

RESOLUTION NO. 624

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON APPROVING THE RESOLUTION OF INTENT NO. 4 PASSED BY THE BOARD OF DIRECTORS OF REDMOND PUBLIC CORPORATION ON JULY 27, 1982.

WHEREAS, the Board of Directors of the Redmond Public Corporation at a duly noticed meeting on Tuesday, July 27, 1982, passed Resolution No. 4 of the Board of Directors of Redmond Public Corporation stating the intent of the public corporation to issue approximately \$4,550,000 of industrial revenue bonds for the benefit of Kistler-Morse Corporation, and

WHEREAS, a declaration of the intention to issue such bonds is necessary to permit the process to proceed even though such stated intention is not a final binding commitment either on the Redmond Public Corporation nor approval of the same by the Redmond City Council, now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON HEREBY RESOLVE AS FOLLOWS:

Section 1. Resolution No. 4 of the Board of Directors of Redmond Public Corporation, a copy of which is attached hereto, identified as Exhibit A, and incorporated in full by this reference is hereby approved subject to the proviso that this approval by the City Council is not a final approval authorizing the Redmond Public Corporation to issue such bonds.

RESOLVED this 3rd day of August, 1982.

CITY OF REDMOND


MAYOR, CHRISTINE T. HIMES

ATTEST/AUTHENTICATED:


CITY CLERK, PAUL F. KUSAKABE

FILED WITH THE CITY CLERK: July 29, 1982

EXHIBIT A

RESOLUTION NO. 4

A RESOLUTION OF THE BOARD OF DIRECTORS OF REDMOND PUBLIC CORPORATION ACCEPTING THE APPLICATION OF KISTLER-MORSE FOR THE ISSUANCE BY THE REDMOND PUBLIC CORPORATION OF APPROXIMATELY \$4,550,000 IN INDUSTRIAL REVENUE BONDS; AND DECLARING ITS INTENTION TO ISSUE SUCH BONDS.

WHEREAS, Kistler-Morse, a Washington corporation ("K-M") has filed with this board an application dated July 19, 1982, a copy of which is attached hereto and made a part hereof by this reference, requesting that the Redmond Public Corporation issue, pursuant to Chapter 300, Laws of 1981 of the State Legislature (RCW Chapter 39.84) (the "Act"), approximately \$4,550,000 of its industrial revenue bonds for the benefit of K-M; and

WHEREAS, K-M proposes to use the proceeds of such bonds for the purpose of acquiring the land described in such application, which land is located wholly within the boundaries of the City of Redmond, and constructing a plant for the manufacture, assembly, warehousing, distribution, sale, and accounting and administrative functions related thereto, of electrical and electronic devices and equipment (the "Project"); and

WHEREAS, it appears that the Project is a "industrial development facility" as defined in the Act and that the Project is consistent with the purposes for which this Corporation was created by Ordinance No. 1060 of the Redmond City Council; now, therefore,

THE BOARD OF DIRECTORS OF REDMOND PUBLIC CORPORATION
HEREBY RESOLVES AS FOLLOWS:

Section 1. Finding as to Project. Having considered the application of K-M, this Board does hereby find and declare:

a. That the Project, as defined herein and described in said application, constitutes an "industrial development facility" as defined in the Act;

b. That the Project is consistent with the purposes for which the Redmond Public Corporation was created by the Redmond City Council and the purposes of the Act.

Section 2. Acceptance of Application and Appointment of Counsel. This Board hereby accepts the attached application of K-M; hereby appoints as its general counsel, Ogden, Ogden & Murphy, and John D. Wallace, and as its bond counsel, Riddell, Williams, Bullitt & Walkinshaw, and Nyle G. Barnes; and hereby authorize said counsel to negotiate and document the financing transaction contemplated in the application.

Section 3. Declaration of Intent To Issue Bonds. This Board hereby declares its intention to issue approximately \$4,550,000 of its industrial revenue bonds for the benefit of K-M for the purpose of accomplishing the Project, pursuant to the Act, Ordinance No. 1060 of the Redmond City Council, and the charter and bylaws of this Corporation; provided, that this declaration is one of intention and shall not constitute an agreement or a final binding commitment to issue such bonds.

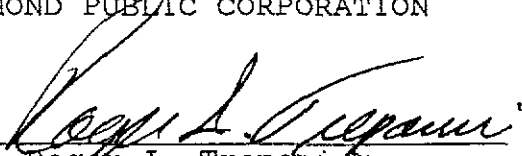
Section 4. Submission of this Resolution to Redmond City Council. This resolution shall be submitted to the Redmond City Council for its approval or disapproval at the next regular meeting thereof. In the event the Redmond City Council disapproves, this resolution shall become null and void and without further effect.

Section 5. Immediate Effect. This resolution shall take effect immediately upon its adoption.

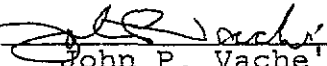
ADOPTED in an open public meeting of the Board of Directors of the Redmond Public Corporation, after notice thereof was duly and regularly given as required by law, this 27th day of July, 1982.

REDMOND PUBLIC CORPORATION

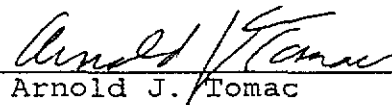
By


Roger I. Trepanier
Director and Chairman

By


John P. Vache
Director and Treasurer

By


Arnold J. Tomac
Director

ATTEST:


John D. Wallace, Secretary

6NGB:h/mf
7/22/82

Kistler-Morse

13227 Northrup Way, Bellevue, Washington 98005
Phone 206-641-4200 Telex 15-2223

July 19, 1982

Redmond Public Corporation
Redmond City Hall
Redmond, Washington 98052

RE: APPLICATION OF KISTLER-MORSE CORPORATION FOR
INDUSTRIAL REVENUE BOND FINANCING

Gentlemen:

Kistler-Morse Corporation hereby applies to the Redmond Public Corporation (the "Public Corporation") for financing in the approximate amount of \$4,550,000 to be derived from the issuance of industrial revenue bonds by the Public Corporation in a private placement transaction. We hope and trust that the information provided below will enable the corporation to take official action on Tuesday, July 27, 1982, by the adoption of a resolution of intent to carry out the financing project. If further information is needed, please do not hesitate to call upon the undersigned or Mr. Larry Cook at 828-6781, who is our coordinator for this project, or our general counsel, Mr. Richard Acarregui, at 623-3577, or bond counsel, Mr. Nyle G. Barnes, at 624-3600.

Enclosed is our check, payable to the Redmond Public Corporation in the amount of \$4,550.00. As arranged with Mr. John Wallace, your general counsel, this check is delivered as a source of funds from which you may reimburse yourselves for expenses you incur or have incurred in connection with this application and this financing transaction. Mr. Wallace has indicated that it would be appropriate for us to receive a periodic accounting as these funds are used.

1. PROJECT FOR WHICH FINANCING IS SOUGHT. Kistler-Morse Corporation wishes to acquire a parcel of undeveloped land within the city limits of Redmond for purposes of construction of Kistler-Morse corporate headquarters plant for the production of its high-technology semi-conductor strain gauge instruments and supporting electronic systems for weighing, inventory measurement and process-control applications. The current demand for Kistler-Morse's products and its planned expansion of its product array make its current facility at 13227 Northrup Way, Bellevue, inadequate. Current lease terminates in 1983.

2. INTENDED USE OF NEW REDMOND FACILITIES. Kistler-Morse intends to use the facilities to be acquired and constructed in Redmond for producing the equipment mentioned in Section 1. Such production includes the assembly of equipment, the manufacturing of some components for that equipment, and the short-term warehousing of raw material and completed equipment. The facility would also be used for ancillary activities related to the equipment production, such as shipping, engineering, and marketing of the equipment along with accounting and administrative supervision.

