

Resolution No. 31387

The City of Seattle – Legislative Department

Resolution sponsored by: Clark

A RESOLUTION providing for the sale and issuance of The City of Seattle, Washington, Drainage and Wastewater Improvement and Refunding Revenue Bonds, 2012; specifying the amount, maturities, interest rates and other terms of the bonds; providing for the payment of part of the cost of the Plan of Additions to the Drainage and Wastewater System of the City, the Reserve Requirement and the refunding of certain of the City's outstanding bonds of the Drainage and Wastewater System, and the payment of the administrative costs of the refunding and costs of

issuance and sale of the bonds; providing for the call, payment and redemption of the outstanding bonds to be refunded, appointing a refunding trustee and approving the form and execution of a refunding trust agreement, and authorizing the purchase of certain obligations and the use and application of money derived from those obligations; and ratifying and confirming certain prior acts.

Committee Action:

Recommendation

Vote

Related Legislation File: _____

Date Introduced and Referred: 6.6.12	To: (committee): Full Council
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: 6.6.12	Date Presented to Mayor: —
Date Signed by Mayor: —	Date Returned to City Clerk: 6.6.12
Published by Title Only <input checked="" type="checkbox"/>	Date Returned Without Concurrence:
Published in Full Text	

This file is complete and ready for presentation to Full Council. _____

Full Council Action:

Date	Decision	Vote
6.6.12	Adopted	7-0
		7-0
		excused: NL
		absent: TR

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

RESOLUTION 31387

A RESOLUTION providing for the sale and issuance of The City of Seattle, Washington, Drainage and Wastewater Improvement and Refunding Revenue Bonds, 2012; specifying the amount, maturities, interest rates and other terms of the bonds; providing for the payment of part of the cost of the Plan of Additions to the Drainage and Wastewater System of the City, the Reserve Requirement and the refunding of certain of the City's outstanding bonds of the Drainage and Wastewater System, and the payment of the administrative costs of the refunding and costs of issuance and sale of the bonds; providing for the call, payment and redemption of the outstanding bonds to be refunded, appointing a refunding trustee and approving the form and execution of a refunding trust agreement, and authorizing the purchase of certain obligations and the use and application of money derived from those obligations; and ratifying and confirming certain prior acts.

Adopted June 6, 2012

RESOLUTION 31387

1
2
3
4 A RESOLUTION providing for the sale and issuance of The City of Seattle, Washington,
5 Drainage and Wastewater Improvement and Refunding Revenue Bonds, 2012; specifying
6 the amount, maturities, interest rates and other terms of the bonds; providing for the
7 payment of part of the cost of the Plan of Additions to the Drainage and Wastewater
8 System of the City, the Reserve Requirement and the refunding of certain of the City's
9 outstanding bonds of the Drainage and Wastewater System, and the payment of the
10 administrative costs of the refunding and costs of issuance and sale of the bonds;
11 providing for the call, payment and redemption of the outstanding bonds to be refunded,
12 appointing a refunding trustee and approving the form and execution of a refunding trust
13 agreement, and authorizing the purchase of certain obligations and the use and
14 application of money derived from those obligations; and ratifying and confirming
15 certain prior acts.

16 WHEREAS, by Ordinance 123753 (the "Bond Ordinance"), The City of Seattle, Washington
17 (the "City") authorized the issuance of its drainage and wastewater revenue bonds in one
18 or more series, to be issued in the aggregate principal amount of not to exceed
19 \$87,000,000 to (i) pay for part of the costs of the Plan of Additions of the Drainage and
20 Wastewater System; (ii) provide for the Reserve Requirement for the bonds; and (iii) pay
21 the costs of issuing and selling the bonds; and

22 WHEREAS, by Ordinance 120386 and Resolution 30347 (the "2001 Refunded Bond
23 Legislation"), the City issued its Drainage and Wastewater Revenue Bonds, 2001; by
24 Ordinance 120386, Ordinance 120965 and Resolution 30548 (the "2002 Refunded Bond
25 Legislation") the City issued its Drainage and Wastewater Revenue and Refunding
26 Bonds, 2002; and by Ordinance 121551 and Resolution 30716 (the "2004 Refunded
27 Bond Legislation") the City issued its Drainage and Wastewater Revenue Bonds, 2004;
28 and

WHEREAS, by Ordinance 121938, as amended by Ordinance 122209 (together, the "Refunding
Bond Ordinance"), the City authorized the issuance and sale of drainage and wastewater
revenue bonds for the purpose, among other things, of paying all or a part of the costs of
refunding the City's outstanding drainage and wastewater revenue bonds; and

WHEREAS, the Bond Ordinance and the Refunding Bond Ordinance authorize the Director of
Finance to conduct a public or negotiated sale of bonds and to recommend to the City
Council for its approval by resolution the interest rates and other terms and matters
relating to the bonds consistent with the Bond Ordinance and the Refunding Bond
Ordinance; and

WHEREAS, the Director of Finance has recommended the issuance of \$222,090,000 of
Drainage and Wastewater Improvement and Refunding Revenue Bonds, 2012 (the

1 “Bonds”) to carry out the purposes of the Bond Ordinance and the Refunding Bond
2 Ordinance; and

3 WHEREAS, to accomplish the refunding of the Refunded Bonds (defined herein), it is necessary
4 and advisable that certain Acquired Obligations (defined herein) bearing interest and
5 maturing at such time or times as necessary to accomplish the Refunding Plan (defined
6 herein) be purchased out of a portion of the proceeds of the Bonds and other money of
7 the City, if necessary; and

8 WHEREAS, pursuant to the Bond Ordinance, a preliminary official statement dated May 25,
9 2012 (the “Preliminary Official Statement”) for the public sale of the Bonds was
10 prepared, an official notice of that sale (the “Notice of Bond Sale”) was given, bids have
11 been received in accordance with the Notice of Bond Sale, and the proposed sale of the
12 Bonds to Citigroup Global Markets Inc. (the “Purchaser”) has been recommended to the
13 City Council for its approval with the interest rates and other terms of and matters
14 relating to the Bonds set forth in this resolution; NOW, THEREFORE,

15 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:**

16 **Section 1. Definitions.** The meaning of capitalized terms used and not otherwise
17 defined in this resolution shall be as set forth in the Bond Ordinance.

18 “**Acquired Obligations**” means those “Acquired Obligations” (as such term is defined in
19 the Refunding Bond Ordinance) purchased to accomplish the refunding of the Refunded Bonds
20 as authorized by this resolution.

21 “**Bond Ordinance**” means Ordinance 123753 of the City authorizing the issuance of the
22 Bonds (other than the Bonds issued to refund the Refunded Bonds).

23 “**Bonds**” means the \$222,090,000 par value Drainage and Wastewater Improvement and
24 Refunding Revenue Bonds, 2012, issued pursuant to and for the purposes provided in the Bond
25 Ordinance, the Refunding Bond Ordinance and this resolution.

26 “**Refunded Bonds**” means collectively, those portions of the City’s outstanding
27 Drainage and Wastewater Revenue Bonds, 2001 (the “2001 Refunded Bonds”), Drainage and
28 Wastewater Revenue and Refunding Bonds, 2002 (the “2002 Refunded Bonds”), and Drainage
and Wastewater Revenue Bonds, 2004 (the “2004 Refunded Bonds”), identified in Exhibit A
attached hereto.

1 **“Refunded Bonds Legislation”** means collectively, Ordinance 120386 and Resolution
2 30347, authorizing the issuance of the 2001 Refunded Bonds; Ordinance 120386, Ordinance
3 120965 and Resolution 30548, authorizing the issuance of the 2002 Refunded Bonds; and
4 Ordinance 121551 and Resolution 30716, authorizing the issuance of the 2004 Refunded Bonds.

5 **“Refunding Plan”** means:

6 (a) the deposit of sufficient proceeds of the Bonds, which, with other money of the
7 City, if necessary, will acquire the Acquired Obligations to be deposited, with cash, if necessary,
8 with the Refunding Trustee; and

9 (b) the payment of the interest on the 2001 Refunded Bonds when due up to and
10 including July 27, 2012, and the call, payment and redemption on July 27, 2012, of all of the
11 outstanding 2001 Refunded Bonds at a price of par; and

12 (c) the payment of the interest on the 2002 Refunded Bonds when due up to and
13 including July 27, 2012, and the call, payment and redemption on July 27, 2012, of all of the
14 outstanding 2002 Refunded Bonds at a price of par; and

15 (d) the payment of the interest on the 2004 Refunded Bonds when due up to and
16 including September 1, 2014, and the call, payment and redemption on September 1, 2014, of all
17 of the outstanding 2004 Refunded Bonds at a price of par.

18 **“Refunding Trust Agreement”** means the Refunding Trust Agreement between the City
19 and the Refunding Trustee relating to the Refunded Bonds, substantially in the form attached
20 hereto as Exhibit F.

21 **“Refunding Trustee”** means The Bank of New York Mellon, New York, New York,
22 serving as refunding trustee or escrow agent or any successor refunding trustee or escrow agent.

23 **Section 2. The Bonds.** The Bonds shall be called “The City of Seattle, Washington,
24 Drainage and Wastewater Improvement and Refunding Revenue Bonds, 2012”, and shall be
25 issued in the aggregate principal amount of \$222,090,000. The Bonds shall be in the
26 denomination of \$5,000 or any integral multiple thereof within a single maturity; shall be dated
27 the date of initial delivery; shall be registered as to both principal and interest; and shall bear
28

interest from their date until the Bonds bearing such interest have been paid or their payment has been duly provided for, payable semiannually on each March 1 and September 1, commencing September 1, 2012; and shall mature on September 1 of the following years and in the following amounts and shall bear interest as follows:

Maturities	Principal Amounts	Interest Rates	Maturities	Principal Amounts	Interest Rates
2012	\$4,115,000	2.00%	2026	\$ 9,735,000	5.00%
2013	4,800,000	3.00	2027	10,225,000	5.00
2014	4,945,000	5.00	2028	10,745,000	5.00
2015	6,590,000	5.00	2029	11,285,000	5.00
2016	6,920,000	5.00	2030	11,850,000	5.00
2017	7,270,000	5.00	2031	12,450,000	5.00
2018	7,635,000	5.00	2032	9,745,000	5.00
2019	8,025,000	5.00	2033	3,555,000	4.00
2020	8,435,000	5.00	2034	3,695,000	4.00
2021	8,845,000	5.00	***	***	***
2022	9,295,000	5.00	2037	12,005,000	4.00
2023	8,405,000	5.00	***	***	***
2024	8,825,000	5.00	2042	23,430,000	4.00
2025	9,265,000	5.00			

Portions of the above maturity amounts of the Bonds are allocated to pay the respective costs of the Plan of Additions and of carrying out the Refunding Plan, including a ratable share of proceeds used to pay the administrative costs of the refunding and the costs of issuance of the Bonds, all in accordance with the schedule set forth in Exhibit B of this resolution.

Section 3. Optional Redemption. The Bonds maturing on or before September 1, 2021, shall be issued without the right or option of the City to redeem those Bonds prior to their stated maturity dates. The City reserves the right and option to redeem Bonds maturing on or after September 1, 2022, prior to their stated maturity dates at any time on or after March 1, 2022, as a whole or in part, at a price of par plus accrued interest to the date fixed for redemption.

