the City which may be deemed to be proceeds of such Bonds pursuant to Section 148 of the Code and the applicable regulations thereunder that will cause the Bonds to be "arbitrage bonds" within the meaning of such Section and regulations. The City will comply with the requirements of each Federal Tax Certificate and the applicable sections of the Code and the

regulations thereunder pertaining to the tax-exempt status of the Bonds throughout the term of the Bonds.

The City 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.

The Finance Director is hereby authorized to designate one or both series of Bonds as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code for investment by financial institutions if the City does not reasonably expect to issue more than \$10,000,000 of qualified tax-exempt obligations in the calendar year in which the Bonds of each series are issued.

Section 10. Bond Accounts and Provision for Tax Levy Payments.

(a) *2015 Bond Account.* The City hereby authorizes the creation of an account to be used for the payment of debt service on the 2015 Bonds, designated as the "City of Redmond, Washington, General Obligation 2015 Bond Account" (the "2015 Bond Account"), and within such account separate subaccounts as determined to be necessary by the Finance Director, for the purpose of paying debt service on the 2015 Bonds. No later than the date each payment of principal of and/or interest on the 2015 Bonds matures or becomes due and payable, the City shall transmit sufficient funds, from the 2015 Bond Account or from

other legally available sources to the Bond Registrar for the payment of such principal and/or interest. Money in the 2015 Bond Account not needed to pay the interest or principal next coming due may temporarily be deposited in legal investments for City funds.

The City hereby irrevocably covenants and agrees for as long as any of the 2015 Bonds are outstanding and unpaid that each year it will include in its budget and levy an *ad valorem* tax upon all the property within the City subject to taxation in an amount that will be sufficient, together with all other revenues and money of the City legally available for such purposes, to pay the principal of and interest on the 2015 Bonds as the same shall become due.

The City hereby irrevocably pledges that 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 regular property tax levy permitted to cities without a vote of the electorate, and that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on the 2015 Bonds will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the 2015 Bonds. The full faith, credit and resources of the City 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 2015 Bonds as the same shall become due.

(b) *2016 Bond Account.* The City hereby authorizes the creation of an account to be used for the payment of debt service on the 2016 Bonds, designated as the "City of Redmond, Washington, General Obligation 2016 Bond Account" (the "2016 Bond Account"), and within such account separate accounts as determined to be necessary by the Finance Director, for the purpose of paying debt service on the 2016 Bonds. No later than the date each payment of principal of and/or interest on the 2016 Bonds matures or becomes due and payable, the City shall transmit sufficient funds, from the 2016 Bond Account or from other legally available sources to the Bond Registrar for the payment of such principal and/or interest. Money in the 2016 Bond Account not needed to pay the interest or principal next coming due may temporarily be deposited in legal investments for City funds.

The City hereby irrevocably covenants and agrees for as long as any of the 2016 Bonds are outstanding and unpaid that each year it will include in its budget and levy an *ad valorem* tax upon all the property within the City subject to taxation in an amount that will be sufficient, together with all other revenues and money of the City legally available for such

purposes, to pay the principal of and interest on the 2016 Bonds as the same shall become due.

The City hereby irrevocably pledges that 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 regular property tax levy permitted to cities without a vote of the electorate, and that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on the 2016 Bonds will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the 2016 Bonds. The full faith, credit and resources of the City 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 2016 Bonds as the same shall become due.

Section 11. Defeasance. In the event that the City, in order to effect the payment, retirement or redemption of any Bond, sets aside in the 2015 Bond Account or 2016 Bond Account, as applicable, or in another special account, cash or noncallable Government Obligations, or any combination of cash and/or noncallable Government Obligations, in amounts and maturities which, together with the known earned income therefrom, are sufficient to redeem or pay and retire such Bond in accordance with its terms and to pay when due the interest

and redemption premium, if any, thereon, and such cash and/or noncallable Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the 2015 Bond Account or 2016 Bond Account, as applicable, for the payment of the principal of and interest on such Bond. The owner of a Bond so provided for shall cease to be entitled to any lien, benefit or security of this ordinance except the right to receive payment of principal, premium, if any, and interest from the 2015 Bond Account or 2016 Bond Account, as applicable, or such special account, and such Bond shall be deemed to be not outstanding under this ordinance.

The City shall give written notice of defeasance to the Registered Owner(s) of the Bonds and to each party entitled to receive notice in accordance with Section 14 of this ordinance.

Section 12. Sale of Bonds.