3. DESCRIPTION OF PROJECT. Kistler-Morse proposes to acquire seven acres of undeveloped property located on the west side of Willows Road, across from the Willows Industrial Park. The legal description of the property is attached as Exhibit A. A preliminary site plan, floor plan and building elevation for the development of this property is attached as Exhibit B.

The first phase of development, for which financing is sought through the Public Corporation, consists of the acquisition of the land and the construction of a steel and concrete building with a floor area of approximately 35,000 - 40,000 square feet, situated on the south side of the property, as indicated on the attached site plan. The building will be tiered to comply with the elevation contours of the site. The building will be divided internally into areas appropriate for the various functions described above. The first phase construction will include ancillary facilities such as necessary utilities, approach roads, landscaping, loading areas, parking areas, fencing and improvement of public street frontage (Willows Road) up to City standards. This first phase development will encompass approximately 3.5 acres of the total site. The balance will be retained to provide a natural park-like setting along the Willows Road area, with some square footage being held for expansion as the need for additional facilities arises.

Our intention is to commence construction this coming April 1983, and to be ready to take occupancy January 1984. We have had preliminary discussions with the Redmond Planning Department and based on our description of the Project, they have made a threshold determination that the Project is eligible within BP Zoning (Business Park), which applies to the property.

4. DEVELOPMENT COSTS. The approximate development costs are as follows:

Land Acquisition	\$1,200,000.00
Building and On-Site Improvements	2,200,000.00
Equipment	600,000.00
Site Work	450,000.00
Soft Costs	100,000.00
	<hr/>
	\$4,550,000.00

Any development costs exceeding \$4,550,000.00, as well as the cost of this financing and the interest on the bonds during the period of construction which require increase adjustments of the approximate development costs requested will be handled by amendment to this application.

5. EMPLOYMENT BENEFITS FROM PROJECT. Kistler-Morse currently employs a total of 84 persons at its Bellevue plant. Approximately 100% of these employees are expected to be moved to the Redmond facility upon completion of the facility. Kistler-Morse expects to add between 60 and 75 new employees at the Redmond facility within the first year, with another 50 to 60 in the two years following its completion. It is expected that most of these new employees will be hired from the Redmond area, due to the concentration of workers in the area skilled in the development, manufacturing, assembly, sale and distribution of electronic equipment.

6. OTHER INFORMATION ABOUT KISTLER-MORSE. Kistler-Morse conducts its business in the corporate form, having been incorporated in this state pursuant to the laws of Washington. The firm was incorporated in 1972 as DSC, Inc.; the name of the corporation was changed to Kistler-Morse in 1974.

Financial statements for Kistler-Morse have been delivered under separate transmittal to Mr. John Wallace. We would appreciate these documents remaining confidential.

Officers of Kistler-Morse are:

Walter P. Kistler, President
Charles H. Morse, Exec. Vice President and General
Manager

Coordinator for the Project is Mr. Larry Cook. His telephone is 828-6781.

Kistler-Morse has banking relationships with Peoples National Bank, Bellevue. As indicated below, Kistler-Morse expects that the entire principal amount of bonds to be issued in this financing will be purchased in a private placement transaction.

Kistler-Morse's general counsel is the law firm of Casey, Pruzan and Kovarik, 18th Floor Pacific Building, Seattle, Washington 98109, telephone 623-3577.

Kistler-Morse has engaged Cook-Newhouse & Associates, Inc., 2821 Northrup Way, Bellevue, as its Planners/Architects and project coordinator. The manager of the project will be Larry Cook, telephone 828-6781.

Kistler-Morse's outside auditors are: Ernest A. Jonson Company
216 Queen Anne N.
Seattle, Washington 98109
Mr. Ernest Jonson, Sr.
Telephone - 285-2100

Kistler-Morse has selected and requests the appointment as bond counsel for this transaction, Nyle G. Barnes of the law firm of Riddell, Williams, Bullitt and Walkinshaw, 4400 Seattle-First National Bank Building, Seattle, Washington 98154, telephone 624-3600. Kistler-Morse has approved the firm's fee schedule, attached as Exhibit C hereto, for this financing. It is understood that payment of any fees is contingent upon the issuance of bonds in this transaction and that the firm's out-of-pocket costs are charged separately from such fees and will be paid without regard to whether bonds are issued.

7. REIMBURSEMENT AND INDEMNIFICATION OF PUBLIC CORPORATION.

Kistler-Morse agrees to reimburse the Redmond Public Corporation for all its reasonable and necessary fees and expenses incurred in connection with the processing of this application, the issuance of bonds, and the financing transaction contemplated by this application. Reimbursement shall be made first from the \$4,550.00 deposited with the Public Corporation on this date and, if and when the deposit is exhausted, from additional deposits made by Kistler-Morse. It is understood that Kistler-Morse will be furnished with itemized invoices for such expenses.

Kistler-Morse agrees that it will at all times indemnify and hold harmless the Redmond Public Corporation and the City of Redmond and their respective officers, agents, and representatives from and against any and all losses, costs, charges, expenses, judgments and liabilities (including reasonable attorneys' fees) of whatsoever nature incurred by it or them while it or they are acting in good faith to carry out the transactions contemplated in this application and the documents and instruments which carry out the financing transaction contemplated in this application.

8. SUMMARY OF BOND ISSUE STRUCTURE. A bond issue of approximately \$4,550,000 is contemplated. Costs of the project and costs related to issuance of the bonds which exceed bond proceeds will be paid by Kistler-Morse is presently discussing purchase of all bonds contemplated to be issued in this financing with Peoples National Bank, by means of a private placement transaction. While details of the structure of the financing are not yet firm, the parties have been discussing a fifteen-year amortization of the loan, with bonds maturing serially in years five through ten following date of issuance of the bonds, with principal bearing interest at a floating rate

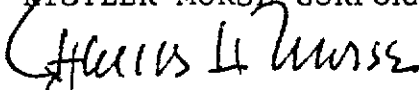
Redmond Public Corporation
July 19, 1982
Page 5

equal to 65% of the "prime rate" of a major commercial bank.

As to structure of the financing the parties have been discussing the use of a Deed of Trust on the property and a security on the gross revenue of the corporation as well as a personal guarantee by the principal stockholders.

We are very appreciative of the opportunity to submit this application and of the interest of the City of Redmond and the Redmond Public Corporation in our project. As questions arise, please feel free to contact myself or the other persons listed in Section 6 above.

Very truly yours,
KISTLER-MORSE CORPORATION



Charles H. Morse
Executive Vice-President and
General Manager

CHM/ls

Encl.

cc: John D. Wallace
Larry Cook
Richard Acarregui
Nyle Barnes

EXHIBIT "A"

KING COUNTY TAX LOT NO. 342605 9037 0

Beginning at the northwest corner of the southwest quarter of the southeast quarter of Section 34, Township 26 North, Range 5 East W.M.; thence south 370 feet along the westerly boundary of said southwest quarter of the southwest quarter; thence east parallel to the north boundary line of said southwest quarter of the southeast quarter to the county road as now laid out and established; thence northwest along said county road to the north boundary line of said southwest quarter of the southeast quarter; thence west along said north boundary line of said southwest quarter of the southeast quarter to the point of beginning.

KING COUNTY TAX LOT NO. 342605 9019 0

An undivided one-half (1/2) interest in the following described property:

The south 295 feet of the north 665 feet of that portion of the southwest quarter of the southeast quarter of Section 34, Township 26 North, Range 5 East, W.M., lying westerly of County Road (also known as Willows Road) in King County, Washington.