Section 4. Mandatory Redemption. The Bonds identified below are designated as Term Bonds and, if not redeemed under the optional redemption provisions set forth above or purchased in the open market under the provisions set forth in the Bond Ordinance and the Refunding Bond Ordinance, shall be called for redemption in accordance with the Bond

1 Ordinance and the Refunding Bond Ordinance at par plus accrued interest to the date fixed for
2 redemption, on September 1 in the years and amounts as follows:

3 Term Bonds Maturing 2037

Mandatory Redemption Years	Mandatory Redemption Amounts
2035	\$3,845,000
2036	4,000,000
2037*	4,160,000

6 *maturity

7 Term Bonds Maturing 2042

Mandatory Redemption Years	Mandatory Redemption Amounts
2038	\$4,325,000
2039	4,500,000
2040	4,680,000
2041	4,865,000
2042*	5,060,000

11 *final maturity

12 If the City redeems under the optional redemption provisions, purchases in the open
13 market or defeases Term Bonds, the par amount of the Term Bonds so redeemed, purchased or
14 defeased (irrespective of their actual redemption or purchase prices) shall be credited against one
15 or more scheduled mandatory redemption amounts for those Term Bonds. The City shall
16 determine the manner in which the credit is to be allocated and shall notify the Bond Registrar in
17 writing of its allocation at least 60 days prior to the earliest mandatory redemption date for that
18 maturity of Term Bonds for which notice of redemption has not already been given. If no such
19 determination is made, such allocation shall be on a pro rata basis.

20 Portions of the principal amount of any Bond, in installments of \$5,000 or any integral
21 multiple thereof, may be redeemed. If less than all of the principal amount of any Bond is
22 redeemed, upon surrender of that Bond to the Bond Registrar, there shall be issued to the
23 registered owner, without charge therefor, a new Bond (or Bonds, at the option of the registered
24 owner) of the same maturity and interest rate in any of the denominations authorized by this
25 resolution in the aggregate principal amount remaining unredeemed.
26
27
28

1 **Section 5. Selection of Bonds for Redemption.** If fewer than all of the Bonds are to be
2 redeemed prior to maturity, the City will select the maturity or maturities to be redeemed. If
3 fewer than all of a single maturity of Bonds are to be redeemed prior to maturity, then:

- 4 (i) if such Bonds are in book-entry form at the time of such redemption, DTC shall
5 select the specific Bonds in accordance with the Letter of Representations, and
6 (ii) if such Bonds are not in book-entry form at the time of such redemption, the Bond
7 Registrar shall select the specific Bonds for redemption by lot or in such manner
8 as the Bond Registrar in its discretion may deem to be fair and appropriate.

9 The portion of any Bond of a denomination more than \$5,000 to be redeemed will be in
10 the principal amount of \$5,000 or any integral multiple thereof, to be selected, as the case may
11 be, by DTC in accordance with the Letter of Representations or by the Bond Registrar in such
12 manner as the Bond Registrar in its discretion may deem to be fair and appropriate.

13 **Section 6. Form of Bonds.** The Bonds shall be substantially in the form attached hereto
14 as Exhibit C, which is incorporated herein by this reference.

15 **Section 7. Preservation of Tax Exemption for Interest on Bonds.** The City covenants
16 that it will take all actions necessary to prevent interest on the Bonds from being included in
17 gross income for federal income tax purposes, and that it will neither take any action nor make or
18 permit any use of proceeds of the Bonds or other funds of the City treated as proceeds of the
19 Bonds at any time during the term of the Bonds which will cause interest on the Bonds to be
20 included in gross income for federal income tax purposes. The City also covenants that it will, to
21 the extent the arbitrage rebate requirement of Section 148 of the Code is applicable to the Bonds,
22 take all actions necessary to comply (or to be treated as having complied) with that requirement
23 in connection with the Bonds, including the calculation and payment of any penalties that the
24 City has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of
25 any other penalties if required under Section 148 of the Code to prevent interest on the Bonds
26 from being included in gross income for federal income tax purposes.

27 **Section 8. Sale and Delivery of Bonds.** The City finds that the sale and delivery of the
28 Bonds to the Purchaser at the interest rates and under the conditions set forth in the Bond

1 Ordinance, the Refunding Bond Ordinance, this resolution, the Notice of Bond Sale attached
2 hereto as Exhibit D, and the bid information attached hereto as Exhibit E (which includes: (a)
3 summary of the true interest cost associated with each bid, and (b) a printed version of all the
4 electronic bids for the Bonds, including the electronic bid of the Purchaser), is in the City's best
5 interest and therefore approves, confirms and ratifies the award of the Bonds to the Purchaser.

6 **Section 9. Authorization of Official Statement.** The Director of Finance is hereby
7 authorized and directed to review and approve on behalf of the City a final official statement (the
8 "Official Statement") with respect to the Bonds, substantially in the form of the Preliminary
9 Official Statement, and supplemented or amended as he, with the approval of Bond Counsel,
10 deems necessary or appropriate. Any action of the Director of Finance deeming final the
11 Preliminary Official Statement with respect to the Bonds is ratified and confirmed and the City
12 approves the distribution by the Purchaser of the Official Statement to purchasers and potential
13 purchasers of the Bonds.

14 **Section 10. Use of Bond Proceeds; Refunding Plan.** The principal proceeds of the
15 Bonds received by the City and, if necessary, other money of the City shall be applied as follows
16 (the amounts to be determined by the Director of Finance prior to the issuance of the Bonds):
17 (i) an amount sufficient to carry out the Refunding Plan shall be deposited immediately upon the
18 receipt thereof with the Refunding Trustee and used to discharge the obligations of the City
19 relating to the Refunded Bonds under the Refunded Bonds Legislation pursuant to the Refunding
20 Plan, as defined herein and modified or amplified by the Refunding Trust Agreement; (ii) an
21 amount sufficient to fund the amount necessary to satisfy the Reserve Requirement shall be
22 deposited into the Reserve Subaccount; and (iii) the balance of the Bond proceeds shall be
23 deposited in the account(s) within the Drainage and Wastewater Fund as designated by the
24 Director of Finance and shall be used to pay the administrative costs of the refunding and the
25 costs of issuing the Bonds, part of the costs of the Plan of Additions and for the purposes
26 described in the Bond Ordinance.

1 The Refunding Plan shall be carried out, and proceeds of the Bonds shall be applied, in
2 accordance with the Bond Ordinance, the Refunding Bond Ordinance, the Refunded Bonds
3 Legislation, the Refunding Trust Agreement, this resolutions and the laws of the State.

4 **Section 11. Refunding Plan.**

5 (a) Appointment of Refunding Trustee. The Bank of New York Mellon, of New
6 York, New York, is appointed Refunding Trustee.

7 (b) Use of Bond Proceeds; Acquisition of Acquired Obligations. A sufficient amount
8 of the proceeds of the sale of the Bonds shall be deposited immediately upon the receipt thereof
9 with the Refunding Trustee and used to discharge the obligations of the City relating to the
10 Refunded Bonds under the Refunded Bonds Legislation by providing for the payment of the
11 amounts required to be paid by the Refunding Plan. To the extent practicable, such obligations
12 shall be discharged fully by the Refunding Trustee's simultaneous purchase of the Acquired
13 Obligations, bearing such interest and maturing as to principal and interest in such amounts and
14 at such times so as to provide, together with a beginning cash balance, if necessary, for the
15 payment of the amount required to be paid by the Refunding Plan. The Acquired Obligations are
16 listed and more particularly described in Exhibit A attached to the Refunding Trust Agreement
17 between the City and the Refunding Trustee, but are subject to substitution as set forth below.
18 Any Bond proceeds or other money deposited with the Refunding Trustee not needed to
19 purchase the Acquired Obligations and provide a beginning cash balance, if any, and pay the
20 costs of issuance of the Bonds shall be returned to the City within 90 days of the delivery of the
21 Bonds to the initial purchaser thereof and deposited in the Bond Account to pay interest on the
22 Bonds on the first interest payment date.

23
24 (c) Substitution of Acquired Obligations. Prior to the purchase of any Acquired
25 Obligations by the Refunding Trustee, the City reserves the right to substitute other direct,
26 noncallable obligations of the United States of America ("Substitute Obligations") for any of the
27 Acquired Obligations and to use any savings created thereby for any lawful City purpose if,
28

1 (a) in the opinion of the City's nationally recognized bond counsel, the interest on the Bonds and
2 the Refunded Bonds will remain excluded from gross income for federal income tax purposes
3 under Sections 103, 148, and 149(d) of the Code, and (b) such substitution shall not impair the
4 timely payment of the amounts required to be paid by the Refunding Plan, as verified by a
5 nationally recognized independent certified public accounting firm.

6 After the purchase of the Acquired Obligations by the Refunding Trustee, the City
7 reserves the right to substitute therefor cash or Substitute Obligations subject to the conditions
8 that such money or securities held by the Refunding Trustee shall be sufficient to carry out the
9 Refunding Plan, that such substitution will not cause the Bonds or the Refunded Bonds to be
10 arbitrage bonds within the meaning of Section 148 of the Code and regulations thereunder in
11 effect on the date of such substitution and applicable to obligations issued on the issue dates of
12 the Bonds and the Refunded Bonds, as applicable, and that the City obtain, at its expense: (1) a
13 verification by a nationally recognized independent certified public accounting firm acceptable
14 to the Refunding Trustee confirming that the payments of principal of and interest on the
15 substitute securities, if paid when due, and any other money held by the Refunding Trustee will
16 be sufficient to carry out the Refunding Plan; and (2) an opinion from the City's nationally
17 recognized bond counsel, to the effect that the disposition and substitution or purchase of such
18 securities, under the statutes, rules, and regulations then in force and applicable to the Bonds,
19 will not cause the interest on the Bonds or the Refunded Bonds to be included in gross income
20 for federal income tax purposes and that such disposition and substitution or purchase is in
21 compliance with the statutes and regulations applicable to the Bonds. Any surplus money
22 resulting from the sale, transfer, other disposition, or redemption of the Acquired Obligations and
23 the substitutions therefor shall be released from the refunding trust and transferred to the City to
24 be used for any lawful City purpose.

26 (d) Administration of Refunding Plan. The Refunding Trustee is authorized and
27 directed to purchase the Acquired Obligations (or Substitute Obligations) and to make the
28

1 payments required to be made by the Refunding Plan from the Acquired Obligations (or
2 Substitute Obligations) and money deposited with the Refunding Trustee pursuant to this
3 resolution. All Acquired Obligations (or Substitute Obligations) and the money deposited with
4 the Refunding Trustee and any income therefrom shall be held irrevocably, invested and applied
5 in accordance with the provisions of the Refunded Bonds Legislation, this resolution, chapter
6 39.53 RCW and other applicable statutes of the State of Washington and the Refunding Trust
7 Agreement. All necessary and proper fees, compensation, and expenses of the Refunding
8 Trustee for the Bonds and all other costs incidental to the setting up of the escrow to accomplish
9 the refunding of the Refunded Bonds and costs related to the issuance and delivery of the Bonds,
10 including bond printing, verification fees, bond counsel's fees, and other related expenses, shall
11 be paid out of the proceeds of the Bonds.

12 (e) Authorization for Refunding Trust Agreement. To carry out the Refunding Plan
13 provided for by this resolution, the City Council hereby authorizes and directs the Director of
14 Finance (or his or her designee) to execute and deliver to the Refunding Trustee a Refunding
15 Trust Agreement substantially in the form attached hereto as Exhibit F setting forth the duties,
16 obligations and responsibilities of the Refunding Trustee in connection with the payment,
17 redemption, and retirement of the Refunded Bonds as provided herein and stating that the
18 provisions for payment of the fees, compensation, and expenses of such Refunding Trustee set
19 forth therein are satisfactory to it. Prior to executing the Refunding Trust Agreement, the
20 Director of Finance (or his or her designee) is authorized to make such changes therein that do
21 not change the substance and purpose thereof or that assure that the escrow provided therein and
22 the Bonds are in compliance with the requirements of federal law governing the exclusion of
23 interest on the Bonds from gross income for federal income tax purposes.
24

25 **Section 12. Call for Redemption of the Refunded Bonds.** In accordance with the
26 Refunded Bonds Legislation, the City hereby authorizes the Director of Finance to call the
27
28

1 Refunded Bonds for redemption on the dates and at the redemption prices set forth in the
2 Refunding Plan, plus accrued interest to the dates of redemption.