(a) *Bond Sale.* The Bonds of each series shall be sold by negotiated sale to the Underwriter pursuant to the terms of the applicable Bond Purchase Contract executed in connection with the issuance of such series of Bonds. The Council has determined that it would be in the best interest of the City to delegate to the Designated Representatives for a limited time the authority to approve the selection of Refunded Bonds (if any) to be refunded with proceeds of a series of Bonds, and to approve the final interest rates, aggregate principal amount,

principal amounts of each maturity, and redemption rights for each series of Bonds.

Subject to the terms and conditions set forth in this Section 12, each Designated Representative is hereby authorized to enter into one or more Bond Purchase Contracts with the Underwriter to issue and sell the Bonds of each series upon his or her approval of the final interest rates, maturity dates, aggregate principal amounts, principal maturities, and redemption rights set forth therein for the Bonds in accordance with the authority granted by this section so long as the aggregate principal amount of the Bonds does not exceed \$31,000,000 and:

(1) 2015 Bonds:

(i) the final maturity date for the 2015 Bonds is no later than December 1, 2028;

(ii) the aggregate purchase price for the 2015 Bonds shall not be less than 98% and not greater than 130% of the aggregate stated principal amount of the 2015 Bonds, excluding any original issue discount;

(iii) the true interest cost for the 2015 Bonds (in the aggregate) does not exceed 3.25%;

(iv) the 2015 Bonds are sold for a price that results in a minimum net present value debt service savings over the Refunded Bonds to be refunded of 4.00%; and

(v) the Bond Purchase Contract executed in connection with the 2015 Bonds is executed no later than December 31, 2015.

(2) 2016 Bonds:

(i) the final maturity date for the 2016 Bonds is no later than December 1, 2036;

(ii) the aggregate purchase price for the 2016 Bonds shall not be less than 98% and not greater than 130% of the aggregate stated principal amount of the 2016 Bonds, excluding any original issue discount;

(iii) the true interest cost for the 2016 Bonds (in the aggregate) does not exceed 4.00%;

(iv) the 2016 Bonds are sold for a price that results in a minimum net present value debt service savings of 4.00%, taking into account either (A) the net present value savings achieved by the sale of both the 2015 Bonds and 2016 Bonds or (B) the net present value savings achieved by the sale of only the 2016 Bonds; and

(v) the Bond Purchase Contract executed in connection with the 2016 Bonds is executed no later than May 1, 2016.

Subject to the terms and conditions set forth in this section, each Designated Representative is hereby authorized to execute from time to time the Bond Purchase Contracts. The

signature of one Designated Representative shall be sufficient to bind the City.

Following the execution of a Bond Purchase Contract, a Designated Representative shall provide a report to the Council describing the final terms of the applicable series of Bonds approved pursuant to the authority delegated in this section. If a Bond Purchase Contract for a series of Bonds has not been executed within the time frame set forth above, the authorization for the issuance of such series of Bonds shall be rescinded, and such series of Bonds shall not be issued nor their sale approved unless such series of Bonds shall have been re-authorized by ordinance of the Council. The ordinance re-authorizing the issuance and sale of such Bonds may be in the form of a new ordinance repealing this ordinance in whole or in part or may be in the form of an amendatory ordinance approving a bond purchase contract or establishing terms and conditions for the authority delegated under this section.

(b) *Delivery of Bonds; Documentation.* Following the passage and approval of this ordinance and upon execution of a Bond Purchase Contract, the proper officials of the City, including the Finance Director, are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Bonds to the Underwriter and further to execute all closing certificates and documents required to effect the

closing and delivery of the Bonds in accordance with the terms of this ordinance and the Bond Purchase Contract.

Section 13. Preliminary and Final Official Statements.

The Finance Director is hereby authorized to deem final the preliminary Official Statements relating to each series of Bonds for the purposes of the Rule. The Finance Director is further authorized to approve for purposes of the Rule, on behalf of the City, the Official Statements relating to the issuance and sale of a series of Bonds and the distribution of such Official Statements pursuant thereto with such changes, if any, as may be deemed by him or her to be appropriate.

Section 14. Undertaking to Provide Ongoing Disclosure.

(a) *Contract/Undertaking.* This section constitutes the City's written undertaking for the benefit of the owners, including Beneficial Owners, of the Bonds as required by Section (b)(5) of the Rule.

(b) *Financial Statements/Operating Data.* With respect to each series of Bonds, the City agrees to provide or cause to be provided to the MSRB, the following annual financial information and operating data for the prior fiscal year (commencing in 2016 for the fiscal year ended December 31, 2015):

1. Annual financial statements, which statements may or may not be audited, showing ending fund balances for the City's general fund prepared in accordance with the Budgeting

Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute) and generally of the type included in the Official Statements for the Bonds;

2. The assessed valuation of taxable property in the City;

3. Ad valorem taxes due and percentage of taxes collected;

4. Property tax levy rate per \$1,000 of assessed valuation; and

5. Outstanding general obligation debt of the City.

Items 2-5 shall be required only to the extent that such information is not included in the annual financial statements.