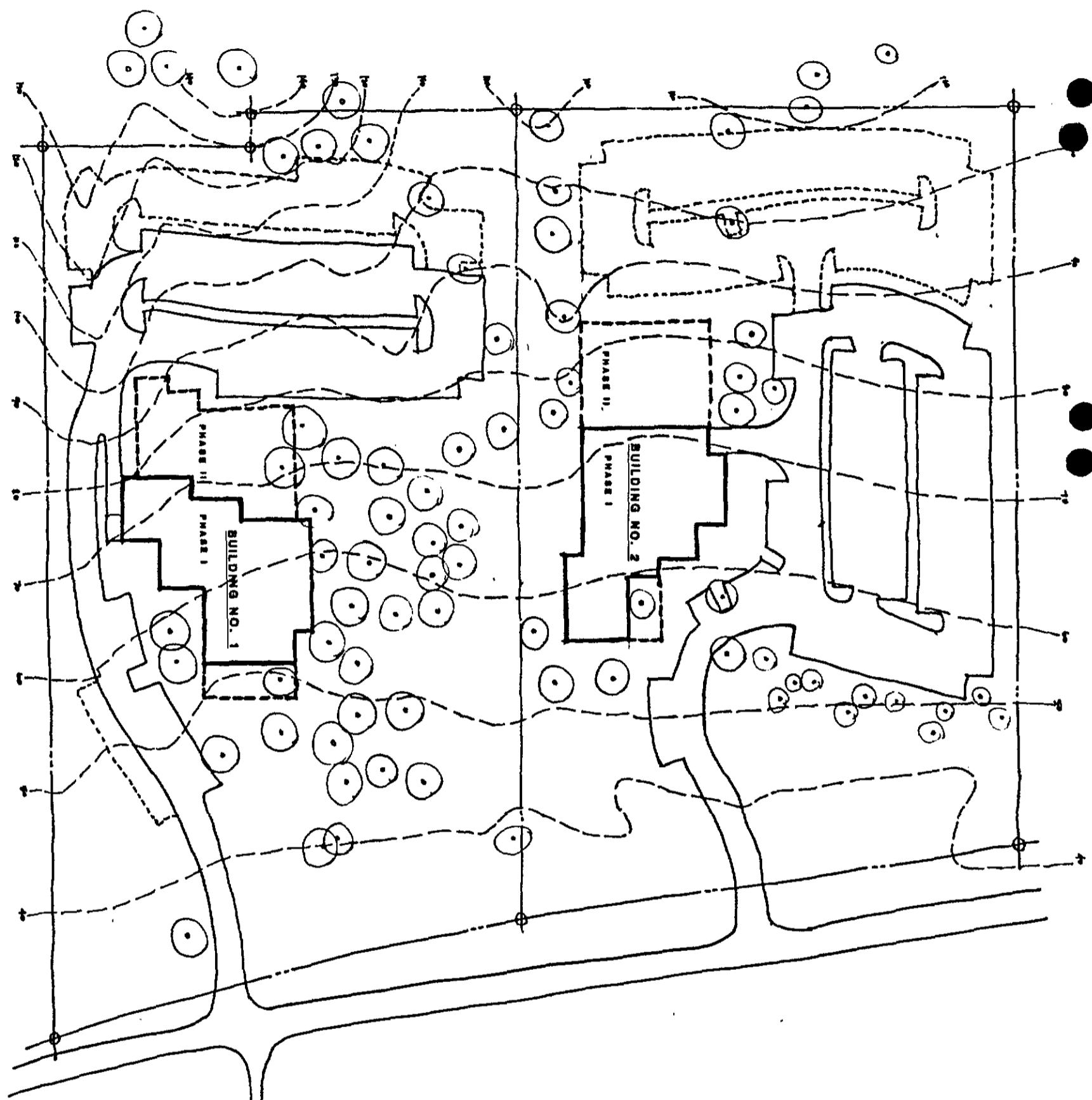
KING COUNTY TAX LOT NO. 342605 9094 0

Lot 1 as designated on Short Plat No. R279061 recorded May 26, 1979, under Recording Number 7905290589, described as follows:

The north 180 feet of that portion of the southwest quarter of the southeast quarter of Section 34, Township 26 North, Range 5 East W.M., in King County, Washington, described as follows:

Beginning on the west line of said subdivision at a point which is south 0°22'10" east 665 feet from the northwest corner thereof; thence along said subdivision line south 0°22'10" east 673.24 feet more or less to the south quarter corner of said section; thence along the south line of said subdivision north 89°06'25" east to the westerly line of C.O. Stimson Road; thence northwesterly along said road 680 feet more or less, to a point which is north 89°25'40" east from point of beginning; thence south 89°25'40" west to the beginning; EXCEPT the west 30 feet thereof deeded to King County, Washington.

ALT. SITE PLAN



1" = 50' - 0"

BLDG. NO. 2 PARKING :	
REQUIRED	166. STALLS
PROVIDING	185.
FUTURE	140.
BLDG. NO. 1 PARKING :	
REQUIRED	120. STALLS
PROVIDED	136.
FUTURE	68.

EXHIBIT "B"



CNA Architects/Planners
 2821 Northup Way, Bellevue, Washington 98004
 Phone (206) 820-6701 Principal Architect, Barry D. Dawson, AIA
 An Affiliat of Cook-Harshous and Associates, Inc.