3 Such call for redemption shall be irrevocable after the delivery of the Bonds to the
4 Purchaser.

5 The proper officials of the City are authorized and directed to give or cause to be given
6 such notices as are required, at the times and in the manner required, pursuant to the Refunded
7 Bonds Legislation, in order to effect the redemption prior to their maturity of the Refunded
8 Bonds.

9 **Section 13. City Findings With Respect to Refunding.** The City finds and determines
10 that the issuance and sale of the Bonds allocated to the Refunding Plan will effect a savings to
11 the City and will be in the best interest of the City and in the public interest through the
12 restructuring of debt service. In making such finding and determination, the City has given
13 consideration to the fixed maturities and scheduled redemptions of the Bonds allocated to the
14 Refunding Plan and the Refunded Bonds and allocable costs of issuance, and the known earned
15 income from the investment of the proceeds of the issuance and sale of the Bonds allocated to
16 the Refunding Plan and other money, if any, of the City used in the Refunding Plan pending
17 payment and redemption of the Refunded Bonds. The City further finds and determines that the
18 money to be deposited with the Refunding Trustee for the Refunded Bonds in accordance with
19 the Refunding Bond Ordinance and this resolution will discharge and satisfy the obligations of
20 the City with respect to the Refunded Bonds under the Refunded Bonds Legislation, and the
21 pledges, charges, trusts, covenants and agreements of the City previously made or provided for
22 as to the Refunded Bonds and that the Refunded Bonds shall no longer be deemed to be
23 outstanding under the Refunded Bonds Legislation immediately upon the deposit of such money
24 with the Refunding Trustee. Accordingly, the City finds and determines that the issuance and
25 sale of the Bonds allocable to the Refunding Plan is in the best interest of the City and in the
26 public interest. In making such finding and determination, the City has given consideration to
27
28

1 the interest rates, the maturities and scheduled redemptions of the Bonds and the Refunded
2 Bonds, and the administrative costs of the refunding and the costs of issuance of the Bonds.

3 **Section 14. City Finding as to Sufficiency of Gross Revenue.** The City Council finds
4 and determines that the issuance and sale of the Bonds at this time is in the best interest of the
5 City and in the public interest. In making such finding and determination, and in maintaining the
6 Parity Bond Account, the City Council has had due regard to the cost of operation and
7 maintenance of the Drainage and Wastewater System and to any portion of the Gross Revenue
8 pledged for the payment of any bonds, warrants or other indebtedness. The Gross Revenue, at
9 the rates established from time to time consistent with the Bond Ordinance and the Refunding
10 Bond Ordinance, will be sufficient, in the judgment of the City Council, to meet all expenses of
11 operation and maintenance of the Drainage and Wastewater System and to provide the amounts
12 previously pledged for the payment of all outstanding obligations payable out of the Gross
13 Revenue and pledged herein for the payment of the Bonds.

14 **Section 15. Undertaking to Provide Continuing Disclosure.** To meet the requirements
15 of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds,
16 the City makes the following written Undertaking for the benefit of holders of the Bonds:

17 (a) **Undertaking to Provide Annual Financial Information and Notice of**
18 **Listed Events.** The City undertakes to provide or cause to be provided, either directly or through
19 a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB,
20 accompanied by identifying information as prescribed by the MSRB:

21 (i) Annual financial information and operating data regarding the
22 Drainage and Wastewater System of the type included in the final official statement for the
23 Bonds and described in subsection (b) of this section (“annual financial information”);

24 (ii) Timely notice (not in excess of 10 business days after the
25 occurrence of the event) of the occurrence of any of the following events with respect to the
26 Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if
27

1 material; (3) unscheduled draws on debt service reserves reflecting financial difficulties;
2 (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of
3 credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by
4 the Internal Revenue Service of proposed or final determinations of taxability, Notice of
5 Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect
6 to the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material;
7 (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and
8 tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment
9 of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or
10 similar event of the City, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the
11 consummation of a merger, consolidation, or acquisition involving the City or the sale of all or
12 substantially all of the assets of the City other than in the ordinary course of business, the entry
13 into a definitive agreement to undertake such an action or the termination of a definitive
14 agreement relating to any such actions, other than pursuant to its terms, if material; and
15 (14) appointment of a successor or additional trustee or the change of name of a trustee, if
16 material.

17
18 (iii) Timely notice of a failure by the City to provide required annual
19 financial information on or before the date specified in subsection (b) of this section.

20 (b) Type of Annual Financial Information Undertaken to be Provided. The
21 annual financial information that the City undertakes to provide in subsection (a) of this section:

22 (i) Shall consist of annual financial information and operating data
23 regarding the Drainage and Wastewater System of the type included in the Official Statement for
24 the Bonds as follows: (1) annual financial statements of the Drainage and Wastewater System,
25 prepared in accordance with applicable generally accepted accounting principles applicable to
26 governmental units (except as otherwise noted therein), as such principles may be changed from
27 time to time and as permitted by State law, which financial statements will not be audited,
28

1 except, that if and when audited financial statements are otherwise prepared and available to the
2 City they will be provided; (2) a statement of authorized, issued and outstanding bonded debt
3 secured by revenues of the Drainage and Wastewater System; (3) debt service coverage ratios;
4 (4) general customer statistics, such as number and type of customers and revenues by customer
5 class; and (5) current drainage rates and wastewater rates;

6 (ii) Shall be provided not later than the last day of the ninth month
7 after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such
8 fiscal year may be changed as required or permitted by State law, commencing with the City's
9 fiscal year ending December 31, 2012; and

10 (iii) May be provided in a single or multiple documents, and may be
11 incorporated by specific reference to documents available to the public on the Internet website of
12 the MSRB or filed with the SEC.

13 (c) Amendment of Undertaking. The Undertaking is subject to amendment
14 after the primary offering of the Bonds without the consent of any holder of any Bond, or of any
15 broker, dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB,
16 under the circumstances and in the manner permitted by Rule 15c2-12. The City will give notice
17 to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a
18 brief statement of the reasons for the amendment. If the amendment changes the type of annual
19 financial information to be provided, the annual financial information containing the amended
20 financial information will include a narrative explanation of the effect of that change on the type
21 of information to be provided.

22 (d) Beneficiaries. The Undertaking evidenced by this section shall inure to
23 the benefit of the City and any Beneficial Owner of Bonds, and shall not inure to the benefit of or
24 create any rights in any other person.

25 (e) Termination of Undertaking. The City's obligations under this
26 Undertaking shall terminate upon the legal defeasance, prior redemption, or payment in full of all
27
28

1 of the outstanding Bonds. In addition, the City's obligations under this Undertaking shall
2 terminate if those provisions of Rule 15c2-12 which require the City to comply with this
3 Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by
4 an opinion of nationally recognized bond counsel or other counsel familiar with federal securities
5 laws delivered to the City, and the City provides timely notice of such termination to the MSRB.

6 (f) Remedy for Failure to Comply with Undertaking. As soon as practicable
7 after the City learns of any failure to comply with the Undertaking, the City will proceed with
8 due diligence to cause such noncompliance to be corrected. No failure by the City or other
9 obligated person to comply with the Undertaking shall constitute a default in respect of the
10 Bonds. The sole remedy of any Beneficial Owner of a Bond shall be to take such actions as that
11 Beneficial Owner deems necessary, including seeking an order of specific performance from an
12 appropriate court, to compel the City or other obligated person to comply with the Undertaking.

13 (g) Designation of Official Responsible to Administer Undertaking. The
14 Director of Finance of the City (or such other officer of the City who may in the future perform
15 the duties of that office) or his or her designee is authorized and directed in his or her discretion
16 to take such further actions as may be necessary, appropriate or convenient to carry out the
17 Undertaking of the City in respect of the Bonds set forth in this section and in accordance with
18 Rule 15c2-12, including, without limitation, the following actions:

19 (i) Preparing and filing the annual financial information undertaken to
20 be provided;

21 (ii) Determining whether any event specified in subsection (a) has
22 occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and
23 disseminating any required notice of its occurrence;

24 (iii) Determining whether any person other than the City is an
25 "obligated person" within the meaning of the Rule with respect to the Bonds, and obtaining from
26
27
28

1 such person an undertaking to provide any annual financial information and notice of listed
2 events for that person in accordance with the Rule;

3 (iv) Selecting, engaging and compensating designated agents and
4 consultants, including but not limited to financial advisors and legal counsel, to assist and advise
5 the City in carrying out the Undertaking; and

6 (v) Effecting any necessary amendment of the Undertaking.

7 **Section 16. General Authorization.** The Mayor and the Director of Finance and each
8 of the other appropriate officers of the City are each authorized and directed to do everything as
9 in their judgment may be necessary, appropriate or desirable in order to carry out the terms and
10 provisions of, and complete the transactions contemplated by, the Bond Ordinance, the
11 Refunding Bond Ordinance and this resolution.

12 **Section 17. Severability.** The provisions of this resolution are declared to be separate
13 and severable. If a court of competent jurisdiction, all appeals having been exhausted or all
14 appeal periods having run, finds any provision of this resolution to be invalid or unenforceable as
15 to any person or circumstance, such offending provision shall, if feasible, be deemed to be
16 modified to be within the limits of enforceability or validity. However, if the offending
17 provision cannot be so modified, it shall be null and void with respect to the particular person or
18 circumstance, and all other provisions of this resolution in all other respects, and the offending
19 provision with respect to all other persons and all other circumstances, shall remain valid and
20 enforceable.

21 **Section 18. Ratification of Prior Acts.** All acts taken pursuant to the authority of this
22 resolution but prior to its effective date are ratified, approved and confirmed.

23 **Section 19. Incorporation by Reference.** Each of Exhibit A, Exhibit B, Exhibit C,
24 Exhibit D, Exhibit E and Exhibit F attached to this resolution is by this reference incorporated
25 herein.
26
27
28

EXHIBIT A

Refunded Bonds

Designation/ Name of Issue	Date of Issue	Original Principal Amount	Principal Amount Refunded	Maturities to be Refunded "Refunded Bonds"	Redemption Date and Redemption Price
Drainage and Wastewater Revenue Bonds, 2001	07/03/2001	\$60,680,000	\$48,880,000	2012 through 2021, inclusive; 2025 and 2031	July 27, 2012 at par
Drainage and Wastewater Revenue and Refunding Bonds, 2002	12/17/2002	\$78,550,000	\$60,440,000	2013 through 2021, inclusive, 2028 and 2032	July 27, 2012 at par
Drainage and Wastewater Revenue Bonds, 2004	10/28/2004	\$62,010,000	\$42,540,000	2015 through 2025, inclusive, 2028, 2029 and 2032	September 1, 2014 at par

EXHIBIT B

Allocation of Bonds

Maturity	New Money Allocation	2001 Refunded Bonds (Current Ref.)	2002 Refunded Bonds (Current Ref.)	2004 Refunded Bonds (Advance Ref.)	Total
2012	-	\$2,355,000	\$1,065,000	\$ 695,000	\$ 4,115,000
2013	\$1,365,000	1,315,000	2,120,000	-	4,800,000
2014	1,405,000	1,355,000	2,185,000	-	4,945,000
2015	1,475,000	1,425,000	2,290,000	1,400,000	6,590,000
2016	1,550,000	1,495,000	2,405,000	1,470,000	6,920,000
2017	1,630,000	1,570,000	2,525,000	1,545,000	7,270,000
2018	1,710,000	1,650,000	2,655,000	1,620,000	7,635,000
2019	1,795,000	1,735,000	2,790,000	1,705,000	8,025,000
2020	1,885,000	1,830,000	2,930,000	1,790,000	8,435,000
2021	1,980,000	1,920,000	3,070,000	1,875,000	8,845,000
2022	2,080,000	2,020,000	3,225,000	1,970,000	9,295,000
2023	2,180,000	2,125,000	2,030,000	2,070,000	8,405,000
2024	2,290,000	2,230,000	2,130,000	2,175,000	8,825,000
2025	2,405,000	2,340,000	2,240,000	2,280,000	9,265,000
2026	2,525,000	2,460,000	2,350,000	2,400,000	9,735,000
2027	2,650,000	2,590,000	2,470,000	2,515,000	10,225,000
2028	2,785,000	2,725,000	2,590,000	2,645,000	10,745,000
2029	2,925,000	2,865,000	2,720,000	2,775,000	11,285,000
2030	3,070,000	3,010,000	2,855,000	2,915,000	11,850,000
2031	3,225,000	3,165,000	3,000,000	3,060,000	12,450,000
2032	3,385,000	-	3,150,000	3,210,000	9,745,000
2033	3,555,000	-	-	-	3,555,000
2034	3,695,000	-	-	-	3,695,000
2035	3,845,000	-	-	-	3,845,000
2036	4,000,000	-	-	-	4,000,000
2037	4,160,000	-	-	-	4,160,000
2038	4,325,000	-	-	-	4,325,000
2039	4,500,000	-	-	-	4,500,000
2040	4,680,000	-	-	-	4,680,000
2041	4,865,000	-	-	-	4,865,000
2042	5,060,000	-	-	-	5,060,000

1 business on the record date, the 15th day of the month preceding the interest payment date (or other
2 record date established by the Bond Resolution) (the "Record Date") or, at the request of a Registered
3 Owner of \$1,000,000 or more in aggregate principal amount of Bonds, by wire transfer to an account in
4 the United States designated in writing by such Registered Owner prior to the Record Date.
Notwithstanding the foregoing, as long as this Bond is registered in the name of Cede & Co., as nominee
of The Depository Trust Company ("DTC"), payment of principal and interest shall be made in
accordance with the Letter of Representations given by the City to DTC.