The information and data described above shall be provided on or before the end of nine months after the end of the City's fiscal year. The City's current fiscal year ends December 31. The City may adjust such fiscal year by providing written notice of the change of fiscal year to the MSRB. In lieu of providing such annual financial information and operating data, the City may cross-reference to other documents available to the public on the MSRB's internet website or filed with the Commission.

If not provided as part of the annual financial information discussed above, the City shall provide the City's audited annual financial statement prepared in accordance with the

Budgeting Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute) when and if available to the MSRB.

(c) *Listed Events.* The City agrees to provide or cause to be provided to the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to the rights of Bondholders, if material;
8. Optional, contingent or unscheduled Bond calls other than scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34-23856, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(d) *Format for Filings with the MSRB.* All notices, financial information and operating data required by this undertaking to be provided to the MSRB must be in an electronic format as prescribed by the MSRB. All documents provided to the MSRB pursuant to this undertaking must be accompanied by identifying information as prescribed by the MSRB.

(e) *Notification Upon Failure to Provide Financial Data.* The City agrees to provide or cause to be provided to the MSRB 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.

(f) *Termination/Modification.* The City's obligations to provide annual financial information and notices of listed events shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. Any provision of this section shall be null and void if the City (1) obtains an opinion of nationally recognized bond counsel to the effect that the portion of the Rule that requires, that provision is invalid, has been repealed retroactively or otherwise does not apply to the Bonds and (2) notifies the MSRB of such opinion and the cancellation of this section.

The City may amend this section with an opinion of nationally recognized bond counsel in accordance with the Rule. In the event of any amendment of this section, the City shall

describe such amendment in the next annual report, and shall include, a narrative explanation of the reason for the amendment 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 City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (A) notice of such change shall be given in the same manner as for a listed event under subsection (c), and (B) the annual report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, 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.

(g) *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 City's obligations under this section, and any failure by the City to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds.

(h) *No Default.* Except as otherwise disclosed in the City's Official Statements relating to the Bonds, the City is not and has not been in default in the performance of its

obligations of any prior undertaking for ongoing disclosure with respect to its obligations.


Section 15. Lost, Stolen or Destroyed Bonds. In case any Bond or Bonds shall be lost, stolen or destroyed, the Bond Registrar may execute and deliver a new Bond or Bonds of like date, series, number and tenor to the Registered Owner thereof upon the Registered Owner's paying the expenses and charges of the City and the Bond Registrar in connection therewith and upon his/her filing with the City evidence satisfactory to the City that such Bond was actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the City and/or the Bond Registrar with indemnity satisfactory to the City and the Bond Registrar.

Section 16. Severability; Ratification. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City 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. All acts taken pursuant to the authority granted in this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 17. Effective Date. This ordinance shall take effect from and after its passage and five days following its publication as required by law.

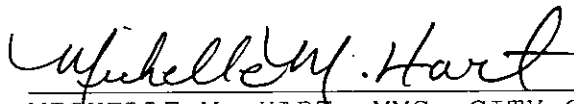
ADOPTED by the Redmond City Council this 17th day of November, 2015.

CITY OF REDMOND



JOHN MARCHIONE, MAYOR

ATTEST:



MICHELLE M. HART, MMC, CITY CLERK

(SEAL)

APPROVED AS TO FORM:



JAMES HANEY, CITY ATTORNEY

FILED WITH THE CITY CLERK:	November 3, 2015
PASSED BY THE CITY COUNCIL:	November 17, 2015
SIGNED BY THE MAYOR:	November 20, 2015
PUBLISHED:	November 23, 2015
EFFECTIVE DATE:	November 28, 2015
ORDINANCE NO.:	2809 (AM)

YES: ALLEN, CARSON, FLYNN, MARGESON, MYERS, SHUTZ, STILIN

CERTIFICATE

I, the undersigned, City Clerk of the City of Redmond, Washington (the "City") and keeper of the records of the City Council (the "City Council"), DO HEREBY CERTIFY:

1. That the attached Ordinance is a true and correct copy of Ordinance No. 2809(AM) of the City Council (the "Ordinance"), duly passed at a regular meeting thereof held on the 17th day of November, 2015.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the City Council voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of November, 2015.



City Clerk