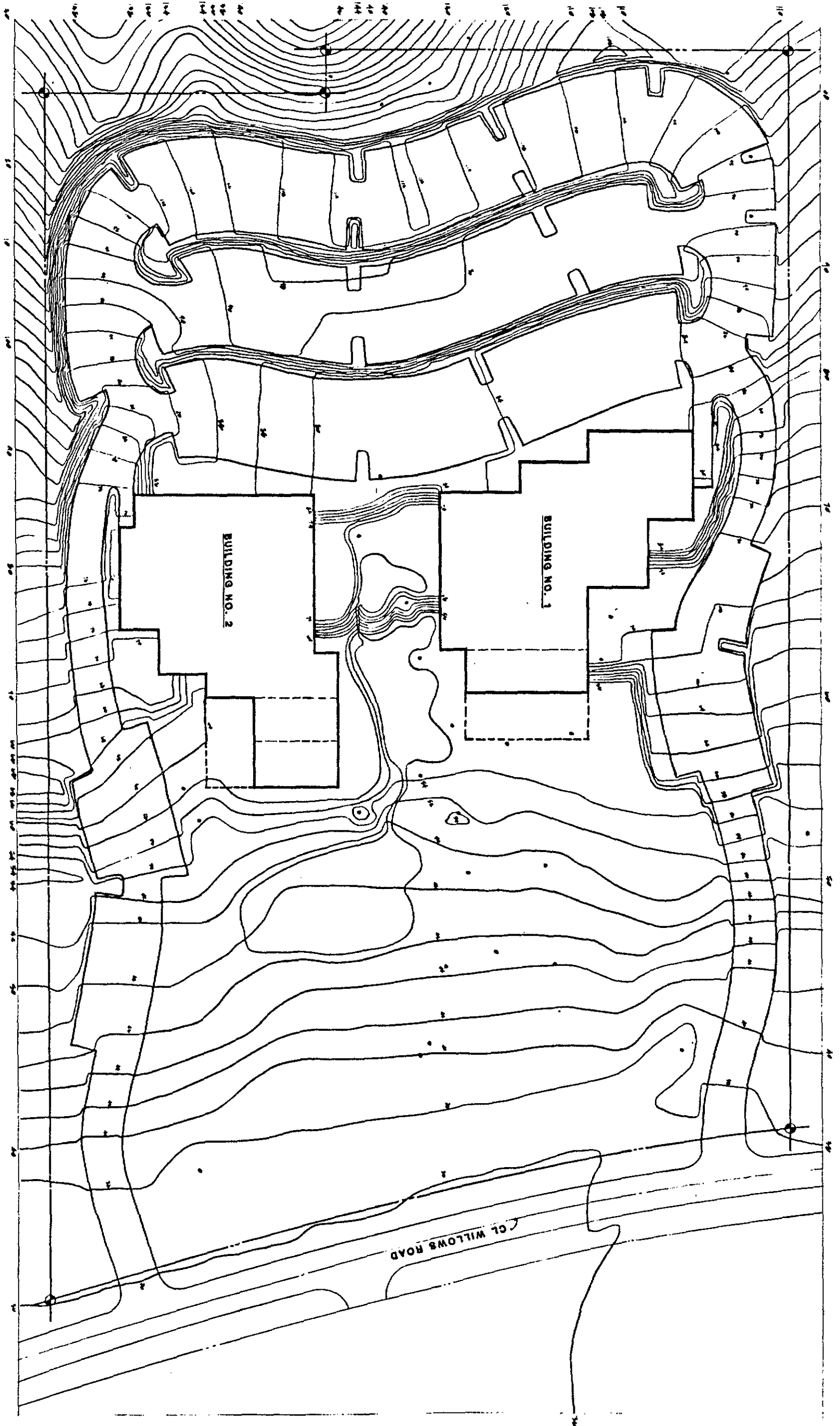


PROJECT
PROJECT 82A-124
 DRAWING TITLE
ALT. SITE PLAN

NO.	DATE	DESCRIPTION	REVISION

JOB NO. 82A-124
 DRAWN BY ZCM
 DATE 1-1-82
 SHEET NO.

PRELIMINARY GRADING PLAN



1" = 30' - 0"



CNA Architects/Planners
 2821 Northup Way, Bellevue, Washington 98004
 Phone (206) 828-6701 Principal Architect Darryl B. Dawson, AIA
 An Affiliate of Cook+Newhouse and Associates, Inc.



PROJECT

PROJECT 82A-124

DRAWING TITLE

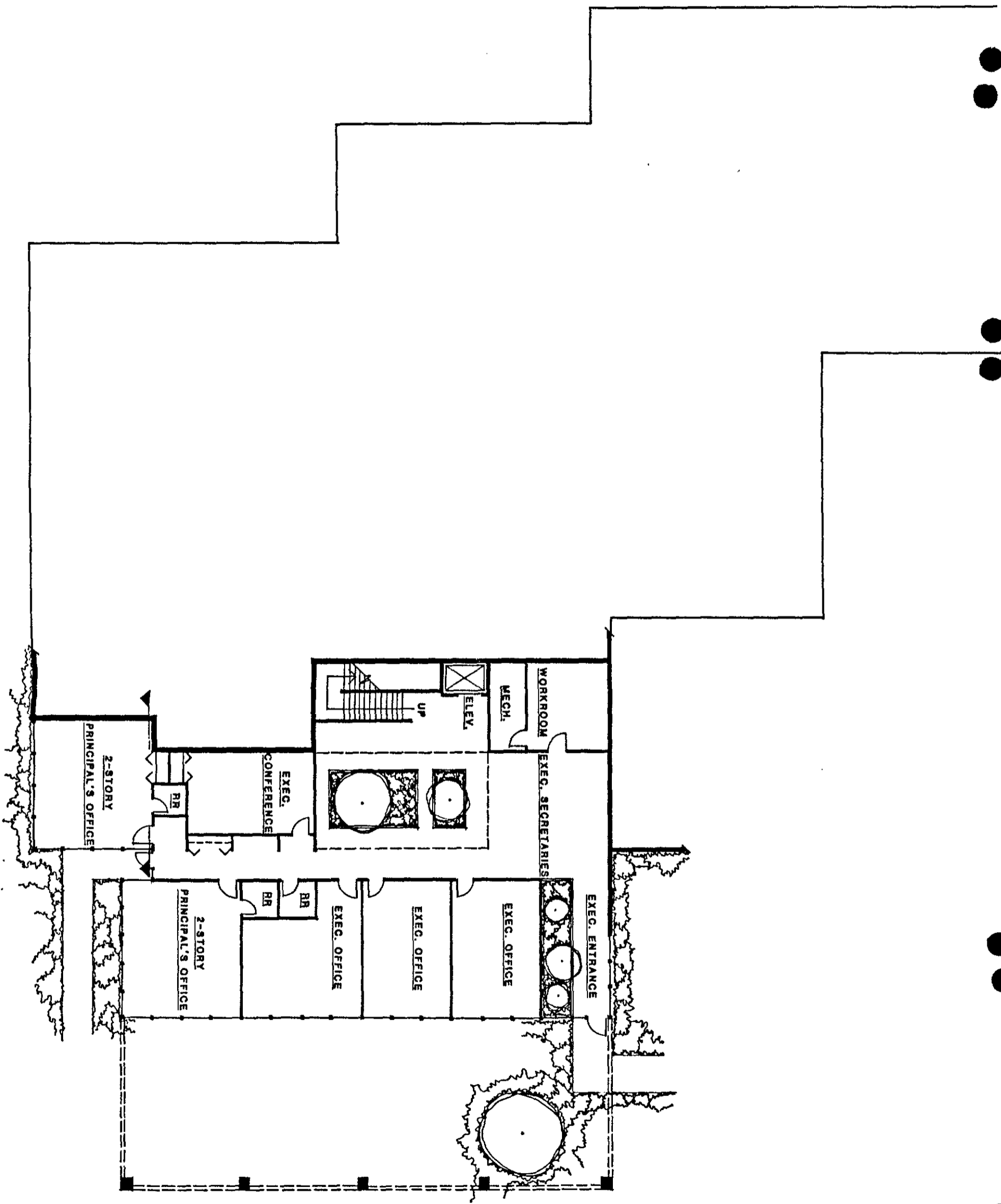
PRELIMINARY GRADING PLAN

NO. DATE

DESCRIPTION

JOB NO.
 DRAWN BY DPM
 DATE
 SHEET NO.

FIRST LEVEL PLAN



BUILDING NO. 1
0' 2' 4' 8' 16'



CNA Architects/Planners
 2821 Northup Way, Bellevue, Washington 98004
 Phone (206) 020-6701 Principal Architect, Darryl B. Dawson, AIA
 An Affiliate of Cook-Northouse and Associates, Inc.