5 This Bond is one of an authorized issue of bonds designated Drainage and Wastewater
6 Improvement and Refunding Revenue Bonds, 2012 (the "Bonds"), aggregating \$_____ in principal
7 amount, maturing annually in the years 2012 through 20__, inclusive, [and 20__,] of like date, tenor and
8 effect, except as to maturity dates, interest rates, options of redemption, denominations and numbers. The
Bonds are issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof
within a single maturity.

9 The Bonds are issued by the City to provide funds (i) to pay for a portion of the costs of the Plan
10 of Additions to the Drainage and Wastewater System of the City; (ii) to refund certain outstanding
11 obligations of the Drainage and Wastewater System; (iii) to provide for the Reserve Requirement; and
12 (iv) to pay the administrative costs of the refunding and the costs of issuance and sale of the Bonds, all as
set forth in Ordinance 121938, as amended, Ordinance 123753, as amended, and Resolution 31387
(together, the "Bond Legislation").

13 The Bonds are special limited obligations of the City payable solely out of the Parity Bond
14 Account, including the Reserve Subaccount therein, into which account the City irrevocably pledges to
15 set aside and pay certain fixed amounts out of the Net Revenue of the Drainage and Wastewater System,
namely, amounts sufficient to pay the principal of and interest on the Parity Bonds when due and to
satisfy the Reserve Requirement, all at the times and in the manner set forth in the Bond Legislation.

16 The Net Revenue of the Drainage and Wastewater System is pledged to make the required
17 payments into the Parity Bond Account, which pledge constitutes a lien and charge upon such Net
18 Revenue on a parity with the lien and charge of the Outstanding Parity Bonds and any Future Parity
Bonds.

19 THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY
20 FROM THE SOURCES IDENTIFIED HEREIN AND IN THE BOND LEGISLATION AND ARE NOT
21 GENERAL OBLIGATIONS OF THE CITY, THE STATE OF WASHINGTON OR ANY OTHER
22 POLITICAL SUBDIVISION THEREOF. THE BONDS DO NOT CONSTITUTE A LIEN OR
CHARGE UPON ANY GENERAL FUND OR UPON ANY MONEY OR OTHER PROPERTY OF
THE CITY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF NOT
SPECIFICALLY PLEDGED THERETO BY THE BOND LEGISLATION.

23 The Bonds are subject to redemption as provided in the Bond Legislation.

24 The City further reserves the right and option to purchase any or all of the Bonds in the open
25 market at any time at any price acceptable to the City plus accrued interest to the date of such purchase.
Bonds so purchased shall be retired and canceled.

26 Reference is made to the Bond Legislation for other covenants and declarations of the City and
27 other terms and conditions upon which this Bond has been issued, which terms and conditions, including,
28 but not limited to, terms pertaining to defeasance, are made a part hereof by this reference. Reference

1 also is made to the Bond Legislation for the definitions of the capitalized terms used and not otherwise
2 defined herein.

3 The City irrevocably and unconditionally covenants that it will keep and perform all of the
4 covenants of this Bond and of the Bond Legislation.

5 This Bond shall not be valid or become obligatory for any purpose until the Certificate of
6 Authentication hereon has been signed by the Bond Registrar.

7 The principal of and premium, if any, and interest on this Bond shall be paid only to the
8 Registered Owner as of the Record Date and to no other person or entity, and this Bond may not be
9 assigned except on the Bond Register.

10 In the manner and subject to the limitations set forth in the Bond Legislation, this Bond may be
11 transferred by the Registered Owner or by such Owner's authorized agent at the Bond Registrar on
12 completion of the assignment form appearing hereon and surrender and cancellation of this Bond. Upon
13 such transfer, a new Bond (or Bonds, at the option of the new Registered Owner) of an equal aggregate
14 principal amount and of the same interest rate and maturity in any authorized denomination will be issued
15 to the new Registered Owner, without charge, in exchange therefor. This Bond and other Bonds may be
16 surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal
17 amount of Bonds of the same interest rate and maturity in any authorized denomination. The Bond
18 Registrar shall not be obligated to transfer or exchange any Bond after notice of redemption of such Bond
19 has been prepared.

20 The City and the Bond Registrar may deem and treat the Registered Owner of this Bond as its
21 absolute owner for the purpose of receiving payment of principal, premium, if any, and interest and for all
22 other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary
23 other than proper notice of assignment. As used herein, Registered Owner means the person or entity
24 named as Registered Owner of this Bond on the front hereof and on the Bond Register.

25 It is certified and declared that all acts, conditions and things required to be done precedent to and
26 in the issuance of this Bond have been done, have happened and have been performed as required by law.

27 IN WITNESS WHEREOF, the City has caused this Bond to be executed on behalf of the City by
28 the facsimile signatures of its Mayor and Director of Finance and a facsimile reproduction of the seal of
the City to be printed hereon, this ___ day of June, 2012.

THE CITY OF SEATTLE, WASHINGTON

By

Mayor

By

Director of Finance

1 Date of Authentication: _____

2 CERTIFICATE OF AUTHENTICATION

3 This Bond is one of the fully registered The City of Seattle, Washington, Drainage and
4 Wastewater Improvement and Refunding Revenue Bonds, 2012, described in the Bond Legislation.

5 WASHINGTON STATE FISCAL AGENT
6 Bond Registrar

7 By _____
8 Authorized Signer

9 ASSIGNMENT

10 For value received, the undersigned Registered Owner does sell, assign and transfer unto:

11 _____
(name, address and social security or other identifying number of assignee)

12 the within-mentioned Bond and irrevocably constitutes and appoints _____
13 _____ to transfer the same on the Bond Register with full power of
substitution in the premises.

14 DATED: _____

15 _____
16 Registered Owner

17 (NOTE: The signature above must correspond with the name
18 of the Registered Owner as it appears on the front of this Bond
19 in every particular, without alteration or enlargement or any
change whatsoever.)

20 Signature Guaranteed:

21 _____
22 (NOTE: Signature must be guaranteed
23 pursuant to law.)
24
25
26
27

EXHIBIT D

Official Notice of Bond Sale

OFFICIAL NOTICE OF BOND SALE

THE CITY OF SEATTLE, WASHINGTON

\$226,300,000*

DRAINAGE AND WASTEWATER IMPROVEMENT AND REFUNDING REVENUE BONDS, 2012

Electronic bids for the purchase of The City of Seattle Drainage and Wastewater Improvement and Refunding Revenue Bonds, 2012 (the "Bonds"), will be received by The City of Seattle, Washington (the "City"), by the Director of Finance via the PARITY Electronic Bid Submission System ("Parity"), in the manner described below on

JUNE 6, 2012, AT 8:00 A.M., PACIFIC TIME,

or such other day or time and under such other terms and conditions as may be established by the Director of Finance and communicated by the News Service as described under "Modification, Cancellation, Postponement."

Bids must be submitted electronically via Parity in accordance with this Official Notice of Bond Sale. For further information about Parity, potential bidders may contact Parity at (212) 404-8102. Hard copy bids will not be accepted.

No bid will be received after the time for receiving bids specified above. All proper bids received with respect to the Bonds will be considered and acted on by the City Council at approximately 1:30 p.m., Pacific Time, on June 6, 2012. No bid will be awarded until the City Council has adopted a resolution accepting the bid at its meeting.

Modification, Cancellation, Postponement. Bidders are advised that the City may modify the terms of this Official Notice of Bond Sale prior to the time for receipt of bids, including to change the principal amount and principal payments of the Bonds if the City elects not to refund all or any of the bonds expected to be refunded with the Bonds or because the City elects to change the principal amounts or the redemption provisions. Any such modification will be announced through The Bond Buyer Wire (available on TM3, the Thomson Municipal Market Monitor, at <http://www.tm3.com>, which reference is not incorporated herein by reference) (the "News Service"), prior to 1:00 p.m., Pacific Time, on June 5, 2012. In addition, the City may cancel or postpone the date and time for the receipt of bids for the Bonds at any time prior to the receipt of the bids. Notice of such cancellation or postponement will be communicated through the News Service as soon as practicable following such cancellation or postponement. As an accommodation to bidders, telephone, facsimile, or electronic notice of any amendment or modification of this Official Notice of Bond Sale will be given to any bidder requesting such notice from the City's Financial Advisor at the address and phone number provided under "Contact Information" below. Failure of any bidder to receive such notice will not affect the legality of the sale.

Each bidder (and not the City) is responsible for the timely electronic delivery of its bid. The official time will be determined by the City and not by any bidder or qualified electronic bid provider.

* Preliminary, subject to change.

CONTACT INFORMATION

Finance Division	Michael van Dyck City of Seattle (206) 684-8347 <i>michael.vandyck@seattle.gov</i>
Financial Advisor	Rob Shelley Seattle-Northwest Securities Office phone: (206) 628-2879 Day of sale phone: (206) 601-2249 <i>rshelley@snwsc.com</i>
Bond Counsel	Marc Greenough Foster Pepper PLLC (206) 447-7888 <i>greem@foster.com</i>

DESCRIPTION OF THE BONDS

Bond Details

The Bonds will be dated the date of their initial delivery. Interest on the Bonds will be payable semiannually on each March 1 and September 1, beginning September 1, 2012.

Registration and Book-Entry Only System

The Bonds are issuable only as fully registered bonds and when issued will be registered in the name of Cede & Co. as registered owner and nominee for the Depository Trust Company ("DTC"), New York, New York. DTC will act as initial securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Purchasers will not receive certificates representing their interest in the Bonds purchased. The principal of and interest on the Bonds are payable by the City's Bond Registrar, currently the fiscal agent of the State of Washington (currently The Bank of New York Mellon in New York, New York) to DTC, which is obligated in turn to remit such payments to its participants for subsequent disbursement to beneficial owners of the Bonds.

Election of Maturities

The successful bidder for the Bonds shall designate whether some or all of the principal amounts of the Bonds maturing on and after September 1, 2022, shall be retired as shown in the table below as serial bonds maturing in such year or as amortization installments of Term Bonds maturing in the years specified by the bidder. Term Bonds, if any, must consist of the total principal payments of two or more consecutive years and mature in the latest of those years.

Years (September 1)	Serial Maturities or Amortization Installments ⁽¹⁾	Years (September 1)	Serial Maturities or Amortization Installments ⁽¹⁾
2012	\$ 4,215,000	2028	\$ 10,700,000 ⁽²⁾
2013	5,495,000	2029	11,245,000 ⁽²⁾
2014	5,605,000	2030	11,805,000 ⁽²⁾
2015	7,230,000	2031	12,400,000 ⁽²⁾
2016	7,450,000	2032	9,685,000 ⁽²⁾
2017	7,675,000	2033	3,435,000 ⁽²⁾
2018	7,995,000	2034	3,605,000 ⁽²⁾
2019	8,310,000	2035	3,785,000 ⁽²⁾
2020	8,650,000	2036	3,975,000 ⁽²⁾
2021	8,995,000	2037	4,175,000 ⁽²⁾
2022	9,355,000 ⁽²⁾	2038	4,385,000 ⁽²⁾
2023	8,375,000 ⁽²⁾	2039	4,600,000 ⁽²⁾
2024	8,795,000 ⁽²⁾	2040	4,830,000 ⁽²⁾
2025	9,235,000 ⁽²⁾	2041	5,075,000 ⁽²⁾
2026	9,700,000 ⁽²⁾	2042	5,325,000 ⁽²⁾
2027	10,195,000 ⁽²⁾		

(1) Preliminary, subject to change.

(2) These amounts will constitute principal maturities of the Bonds unless Term Bonds are specified by the successful bidder, in which case the amounts so specified will constitute mandatory sinking fund redemptions of Term Bonds.

Redemption

Optional Redemption. The Bonds maturing on and before September 1, 2021, are not subject to redemption prior to maturity. The City reserves the right and option to redeem Bonds maturing on and after September 1, 2022, prior to their stated maturity dates at any time on or after March 1, 2022, as a whole or in part, at a price of par plus accrued interest to the date fixed for redemption. See "Preliminary Official Statement—Description of the Bonds—Redemption of the Bonds."

Mandatory Redemption. A portion of the Bonds will be subject to mandatory redemption if Term Bonds are designated by the successful bidder for the Bonds. See "Preliminary Official Statement—Description of the Bonds—Redemption of the Bonds."

Selection of Bonds for Redemption. If fewer than all of the Bonds are to be redeemed prior to maturity, the selection of such Bonds for redemption shall be made as described in the Preliminary Official Statement in "Description of the Bonds—Redemption of the Bonds."

Purpose

The Bonds are being issued to pay for part of the costs of various projects of the City's Drainage and Wastewater System, to refund, depending on market conditions, certain outstanding obligations of the Drainage and Wastewater System, to make a deposit into the Reserve Subaccount, and to pay the administrative costs of the refunding and the costs of issuing the Bonds.

Security

The Bonds are special limited obligations of the City. The Net Revenue of the Drainage and Wastewater System and any utility local improvement district assessments pledged to Parity Bonds ("ULID Assessments") are pledged to the payment of all Parity Bonds, including the Bonds. This pledge constitutes a lien and charge upon the Net Revenue and ULID Assessments prior and superior to any other liens and charges whatsoever.

THE BONDS DO NOT CONSTITUTE GENERAL OBLIGATIONS OF THE CITY, THE STATE OF WASHINGTON (THE "STATE") OR ANY POLITICAL SUBDIVISION OF THE STATE, OR A CHARGE UPON ANY GENERAL FUND OR UPON ANY MONEY OR OTHER PROPERTY OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE NOT SPECIFICALLY PLEDGED THERETO BY THE LEGISLATION AUTHORIZING THE ISSUANCE OF THE BONDS. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, NOR

1
2
3 ANY REVENUES OF THE CITY DERIVED FROM SOURCES OTHER THAN THE DRAINAGE AND WASTEWATER SYSTEM, ARE PLEDGED
4 TO THE PAYMENT OF THE BONDS.

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BIDDING INFORMATION AND AWARD

Bidders are invited to submit bids for the purchase of the Bonds fixing the interest rate or rates that the Bonds will bear. Interest rates included as part of a bid shall be in multiples of 1/8 or 1/20 of 1%, or any combination thereof. No more than one rate of interest may be fixed for any one maturity of the Bonds.

No bid will be considered for the Bonds that is less than an amount equal to 109% of the par value of the Bonds nor more than an amount equal to 120% of the par value of the Bonds. Each individual maturity must be reoffered at a yield that will produce a price of not less than 98% of the principal amount for that maturity. For the purpose of this paragraph, "price" means the lesser of the price at the redemption date, if any, or the price at the maturity date.

Bids for the Bonds must be unconditional. No bid for less than the entire offering of the Bonds will be accepted. Bids may not be withdrawn or revised after the time that bids are due. The City strongly encourages the inclusion of women and minority business enterprise firms in bidding syndicates.

Bidding Process

Electronic bids for the Bonds must be submitted via a qualified electronic bid provider only. The City has designated Parity as the qualified electronic bid provider for purposes of receiving electronic bids for the Bonds.

By submitting an electronic bid for the Bonds, each bidder thereby agrees to the following terms and conditions:

- (i) If any provision in this Official Notice of Bond Sale conflicts with information or terms provided or required by Parity, this Official Notice of Bond Sale (including any amendments issued by the City through the News Service) shall control.
- (ii) Each bidder is solely responsible for making necessary arrangements to access Parity for purposes of submitting a timely bid in compliance with the requirements of this Official Notice of Bond Sale (including any amendments issued by the City through the News Service).
- (iii) The City has no duty or obligation to provide or assure access to Parity, and the City shall not be responsible for the proper operation of Parity or have any liability for any delays or interruptions or any damages caused by use or attempted use of Parity.
- (iv) Parity is acting as an independent contractor, and is not acting for or on behalf of the City.
- (v) The City is not responsible for ensuring or verifying bidder compliance with Parity's procedures.
- (vi) If a bid is accepted by the City, this Official Notice of Bond Sale (including any amendments issued by the City through the News Service) and the information that is submitted electronically through Parity shall form a contract, and the bidder shall be bound by the terms of such contract.
- (vii) Information provided by Parity to bidders shall form no part of any bid or of any contract between the successful bidder and the City unless that information is included in this Official Notice of Bond Sale.

Good Faith Deposit

To be considered by the City Council, a bid must be backed by a good faith deposit in the amount of \$2,260,000. The good faith deposit must be paid by federal funds wire transfer within 90 minutes after the verbal award to the successful bidder for the Bonds. Wiring instructions will be provided to the successful bidder at the time of the verbal award.

The good faith deposit for the Bonds shall be retained by the City as security for the performance of the successful bidder and shall be applied to the purchase price of the Bonds upon the delivery of the Bonds to the successful bidder. Pending delivery of the Bonds, the good faith deposit may be invested for the sole benefit of the City. If the Bonds are ready for delivery and the successful bidder fails or neglects to complete

1
2
3 the purchase of the Bonds within 30 days following the acceptance of its bid, the good faith deposit shall be retained by the City as reasonable liquidated damages and not as a penalty.

4 **Award**

5 The Bonds will be sold to the bidder making a bid that conforms to the terms of the offering and is, based on
6 the City's determination of the lowest true interest cost, the best bid. The true interest cost to the City will be
7 the rate that, when used to discount to the date of the Bonds all future payments of principal and interest
8 (using semiannual compounding and a 30/360 day basis), produces an amount equal to the bid amount,
9 without regard to the interest accrued to the date of delivery of the Bonds. The true interest cost calculations
10 for any bids received on the Bonds will be performed by the City's Financial Advisor, and the City will base its
11 determination of the best bid for the Bonds solely on such calculations. If there are two or more equal bids
12 for the Bonds and those bids are the best bids received, the Director of Finance will determine by lot which
13 bid will be presented to the City Council.

14 The City reserves the right to reject any or all bids submitted and to waive any formality or irregularity in any
15 bid or the bidding process. If all bids for the Bonds are rejected, then the Bonds may be sold in the manner
16 provided by law. Any bid presented after the time specified for the receipt of bids will not be accepted, and
17 any bid not backed by the required good faith deposit will not be considered by the City Council. The
18 successful bid for the Bonds shall remain in effect until 5:00 p.m., Pacific Time, on the date set for the receipt
19 of bids.

20 **Adjustment of Principal Amounts and Bid Price After Receipt of Bids**

21 The City has reserved the right to increase or decrease the preliminary principal amount of the Bonds by an
22 amount not to exceed 10% of the principal amount of the Bonds following the time for receipt of the bids.
23 The City also reserves the right to increase or decrease the preliminary principal amount of any maturity of
24 the Bonds shown in this Official Notice of Bond Sale by an amount not to exceed the greater of \$950,000 or
25 15% of the preliminary principal amount of that maturity.

26 If the preliminary principal amount of the Bonds is adjusted by the City, the price bid by the successful bidder
27 for the Bonds will be adjusted by the City on a proportionate basis to reflect an increase or decrease in the
28 principal amount and maturity schedule. In the event that the City elects to alter the bond size of the Bonds
after the bid pursuant to this Official Notice of Bond Sale, the underwriter's discount, expressed in dollars per
thousand, will be held constant. The City will not be responsible in the event that any adjustment affects
(i) the net compensation to be realized by the successful bidder, or (ii) the true interest cost of the winning
bid or its ranking relative to other bids.

Issue Price Information

Upon award of the Bonds, the successful bidder for the Bonds shall advise the City and Bond Counsel of the
initial reoffering prices to the public of each maturity of the Bonds (the "Initial Reoffering Prices"), for the
City's inclusion in the final Official Statement for the Bonds. Prior to delivery of the Bonds, the successful
bidder shall furnish to the City and Bond Counsel a certificate in form and substance acceptable to Bond
Counsel:

- (i) confirming the Initial Reoffering Prices,
- (ii) certifying that a *bona fide* offering of the Bonds has been made to the public (excluding bond houses, brokers, and other intermediaries),
- (iii) stating the first price at which a substantial amount (at least 10%) of each maturity of the Bonds was sold to the public (excluding bond houses, brokers, and other intermediaries),
- (iv) if the first price at which a substantial amount of any maturity of the Bonds is sold does not conform to the Initial Reoffering Price of that maturity, providing an explanation of the facts and circumstances that resulted in that nonconformity, and
- (v) stating which maturities, if any, are amortization installments of Term Bonds maturing in the years specified by the bidder.

1
2
3 A draft form of such certificate will be available prior to the sale date from the City's Financial Advisor. See "Contact Information" in this Official Notice of Bond Sale.

4 **Insurance**

5 Bids for the Bonds shall not be conditioned upon obtaining insurance or any other credit enhancement, or
6 upon the City's acceptance of any of the terms of insurance or other credit enhancement. If the Bonds qualify
7 for issuance of any policy of municipal bond insurance or commitment therefor, any purchase of such
8 insurance or commitment therefor shall be at the sole option and expense of the bidder, and any increased
9 costs of issuance of the Bonds resulting by reason of such insurance, unless otherwise paid, shall be paid by
10 such bidder, but shall not, in any event, be paid by the City. Any failure of the Bonds to be so insured or of any
11 such policy of insurance to be issued shall not in any way relieve the successful bidder of its contractual
12 obligations arising from the acceptance of its proposal for the purchase of the Bonds.

13 If the successful bidder purchases insurance for any of the Bonds, the City may require the successful bidder
14 to furnish to the City and Bond Counsel a certificate in form and substance acceptable to Bond Counsel
15 confirming that the present value (calculated using the same yield as the yield on the insured Bonds) of the
16 insurance premium is less than the present value (calculated using the same yield as the yield on the insured
17 Bonds) of the interest cost savings represented by the comparative differences between interest amounts
18 that would have been payable on the various maturities of the insured Bonds at interest rates on the insured
19 Bonds issued with and without the insurance on the insured Bonds.