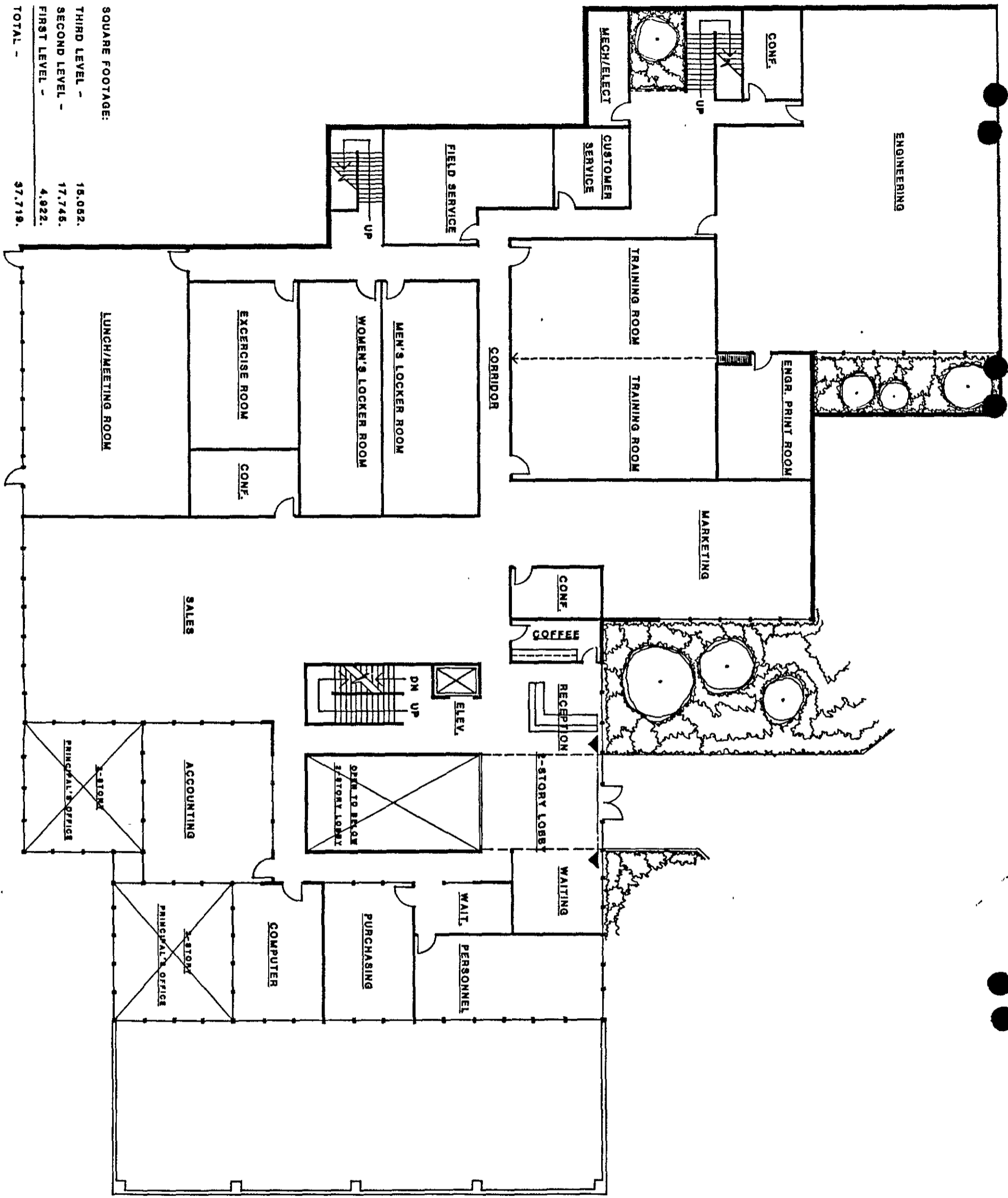


PROJECT
PROJECT 82A-124
 DRAWING TITLE

NO.	DATE	DESCRIPTION

JOB NO.	
DRAWN BY	OPN
DATE	
SHEET NO.	

SECOND LEVEL PLAN



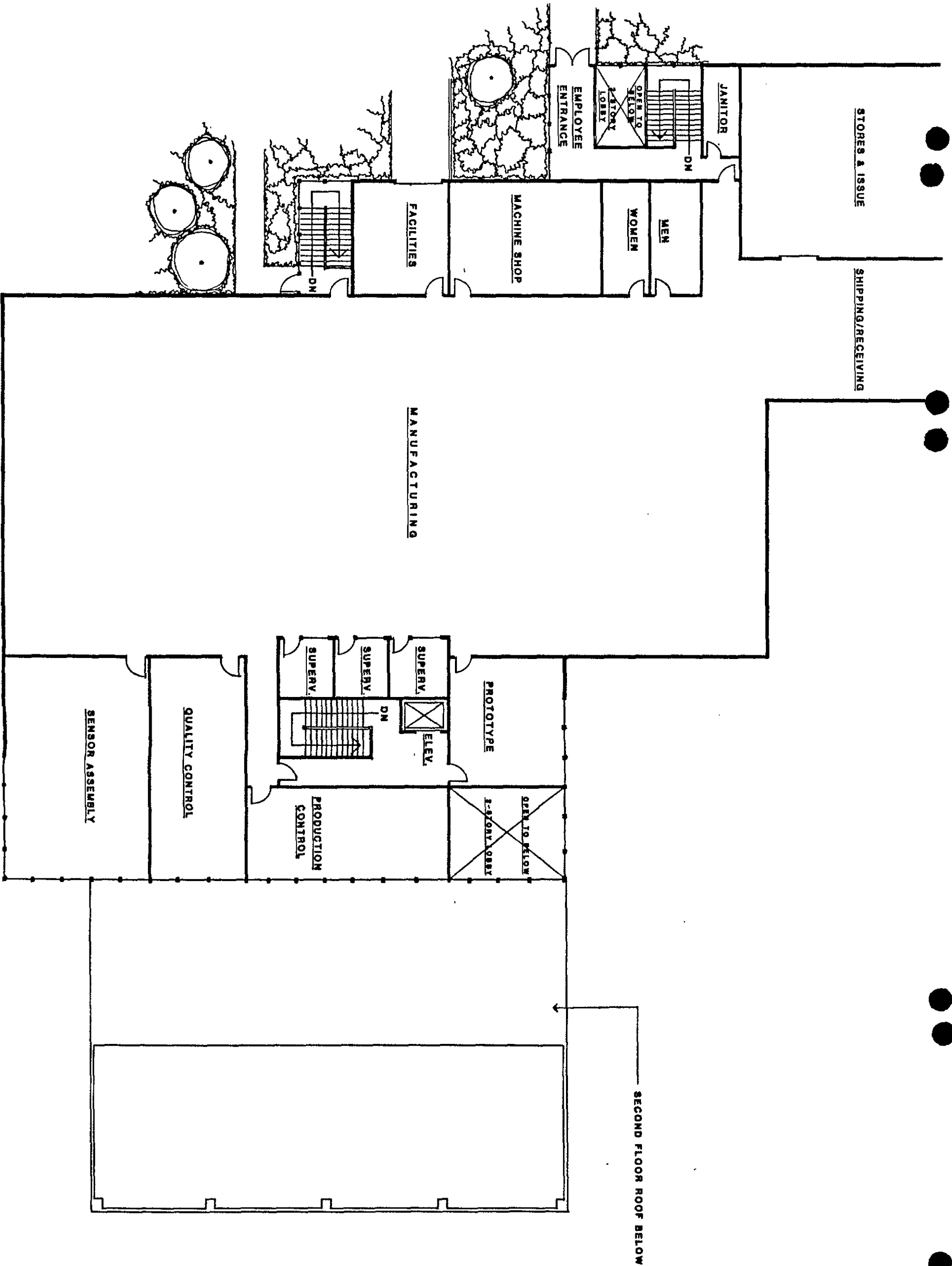
SQUARE FOOTAGE:

THIRD LEVEL -	15,082.
SECOND LEVEL -	17,745.
FIRST LEVEL -	4,922.
TOTAL -	37,719.

BUILDING NO. 1
0' 2' 4' 8' 16'

 <p>CNA Architects/Planners 2821 Northrup Way, Bellevue, Washington 98004 Phone (206) 820-6701 Principal Architect Darryl B. Davison, AIA An Affiliate of Cash-Herzhaus and Associates, Inc.</p>	 <p>NORTH</p>	<p>PROJECT PROJECT 82A-124</p>	<table border="1"> <tr> <th>NO.</th> <th>DATE</th> <th>DESCRIPTION</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>	NO.	DATE	DESCRIPTION						
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<p>DRAWING TITLE SECOND LEVEL PLAN</p>	<p>BLDG. NO. 1</p>	<table border="1"> <tr> <th>NO.</th> <th>DATE</th> <th>DESCRIPTION</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>	NO.	DATE	DESCRIPTION							
NO.	DATE	DESCRIPTION										

THIRD LEVEL PLAN



BUILDING NO. 1
0' 2" 4" 8" 16"



CNA Architects/Planners
 2821 Northup Way, Bellevue, Washington 98004
 Phone (206) 820-6781 Principal Architect, Barry S. Bouson, AIA
 An Affiliate of Cook-Warehouse and Associates, Inc.



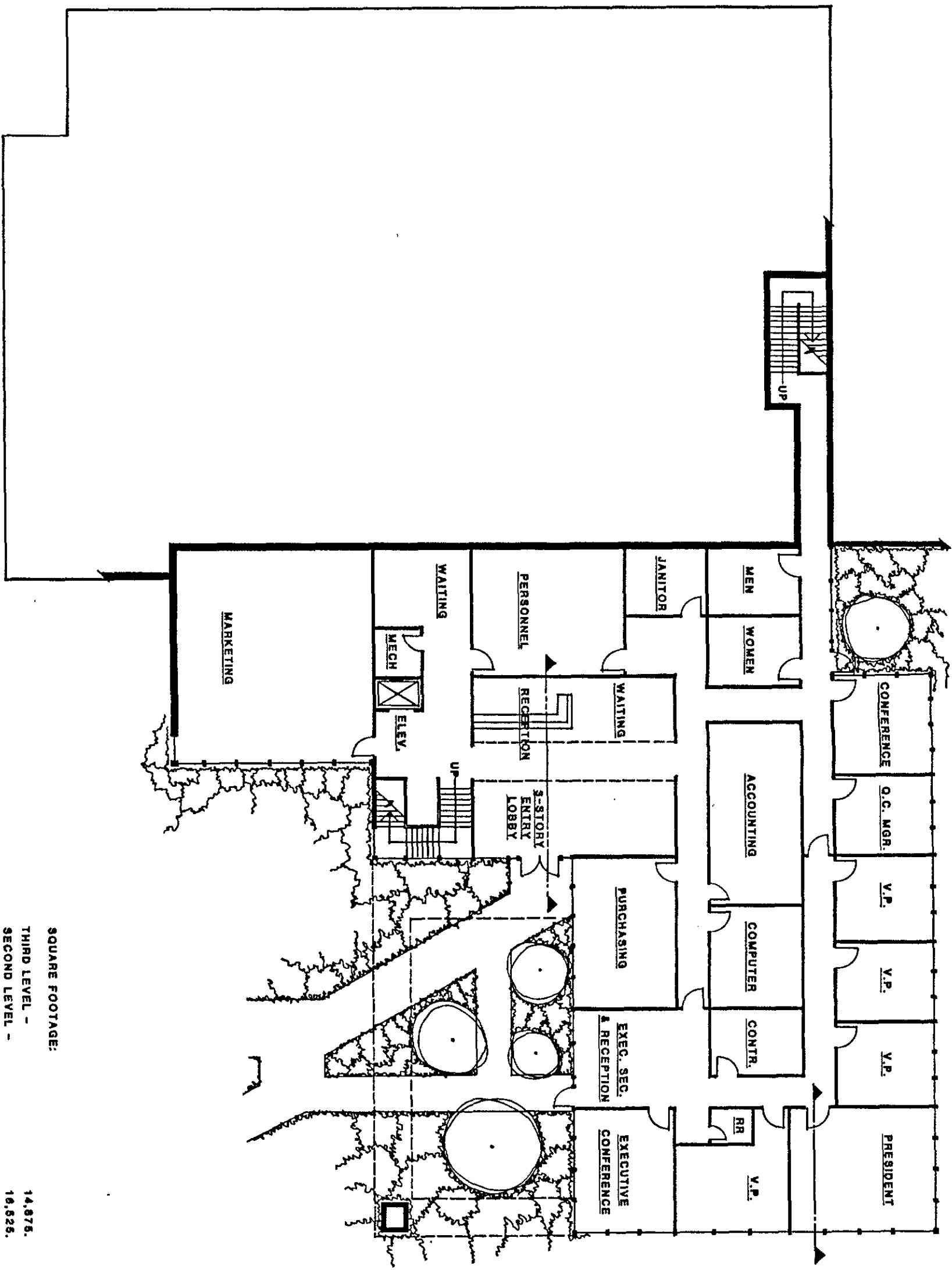
PROJECT
PROJECT 82A-124

NO.	DATE	DESCRIPTION

DRAWING TITLE: **THIRD LEVEL PLAN** BUILDING NO. 1

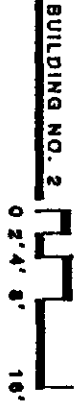
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DATE
SHEET NO.

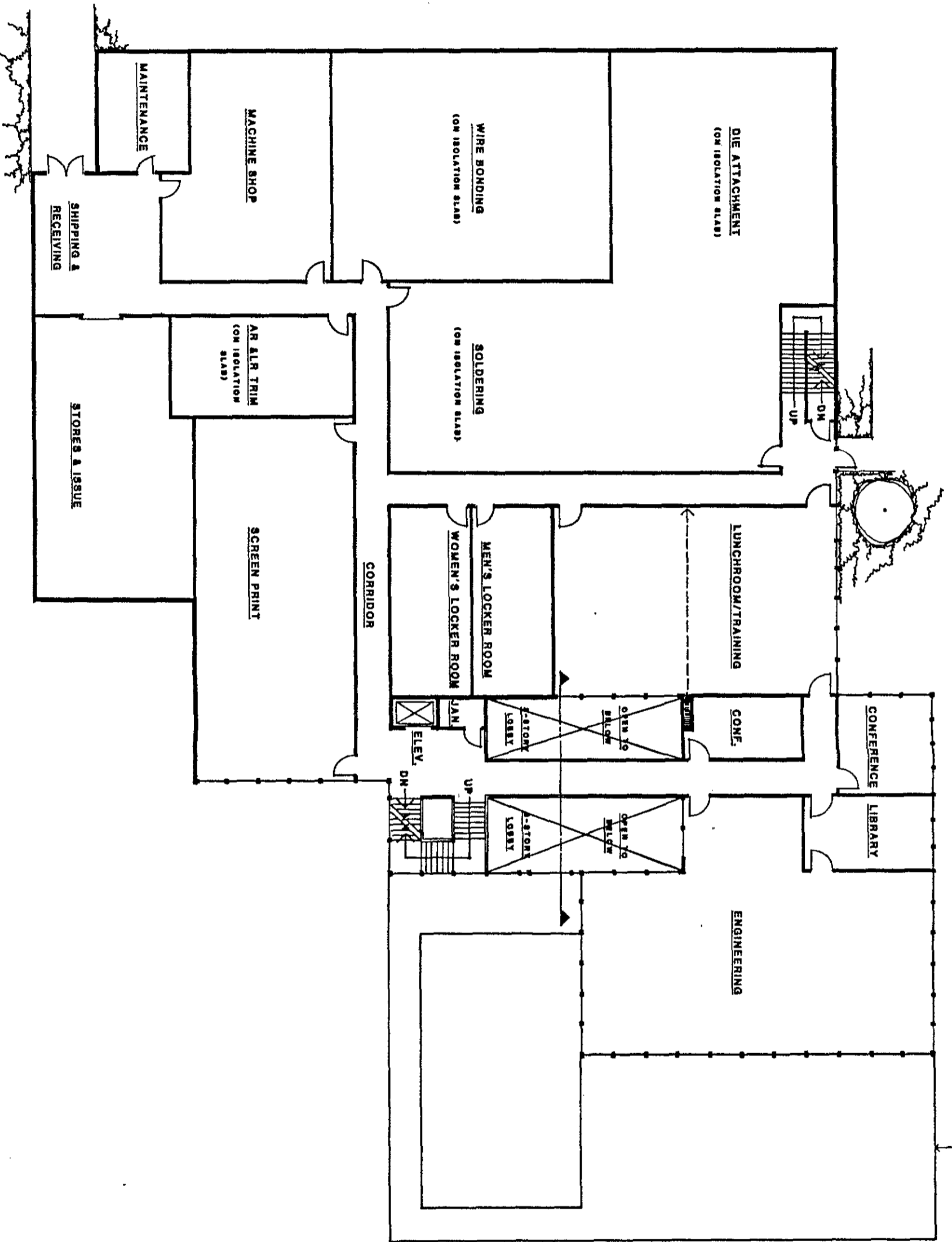
FIRST LEVEL PLAN



SQUARE FOOTAGE:

THIRD LEVEL -	14,875.
SECOND LEVEL -	16,525.
FIRST LEVEL -	8,400.
TOTAL -	39,800.