20 **DELIVERY**

21 The City will deliver the Bonds (consisting of one certificate for each maturity of the Bonds) to DTC in New
22 York, New York, or to the Bond Registrar on behalf of DTC by Fast Automated Securities Transfer, prior to the
23 date of closing. Closing shall occur within 30 days after the sale date. Settlement shall be in immediately
24 available federal funds in Seattle, Washington, on the date of delivery.

25 If, prior to the delivery of the Bonds, the interest receivable by the owners of the Bonds becomes includable in
26 gross income for federal income tax purposes, or becomes subject to federal income tax other than as
27 described in the Preliminary Official Statement, the successful bidder for the Bonds, at its option, may be
28 relieved of its obligation to purchase the Bonds and in that case the good faith deposit accompanying its bid
will be returned without interest.

Legal Opinion

The approving legal opinion of Foster Pepper PLLC, Seattle, Washington, Bond Counsel, will be provided to
the successful bidder for the Bonds at the time of the delivery of the Bonds. A no-litigation certificate will be
included in the closing documents for the Bonds.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will appear on the Bonds, but neither the failure to insert
such numbers on the Bonds nor any error with respect thereto shall constitute cause for a failure or refusal
by the successful bidder for the Bonds to accept delivery of and pay for the Bonds in accordance with the
terms of this Official Notice of Bond Sale.

The successful bidder for the Bonds is responsible for obtaining CUSIP numbers for the Bonds. The charge of the CUSIP Service Bureau shall be paid by such successful bidder; however, all expenses for printing CUSIP numbers on the Bonds shall be paid by the City.

CONTINUING DISCLOSURE UNDERTAKING

In order to assist bidders in complying with paragraph (b)(5) of United States Securities and Exchange
Commission Rule 15c2-12 ("Rule 15c2-12"), the City will undertake to provide certain annual financial
information and notices of the occurrence of certain events. A description of this undertaking is set forth in
the Preliminary Official Statement and also will be set forth in the final Official Statement.

OFFICIAL STATEMENT

Preliminary Official Statement

The Preliminary Official Statement is in a form that the City expects to deem final for the purpose of paragraph (b)(1) of Rule 15c2-12, but is subject to revision, amendment, and completion in a final Official Statement, which the City will deliver, at the City's expense, to the successful bidder through its designated representative not later than seven business days after the City's acceptance of the successful bidder's bid, in sufficient quantities to permit the successful bidder to comply with Rule 15c2-12.

By submitting the successful proposal for the Bonds, the successful bidder's designated senior representative agrees:

- (i) to provide to the City's Debt Manager, in writing, within 24 hours after the acceptance of the bid, pricing and other related information, including Initial Reoffering Prices of the Bonds, necessary for completion of the final Official Statement (see "Issue Price Information");
- (ii) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any amendments or supplements prepared by the City;
- (iii) to take any and all actions necessary to comply with applicable rules of the Securities and Exchange Commission and Municipal Securities Rulemaking Board governing the offering, sale, and delivery of the Bonds to ultimate purchasers, including the delivery of a final Official Statement to each investor who purchases Bonds; and
- (iv) to file the final Official Statement or cause it to be filed with the Municipal Securities Rulemaking Board within one business day following its receipt from the City.

The Preliminary Official Statement may be obtained from i-Deal Prospectus, a service of i-Deal LLC, at www.i-dealprospectus.com (which reference is not incorporated herein by reference), telephone (212) 849-5024. In addition, the Preliminary Official Statement may be obtained upon request to the City's Debt Manager or Financial Advisor. See "Contact Information" in this Official Notice of Bond Sale.

Official Statement

At closing, the City will furnish a certificate of an official or officials of the City, stating that, to the best knowledge of such official(s) and relying on the opinions of Bond Counsel where appropriate, as of the date of the Official Statement and as of the date of delivery of the Bonds:

- (i) the information (including financial information) regarding the City and Seattle Public Utilities (including the Drainage and Wastewater System) contained in the Official Statement was and is true and correct in all material respects and did not and does not contain any untrue statement of a material fact or omit any statement or information which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and
- (ii) the descriptions and statements, including financial data, of or pertaining to entities other than the City and their activities contained in the Official Statement have been obtained from sources that the City believes to be reliable and the City has no reason to believe that they are untrue in any material respect (however, the City will make no representation regarding Bond Counsel's form of opinion or the information provided by or obtained from DTC, The Bank of New York Mellon, or any entity providing bond insurance, reserve insurance, or other credit facility).

DATED at Seattle, Washington, this 25th day of May, 2012.

/s/ _____ Glen M. Lee
Director of Finance

EXHIBIT E

Printed Version of All Electronic Bids for the Bonds

PARITY Result Screen

Page 1 of 1

08:54:54 a.m. PST Upcoming Calendar Overview Compare Summary

Bid Results

Seattle

**\$226,300,000 Drainage and Wastewater Improvement and
Refunding Revenue Bonds, Series 2012**

The following bids were submitted using **PARITY**[®] and displayed ranked by
lowest TIC.

Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input checked="" type="checkbox"/> Reoffering	Citigroup Global Markets Inc.	3.316830
<input type="checkbox"/>	J.P. Morgan Securities LLC	3.322110
<input type="checkbox"/>	Barclays Capital Inc.	3.329786
<input type="checkbox"/>	Bank of America Merrill Lynch	3.361756
<input type="checkbox"/>	Morgan Stanley & Co, LLC	3.374676
<input type="checkbox"/>	Wells Fargo Bank, National Association	3.398445

*Awarding the Bonds to a specific bidder will provide you with the Reoffering
Prices and Yields.

© 1981-2002 I-Deal LLC, All rights reserved. Trademarks

Jun-06-2012 11:08am From-Muni Syndicates

2127236951

T-043 P 002/003 F-402

6/06/2012 11:08:16 AM EDST

Page 1 of 2

Review

Bond Report

\$226,300,000.00

Seattle, WA

Drainage and Wastewater Improvement and
 Refunding Revenue Bonds, Series 2012

S&P: AA+ / Moody: Aa1 / Fitch:

Description: FINAL

Sale Date: 06/06/2012 08:00:00 AM PDST

Citigroup Global Mar

Delivery Date: 06/27/2012

Dated Date: 06/27/2012

First Int Date: 09/01/2012

Int Accrue Date: 06/27/2012

Submitted via Parity:

No. of Bonds	Maturity Date	Coupon	Price or Basis	Computed Price Yield	Conc.	Takedown	Price To Date
4,215	09/01/2012	2.0000	0.2000	100.3190		0.0250	
5,495	09/01/2013	3.0000	0.3500	103.1110		0.1250	
5,805	09/01/2014	5.0000	0.4900	109.7560		0.0500	
7,230	09/01/2015	6.0000	0.6300	113.7260		0.0500	
7,450	09/01/2016	5.0000	0.8000	117.2210		0.0500	
7,675	09/01/2017	5.0000	1.0700	119.7420			
7,995	09/01/2018	5.0000	1.3000	121.8930			
8,310	09/01/2019	5.0000	1.5100	123.6540			
8,650	09/01/2020	5.0000	1.7600	124.5740			
8,995	09/01/2021	5.0000	1.9800	125.2270			
9,355	09/01/2022	5.0000	2.1300	124.9780			03/01/2022
8,375	09/01/2023	5.0000	2.2800	123.4980			03/01/2022
8,795	09/01/2024	5.0000	2.4300	122.0410			03/01/2022
9,235	09/01/2025	5.0000	2.5500	120.8900			03/01/2022
9,700	09/01/2026	5.0000	2.6400	120.0350			03/01/2022
10,195	09/01/2027	5.0000	2.7500	119.0000			03/01/2022
10,700	09/01/2028	5.0000	2.8500	118.0680			03/01/2022
11,245	09/01/2029	5.0000	2.9200	117.4210			03/01/2022
11,805	09/01/2030	5.0000	3.0400	116.3220			03/01/2022
12,400	09/01/2031	5.0000	3.1100	115.6860			03/01/2022
9,685	09/01/2032	5.0000	3.1700	115.1440			03/01/2022
3,435	09/01/2033	4.0000	3.6200	103.0750			03/01/2022
3,605	09/01/2034	4.0000	3.7000	102.4170			03/01/2022
	09/01/2035						
	09/01/2036						
11,935	09/01/2037	4.0000	3.8800	100.9560			03/01/2022
	09/01/2038						
	09/01/2039						
	09/01/2040						
	09/01/2041						
24,215	09/01/2042	4.0000	3.9500	100.3940			03/01/2022

Jun-06-2012 11:08am From:Muni Syndicates

2127238951

T-043 P.003/003 F-402

06/06/2012 11:08:16 AM EDST

Page 2 of 2

Bond Report

\$226,300,000.00

Seattle, WA

Drainage and Wastewater Improvement and
 Refunding Revenue Bonds, Series 2012

S&P: AA+ / Moody: Aa1 / Fitch:

Description: FINAL

Safe Date: 06/06/2012 08:00:00 AM PDST

Citigroup Global Mar

Delivery Date: 06/27/2012

Dated Date: 06/27/2012

First Int Date: 09/01/2012

Int Accrue Date: 06/27/2012

Submitted via Parity:

Summary

	Total	Per \$100
Par Amount:	226,300,000.00	100.000000
Gross Prod:	250,618,293.80	115.164956
Spread:	1,340,056.45	0.592159
Bid:	259,278,237.35	114.572796
Accrued Int:	0.00	0.000000
Bond Yrs:	3,225,896.11	
Avg Life:	14.2550	14 Years 3 Months 2 Days
Gross Int Cost:	149,879,605.56	
- Net Premium:	32,978,237.35	(+Prod:34,318,293.80 -Spread:1,340,056.45)
Net Int Cost:	116,901,368.21	
NIC:	3.623842	
TIC - NIC Date*:	3.316830	
Avg Takedown:	0.079628	

Call Schedule

Bonds due 09/01/2022 to 09/01/2042 callable 03/01/2022 at par.

PARITY Reoffering

Page 1 of 2

Result

**Citigroup Global Markets Inc.'s Reoffering
Scale**



Seattle

**\$226,300,000 Drainage and Wastewater Improvement and
Refunding Revenue Bonds, Series 2012**

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Call Date
09/01/2012	4,215M	2.0000	0.2000	100.319	
09/01/2013	5,495M	3.0000	0.3500	103.111	
09/01/2014	5,605M	5.0000	0.4900	109.756	
09/01/2015	7,230M	5.0000	0.6300	113.726	
09/01/2016	7,450M	5.0000	0.8000	117.221	
09/01/2017	7,675M	5.0000	1.0700	119.742	
09/01/2018	7,995M	5.0000	1.3000	121.893	
09/01/2019	8,310M	5.0000	1.5100	123.654	
09/01/2020	8,650M	5.0000	1.7600	124.574	
09/01/2021	8,995M	5.0000	1.9800	125.227	
09/01/2022	9,355M	5.0000	2.1300	124.976	03/01/2022
09/01/2023	8,375M	5.0000	2.2800	123.498	03/01/2022
09/01/2024	8,795M	5.0000	2.4300	122.041	03/01/2022
09/01/2025	9,235M	5.0000	2.5500	120.890	03/01/2022
09/01/2026	9,700M	5.0000	2.6400	120.035	03/01/2022
09/01/2027	10,195M	5.0000	2.7500	119.000	03/01/2022
09/01/2028	10,700M	5.0000	2.8500	118.068	03/01/2022
09/01/2029	11,245M	5.0000	2.9200	117.421	03/01/2022
09/01/2030	11,805M	5.0000	3.0400	116.322	03/01/2022
09/01/2031	12,400M	5.0000	3.1100	115.686	03/01/2022
09/01/2032	9,685M	5.0000	3.1700	115.144	03/01/2022
09/01/2033	3,435M	4.0000	3.6200	103.075	03/01/2022
09/01/2034	3,605M	4.0000	3.7000	102.417	03/01/2022