SECOND LEVEL PLAN

BUILDING NO. 2



LINE OF FIRST LEVEL ROOF BELOW



CNA Architects/Planners
 2821 Northup Way, Bellevue, Washington 98004
 Phone (206) 820-6701 Principal Architect, Barry R. Barnes, AIA
 An Affiliate of Cash-Whitcomb and Associates, Inc.



PROJECT
PROJECT 82A-124

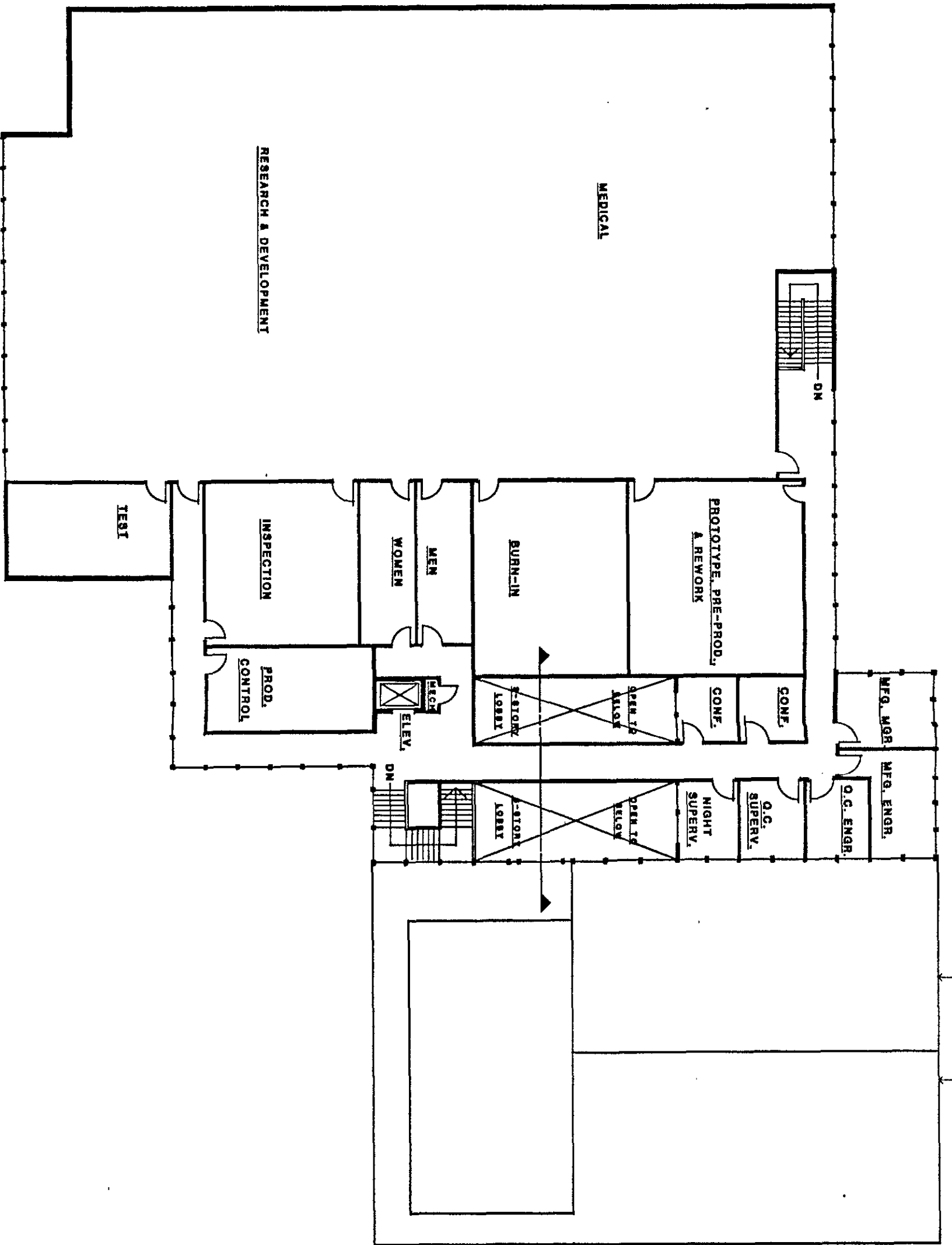
DRAWING TITLE
SECOND LEVEL PLAN

BLDG. NO. 2

NO.	DATE	DESCRIPTION

JOB NO.
 DRAWN BY
 DATE
 SHEET NO.

THIRD LEVEL PLAN



LINE OF SECOND LEVEL ROOF BELOW
LINE OF FIRST LEVEL ROOF BELOW

BUILDING NO. 2
0' 2' 4" 8" 16"



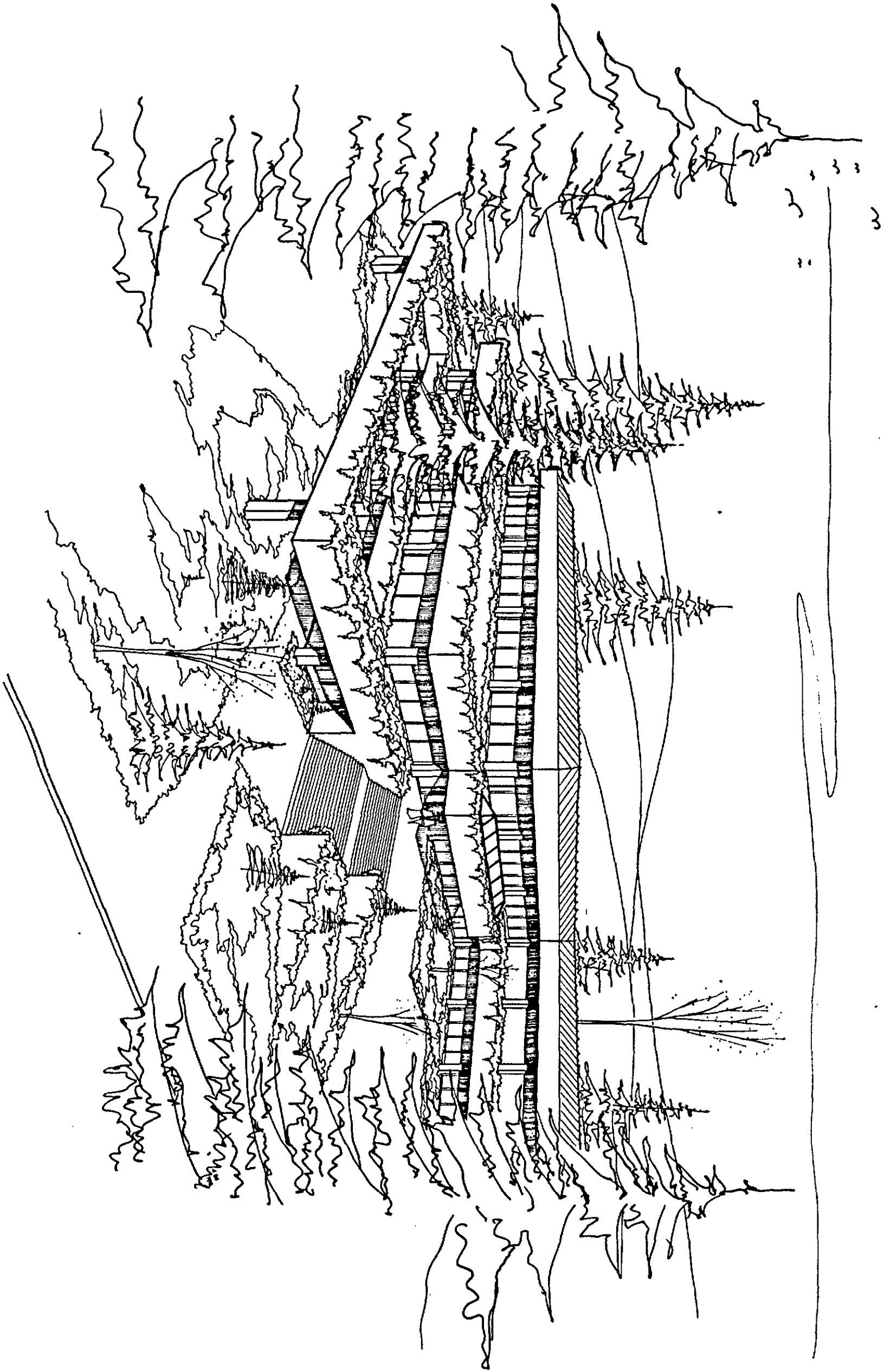
CNA Architects/Planners
2821 Northup Way, Bellevue, Washington 98004
Phone (206) 620-6781 Principal Architect, Barry B. Benson, AIA
An Affiliates of Cash-Heurich and Associates, Inc.



PROJECT
PROJECT 82A-124

DRAWING TITLE	NO.	DATE	DESCRIPTION
THIRD LEVEL PLAN	BLDG. NO. 2		

JOB NO.
DRAWN BY: DPH
DATE
SHEET NO.



CNA Architects/Planners
 2821 Northup Way, Bellevue, Washington 98004
 Phone (206) 820-6701 Principal Architect, Barry B. Benson, AIA
 An Affiliate of Cook-Neuhouse and Associates, Inc.

PROJECT

PROJECT 82A-124

DRAWING TITLE

EXTERIOR PERSPECTIVE

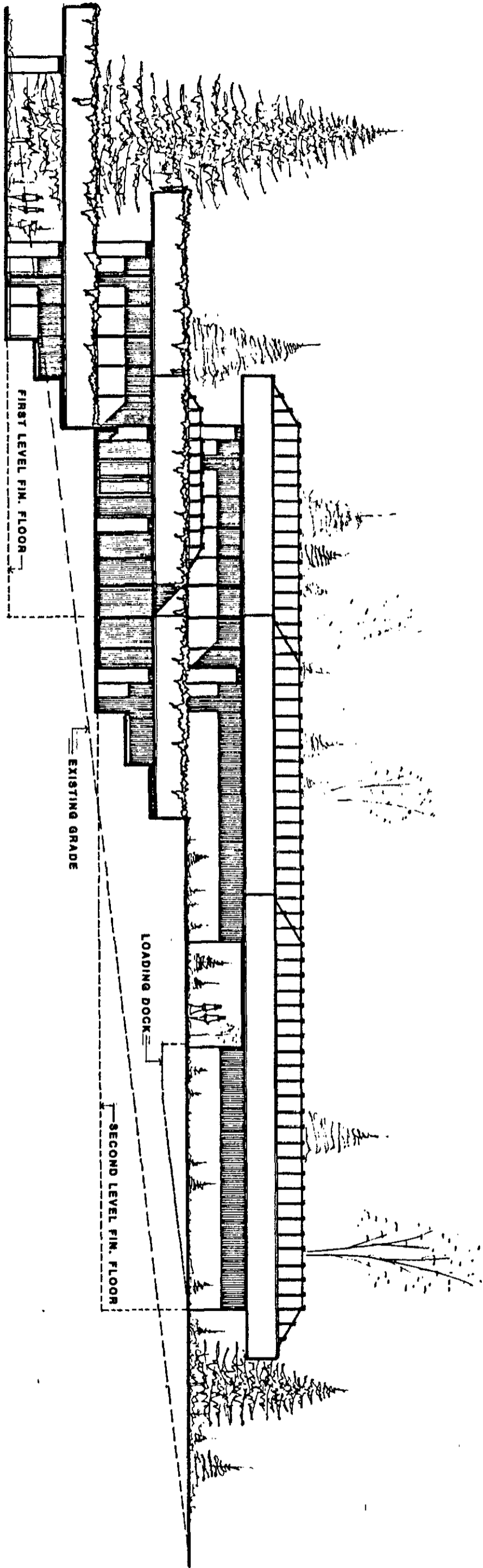
NO. DATE

DESCRIPTION

REVISION

DATE 4.14.81
 SHEET NO.

PRELIMINARY NORTH ELEVATION
ALTERNATIVE NO. 1



BUILDING NO. 1
1/8" = 1' - 0"



CNA Architects/Planners
2621 Northrup Way, Bellevue, Washington 98004
Phone (206) 820-6701 Principal Architect Barry B. Swanson AIA
An Affiliate of Cook, Neuhouse and Associates, Inc.

PROJECT

PROJECT 82A-124

DRAWING TITLE

PRELIM. NORTH ELEV.

ALT. NO. 1

NO. DATE

DESCRIPTION

REVISION

DATE
DRAWN BY
CHECKED BY
SHEET 12

EXHIBIT "C"

BOND ISSUE (Publicly-Offered)		BOND ISSUE (Publicly-Offered)	
<u>Principal Amount</u>	<u>Fee</u>	<u>Principal Amount</u>	<u>Fee</u>
Up to			
\$ 2,000,000	\$ 9,000	\$ 16,500,000	\$ 29,500
2,500,000	10,500	17,000,000	30,000
3,000,000	12,000	17,500,000	30,500
3,500,000	13,500	18,000,000	31,000
4,000,000	15,000	18,500,000	31,500
4,500,000	16,500	19,000,000	32,000
5,000,000	18,000	19,500,000	32,500
5,500,000	18,500	20,000,000	33,000
6,000,000	19,000	20,500,000	33,500
6,500,000	19,500	21,000,000	34,000
7,000,000	20,000	21,500,000	34,500
7,500,000	20,500	22,000,000	35,000
8,000,000	21,000	22,500,000	35,500
8,500,000	21,500	23,000,000	36,000
9,000,000	22,000	23,500,000	36,500
9,500,000	22,500	24,000,000	37,000
10,000,000	23,000	24,500,000	37,500
10,500,000	23,500	25,000,000	38,000
11,000,000	24,000	25,500,000	38,500
11,500,000	24,500	26,000,000	39,000
12,000,000	25,000	26,500,000	39,500
12,500,000	25,500	27,000,000	40,000
13,000,000	26,000	27,500,000	40,500
13,500,000	26,500	28,000,000	41,000
14,000,000	27,000	28,500,000	41,500
14,500,000	27,500	29,000,000	42,000
15,000,000	28,000	29,500,000	42,500
15,500,000	28,500	30,000,000	43,000
16,000,000	29,000		

Fee for bond issues over \$30,000,000 is \$43,000 plus \$.75 per each \$1,000 of principal amount of issue over \$30,000,000. For any issue which the State of Washington Securities Division requires to be registered, add \$2,000 to the scheduled fee.