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

PARITY Reoffering

<u>09/01/2035</u>					
<u>09/01/2036</u>					
<u>09/01/2037</u>	11,935M	4.0000	3.8800	100.956	03/01/2022
<u>09/01/2038</u>					
<u>09/01/2039</u>					
<u>09/01/2040</u>					
<u>09/01/2041</u>					
<u>09/01/2042</u>	24,215M	4.0000	4.0000	100.000	

Accrued Interest: \$0.00

Gross Production: \$260,522,886.70

© 1981-2002 I-Deal LLC. All rights reserved, Trademarks

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

[Upcoming Calendar](#) | [Overview](#) | [Result](#) | [Excel](#)

**Citigroup Global Markets Inc. - New York ,
NY's Bid**



Seattle

**\$226,300,000 Drainage and Wastewater Improvement and
Refunding Revenue Bonds, Series 2012**

For the aggregate principal amount of \$226,300,000.00, we will pay you \$259,278,236.70, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	4,215M	2.0000
09/01/2013	5,495M	3.0000
09/01/2014	5,605M	5.0000
09/01/2015	7,230M	5.0000
09/01/2016	7,450M	5.0000
09/01/2017	7,675M	5.0000
09/01/2018	7,995M	5.0000
09/01/2019	8,310M	5.0000
09/01/2020	8,650M	5.0000
09/01/2021	8,995M	5.0000
09/01/2022	9,355M	5.0000
09/01/2023	8,375M	5.0000
09/01/2024	8,795M	5.0000
09/01/2025	9,235M	5.0000
09/01/2026	9,700M	5.0000
09/01/2027	10,195M	5.0000
09/01/2028	10,700M	5.0000
09/01/2029	11,245M	5.0000
09/01/2030	11,805M	5.0000
09/01/2031	12,400M	5.0000
09/01/2032	9,685M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

[Upcoming Calendar](#) | [Overview](#) | [Result](#) | [Excel](#)

**J.P. Morgan Securities LLC - New York , NY's
Bid**



Seattle

**\$226,300,000 Drainage and Wastewater Improvement and
Refunding Revenue Bonds, Series 2012**

For the aggregate principal amount of \$226,300,000.00, we will pay you \$260,386,967.44, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	4,215M	2.0000
09/01/2013	5,495M	3.0000
09/01/2014	5,605M	4.0000
09/01/2015	7,230M	5.0000
09/01/2016	7,450M	5.0000
09/01/2017	7,675M	5.0000
09/01/2018	7,995M	5.0000
09/01/2019	8,310M	5.0000
09/01/2020	8,650M	5.0000
09/01/2021	8,995M	5.0000
09/01/2022	9,355M	5.0000
09/01/2023	8,375M	5.0000
09/01/2024	8,795M	5.0000
09/01/2025	9,235M	5.0000
09/01/2026	9,700M	5.0000
09/01/2027	10,195M	5.0000
09/01/2028	10,700M	5.0000
09/01/2029	11,245M	5.0000
09/01/2030	11,805M	5.0000
09/01/2031	12,400M	5.0000
09/01/2032	9,685M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

PARITY Bid Form

09/01/2033	3,435M	4.0000
09/01/2034	3,605M	4.0000
09/01/2035	3,785M	4.0000
09/01/2036		
09/01/2037	8,150M	5.0000
09/01/2038		
09/01/2039		
09/01/2040		
09/01/2041		
09/01/2042	24,215M	4.0000

Total Interest Cost: \$151,769,780.00
Premium: \$34,086,967.44
Net Interest Cost: \$117,682,812.56
TIC: 3.322110
Time Last Bid Received On:06/06/2012 7:59:44 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: J.P. Morgan Securities LLC, New York , NY
Contact: Kenneth Avila
Title: Analyst
Telephone:212-834-7155
Fax: 212-193-4573

Issuer Name: City of Seattle
Company Name: _____

Accepted By: _____ Accepted By: _____

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

PARITY Bid Form

[Upcoming Calendar](#) | [Overview](#) | [Result](#) | [Excel](#)

Barclays Capital Inc. - New York , NY's Bid 
Seattle
**\$226,300,000 Drainage and Wastewater Improvement and
Refunding Revenue Bonds, Series 2012**

For the aggregate principal amount of \$226,300,000.00, we will pay you \$256,637,282.05, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	4,215M	3.0000
09/01/2013	5,495M	4.0000
09/01/2014	5,605M	4.0000
09/01/2015	7,230M	5.0000
09/01/2016	7,450M	5.0000
09/01/2017	7,675M	5.0000
09/01/2018	7,995M	5.0000
09/01/2019	8,310M	5.0000
09/01/2020	8,650M	5.0000
09/01/2021	8,995M	5.0000
09/01/2022	9,355M	5.0000
09/01/2023	8,375M	5.0000
09/01/2024	8,795M	5.0000
09/01/2025	9,235M	5.0000
09/01/2026	9,700M	5.0000
09/01/2027	10,195M	5.0000
09/01/2028	10,700M	5.0000
09/01/2029	11,245M	5.0000
09/01/2030	11,805M	5.0000
09/01/2031	12,400M	5.0000
09/01/2032	9,685M	3.6000
09/01/2033		

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

PARITY Bid Form

[Upcoming Calendar](#) | [Overview](#) | [Result](#) | [Excel](#)

**Bank of America Merrill Lynch - New York ,
NY's Bid**



Seattle

**\$226,300,000 Drainage and Wastewater Improvement and
Refunding Revenue Bonds, Series 2012**

For the aggregate principal amount of \$226,300,000.00, we will pay you \$258,643,390.53, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	4,215M	2.5000
09/01/2013	5,495M	3.0000
09/01/2014	5,605M	5.0000
09/01/2015	7,230M	5.0000
09/01/2016	7,450M	5.0000
09/01/2017	7,675M	5.0000
09/01/2018	7,995M	5.0000
09/01/2019	8,310M	5.0000
09/01/2020	8,650M	5.0000
09/01/2021	8,995M	5.0000
09/01/2022	9,355M	5.0000
09/01/2023	8,375M	5.0000
09/01/2024	8,795M	5.0000
09/01/2025	9,235M	5.0000
09/01/2026	9,700M	5.0000
09/01/2027	10,195M	5.0000
09/01/2028	10,700M	5.0000
09/01/2029	11,245M	5.0000
09/01/2030	11,805M	5.0000
09/01/2031	12,400M	5.0000
09/01/2032	9,685M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

[Upcoming Calendar](#) | [Overview](#) | [Result](#) | [Excel](#)

**Morgan Stanley & Co, LLC - New York , NY's
Bid**



Seattle

**\$226,300,000 Drainage and Wastewater Improvement and
Refunding Revenue Bonds, Series 2012**

For the aggregate principal amount of \$226,300,000.00, we will pay you \$260,876,791.39, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	4,215M	2.0000
09/01/2013	5,495M	3.0000
09/01/2014	5,605M	4.0000
09/01/2015	7,230M	5.0000
09/01/2016	7,450M	5.0000
09/01/2017	7,675M	5.0000
09/01/2018	7,995M	5.0000
09/01/2019	8,310M	5.0000
09/01/2020	8,650M	5.0000
09/01/2021	8,995M	5.0000
09/01/2022	9,355M	5.0000
09/01/2023	8,375M	5.0000
09/01/2024	8,795M	5.0000
09/01/2025	9,235M	5.0000
09/01/2026	9,700M	5.2500
09/01/2027	10,195M	5.0000
09/01/2028	10,700M	5.0000
09/01/2029	11,245M	5.0000
09/01/2030	11,805M	5.0000
09/01/2031	12,400M	5.0000
09/01/2032	9,685M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

[Upcoming Calendar](#) | [Overview](#) | [Result](#) | [Excel](#)

**Wells Fargo Bank, National Association -
Charlotte , NC's Bid**



Seattle

**\$226,300,000 Drainage and Wastewater Improvement and
Refunding Revenue Bonds, Series 2012**

For the aggregate principal amount of \$226,300,000.00, we will pay you \$255,057,588.35, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	4,215M	5.0000
09/01/2013	5,495M	5.0000
09/01/2014	5,605M	5.0000
09/01/2015	7,230M	5.0000
09/01/2016	7,450M	5.0000
09/01/2017	7,675M	4.0000
09/01/2018	7,995M	5.0000
09/01/2019	8,310M	5.0000
09/01/2020	8,650M	5.0000
09/01/2021	8,995M	5.0000
09/01/2022	9,355M	5.0000
09/01/2023	8,375M	5.0000
09/01/2024	8,795M	5.0000
09/01/2025	9,235M	5.0000
09/01/2026	9,700M	5.0000
09/01/2027	10,195M	3.0000
09/01/2028	10,700M	5.0000
09/01/2029	11,245M	5.0000
09/01/2030	11,805M	5.0000
09/01/2031	12,400M	5.0000
09/01/2032	9,685M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

PARITY Bid Form

09/01/2033	3,435M	4.0000
09/01/2034	3,605M	4.0000
09/01/2035		
09/01/2036		
09/01/2037	11,935M	4.0000
09/01/2038		
09/01/2039		
09/01/2040		
09/01/2041		
09/01/2042	24,215M	4.1250

Total Interest Cost: \$147,395,229.86
Premium: \$28,757,588.35
Net Interest Cost: \$118,637,641.51
TIC: 3.398445
Time Last Bid Received On:06/06/2012 7:59:37 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Wells Fargo Bank, National Association, Charlotte , NC
Contact: Walker McQuage
Title: Managing Director
Telephone:704-374-4442
Fax: 704-383-0065

Issuer Name: City of Seattle Company Name: _____

Accepted By: _____ Accepted By: _____

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame...> 6/6/2012

EXHIBIT F

Form of Refunding Trust Agreement

THIS REFUNDING TRUST AGREEMENT (the "Refunding Trust Agreement") is made and entered into as of the 27th day of June, 2012, by and between THE CITY OF SEATTLE, WASHINGTON (the "City"), a municipal corporation, and THE BANK OF NEW YORK MELLON, a New York banking corporation (the "Refunding Trustee").

WHEREAS, the City now has outstanding \$48,880,000 par value of its Drainage and Wastewater Revenue Bonds, 2001, maturing on November 1 of each of the years 2012 through 2021, inclusive, 2025 and 2031, and bearing interest at various rates ranging from 4.50% to 5.25% (the "Refunded 2001 Bonds"); and

WHEREAS, the City now has outstanding \$60,440,000 par value of its Drainage and Wastewater Revenue and Refunding Bonds, 2002, maturing on July 1 of each of the years 2013 through 2021, inclusive, 2028 and 2032, and bearing interest at various rates ranging from 4.50% to 5.25% (the "Refunded 2002 Bonds"); and

WHEREAS, the City now has outstanding \$42,540,000 par value of its Drainage and Wastewater Revenue Bonds, 2004, maturing on September 1 of each of the years 2015 through 2025, inclusive, 2028, 2029 and 2032, and bearing interest at various rates ranging from 4.50% to 5.125% (the "Refunded 2004 Bonds"); and

WHEREAS, the Refunded 2001 Bonds, the Refunded 2002 Bonds and the Refunded 2004 Bonds are referred to herein as the "Refunded Bonds;" and

WHEREAS, pursuant to Ordinance 121938, as amended by Ordinance 122209, Ordinance 123753 and Resolution 31387 of the City (collectively, the "Bond Legislation"), the City has determined that the Refunded Bonds be refunded out of the proceeds of the sale of its Drainage and Wastewater Improvement and Refunding Revenue Bonds, 2012 (the "Bonds"), for the purpose of realizing a debt service savings for the City; and

WHEREAS, the payment, through refunding of the Refunded Bonds will be accomplished pursuant to this Refunding Trust Agreement (including Exhibit A attached hereto) and the Bond Legislation, which documents provide for and, for the purpose of Sections 103, 148, and 149(d) of the Internal Revenue Code of 1986, as amended (the "Code"), are to be considered as the Refunding Plan, by:

(a) The delivery by the City to the Refunding Trustee of the proceeds of the Bonds allocated to the Refunding Plan [and other money of the City];

(b) The purchase by the Refunding Trustee of the noncallable direct obligations of the United States of America listed on Exhibit A attached hereto and made a part hereof by this reference or substituted obligations purchased pursuant to Section 2 of this Refunding Trust Agreement (the "Acquired Obligations") at or prior to the date the Bonds are delivered to the original purchaser thereof and the City receives full payment therefor (the "Date of Closing"), which Acquired Obligations satisfy the requirements of the Verification described in paragraph (c);

1 (c) The delivery to the City and the Refunding Trustee of a verification (the
2 "Verification") by a nationally recognized independent certified public accounting firm
3 verifying the mathematical accuracy of the computations (which computations shall be
4 attached to that report) showing that the Acquired Obligations to be purchased by the
5 Refunding Trustee pursuant to the Bond Legislation and this Refunding Trust Agreement,
6 together with the specified beginning cash balance, if any, and the maturing principal of
7 and interest on such Acquired Obligations, will provide sufficient money (assuming that
8 all principal of and interest on the Acquired Obligations are paid on the due dates thereof
9 and assuming no reinvestment of such maturing principal and interest) to:

6 (i) pay interest on the Refunded 2001 Bonds when due up to and
7 including July 27, 2012, and on July 27, 2012, call, pay, and redeem all of the
8 outstanding Refunded 2001 Bonds at a price of par; and

8 (ii) pay interest on the Refunded 2002 Bonds when due up to and
9 including July 27, 2012, and on July 27, 2012, call, pay, and redeem all of the
10 outstanding Refunded 2002 Bonds at a price of par; and

10 (iii) pay interest on the Refunded 2004 Bonds when due up to and
11 including September 1, 2014, and on September 1, 2014, call, pay, and redeem all of the
12 outstanding Refunded 2004 Bonds at a price of par; and

12 (d) The receipt by the Refunding Trustee of the maturing installments of
13 principal of and interest on the Acquired Obligations; and

13 (e) The Refunding Trustee's payment to the fiscal agent of the State of
14 Washington (the "Fiscal Agent") of money sufficient to make the payments on the
15 Refunded Bonds set forth herein;

16 and

17 WHEREAS, upon the issuance of the Bonds allocable to the Refunding Plan under the authority
18 of chapter 39.53 RCW and other laws of the State of Washington (collectively, the "Refunding Bond
19 Act"), the principal amounts of the Refunded Bonds no longer shall be considered outstanding pursuant to
20 the defeasance provisions of Ordinance 120386 and Resolution 30347 that authorized the issuance of the
21 Refunded 2001 Bonds, the defeasance provisions of Ordinance 120386, Ordinance 120965 and
22 Resolution 30548 that authorized the issuance of the Refunded 2002 Bonds, and the defeasance
23 provisions of Ordinance 121551 and Resolution 30716 that authorized the issuance of the Refunded 2004
24 Bonds (together, the "Refunded Bond Legislation"); and

22 WHEREAS, the City Council of the City has found that the carrying out of the Refunding Plan,
23 through the issuance of the Bonds, is beneficial and will realize a debt service savings to the City and its
24 ratepayers; and

24 WHEREAS, the City Council of the City, pursuant to the Bond Legislation, has duly and validly
25 authorized the execution and delivery of this Refunding Trust Agreement, the delivery of the proceeds of
26 the Bonds allocated to the Refunding Plan to the Refunding Trustee, the purchase by the Refunding
27 Trustee of the Acquired Obligations and the carrying out of the Refunding Plan;

1 NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and for the
benefit of the City, the parties hereto agree as follows:

2 Section 1. Delivery of Money to Refunding Trustee. On the Date of Closing, the City shall cause
3 to be delivered to the Refunding Trustee all of the proceeds of the refunding portion of the Bonds.

4 Section 2. Investment and Expenditure of Money. On the Date of Closing, the Refunding
Trustee shall apply \$ _____ to pay on behalf of the City the purchase and/or subscription prices of
5 the Acquired Obligations, from the sources, in the principal amounts, with the dates of maturity and
6 bearing the interest rates or yields set forth in Exhibit A, and \$ _____ to establish a beginning cash
7 balance. Upon receipt thereof, the Refunding Trustee shall deliver to the City copies of the documents
evidencing the purchase of and payment for the Acquired Obligations. Investments in mutual funds and
unit investment trusts are prohibited.

8 Section 3. Sufficiency of Acquired Obligations. Based upon the Verification, the City represents
9 that the Acquired Obligations and the maturing principal thereof and the interest thereon, if paid when
due, together with the beginning cash balance, shall be sufficient to make when due the payments
10 required by the Refunding Plan. Such amounts coming due are sometimes referred to hereinafter as the
"payments described in Section 3." The schedules of the sources, amounts, maturities, and interest rates
11 or yields of the Acquired Obligations and of the Refunded Bonds that will fulfill the foregoing
requirements are set forth in the Verification.

12 Section 4. Collection of Proceeds of Acquired Obligations and Application of Such Proceeds and
13 Money. The Refunding Trustee shall present for payment and shall collect and receive on the due dates
thereof the maturing installments of the principal of and the interest on the Acquired Obligations and any
14 Substitute Obligations (defined hereinafter). The Refunding Trustee shall make payments, but only in the
amounts received pursuant to this section, in a timely manner to the Fiscal Agent of the amounts to be
15 paid on the Refunded Bonds as shown in the Verification. Those payments shall be made by check, wire
transfer, or such other method of transfer of funds as shall be agreed upon by the Refunding Trustee and
16 the Fiscal Agent.

17 Section 5. Notice of Defeasance/Notice of Redemption. The Refunding Trustee agrees to give
18 notice of defeasance and notice of redemption of the Refunded Bonds pursuant to the terms of the
Refunded Bonds, and in substantially the forms attached hereto as and as described in Exhibits B, C, D
19 and E, to the Fiscal Agent for distribution as described therein. The notices of redemption and defeasance
of the Refunded 2001 Bonds and the Refunded 2002 Bonds and the notice of defeasance of the Refunded
20 2004 Bonds shall be given immediately following the execution of this Refunding Trust Agreement, and
the notice of redemption of the Refunded 2004 Bonds shall be given in accordance with the Refunded
21 Bond Legislation. The cost of giving the notices shall be paid by the City.

22 Section 6. All Obligations and Money and Proceeds Thereof Held in Trust. The Refunding
Trustee irrevocably agrees to hold the Acquired Obligations, the Substitute Obligations, if any, the
23 principal thereof and interest thereon, and any other money it may receive pursuant to this Refunding
Trust Agreement and any reinvestments thereof made pursuant to Sections 8 and 9 hereof, in trust and
24 separate at all times from all other funds and investments held by the Refunding Trustee, solely for the
purpose of making the payments described in Section 3. The City irrevocably conveys, transfers, and
25 assigns to the Refunding Trustee the Acquired Obligations, any Substitute Obligations, the principal
thereof and the interest thereon, and any other money and investments deposited with the Refunding
26 Trustee.

1 Trustee pursuant to this Refunding Trust Agreement, for the purpose of making such payments. The
2 Refunding Trustee shall not sell, transfer, assign, or hypothecate any Acquired Obligations,
reinvestments, or Substitute Obligations except pursuant to Sections 8, 9, 13 and 14 hereof.

3 Section 7. Reports and Notice of Insufficiency. The Refunding Trustee shall submit a report to
4 the City, at least semiannually, which report shall set forth the cash, Acquired Obligations, and any
5 Substitute Obligations held hereunder by the Refunding Trustee, the obligations which have matured and
6 amounts received by the Refunding Trustee by reason of such maturity, the interest earned on such
7 obligations, a list of any investments or reinvestments made by the Refunding Trustee in other obligations
8 and the interest and/or principal derived therefrom, the amounts paid to the Fiscal Agent, and any other
9 transaction of the Refunding Trustee pertaining to its duties and obligations as set forth herein. If the
10 Refunding Trustee becomes aware that the maturing principal of and interest on the Acquired Obligations
11 and other money held by the Refunding Trustee pursuant to this Refunding Trust Agreement shall be
12 insufficient to make the payments described in Section 3, the Refunding Trustee shall give the City
13 prompt notice of such insufficiency or projected insufficiency.

14 Section 8. Substitution of Different Obligations or Other Investments. The City reserves the
15 right to substitute from time to time for Acquired Obligations initially purchased in accordance with
16 Section 2 hereof, or for obligations purchased under this section, other noncallable, nonprepayable direct
17 obligations of the United States of America and/or obligations unconditionally guaranteed by the United
18 States of America as to full and timely payment of principal and interest authorized to be acquired with
19 the proceeds of Bonds under the Refunding Bond Act (the "Substitute Obligations"). Prior to effecting
20 any such substitution, the City shall have obtained at its expense and delivered to the Refunding Trustee:

21 (a) A verification by a nationally recognized independent certified public
22 accounting firm acceptable to the Refunding Trustee confirming that the maturing
23 principal of and interest on the Substitute Obligations and any remaining Acquired
24 Obligations to be held by the Refunding Trustee in the refunding escrow, if paid when
25 due and assuming no reinvestment thereof, together with any other cash then held by the
26 Refunding Trustee, will be sufficient to carry out the Refunding Plan and make all
27 remaining payments described in Section 3; and

28 (b) An opinion from Foster Pepper PLLC, bond counsel to the City, its
successor or other nationally recognized bond counsel to the City ("Bond Counsel"), that
the disposition and substitution or purchase of such securities, under the statutes, rules,
and regulations then in force and applicable to the Bonds, will not cause the interest on
the Bonds or the Refunded Bonds to be included in gross income for federal income tax
purposes and that such disposition and substitution or purchase is in compliance with the
statutes and regulations applicable to the Bonds.

If the verification delivered to the Refunding Trustee pursuant to Section 8(a) shows that surplus money
not needed to make the payments described in Section 3 will result from the sale, transfer, or other
disposition of Acquired Obligations and the substitution of Substitute Obligations therefor, that surplus
money at the written request of the City shall be released from the trust estate and shall be transferred to
the City to be used for any lawful City purpose, subject to any restrictions stated in the opinion of bond
counsel required by Section 8(b).

1 Section 9. Reinvestment of Proceeds of Acquired and/or Substitute Obligations. The proceeds
2 (principal and interest) and reinvestment proceeds of any Acquired Obligations and/or Substitute
3 Obligations held by the Refunding Trustee in accordance with this Refunding Trust Agreement, which are
4 not needed within five business days of the receipt thereof to make the payments described in Section 3,
5 shall be reinvested by the Refunding Trustee, but only upon receipt of written request of the City, on such
6 date of receipt or the next business day. The City shall direct such reinvestment subject to the following
7 conditions:

8 (a) Except as provided in subsection (c) below, the proceeds of such
9 Acquired Obligations and/or Substitute Obligations shall be reinvested in Substitute
10 Obligations at a yield that will not cause the composite yield on the refunding escrow to
11 exceed ____% during its term or such higher yield as may be directed by letter of
12 instructions from the City to the Refunding Trustee, but if the composite yield on the
13 directed investments made pursuant to this Refunding Trust Agreement would exceed
14 ____%, such letter of instructions shall contain a verification of such composite yield
15 and shall be based upon and accompanied by the opinion of Bond Counsel, approving
16 reinvestment of such proceeds at such higher yield.

17 (b) The obligations in which such proceeds are reinvested shall mature in an
18 amount at least equal to their purchase price on the date or dates directed by the City, but
19 not later than the date (as shown by the then most recent certified public accountant
20 verification) the principal thereof is needed to make the payments described in Section 3;

21 (c) If such proceeds, together with other funds remaining in trust, are
22 insufficient to reinvest in the smallest denomination of such obligations or are required to
23 be used to make payments described in Section 3 sooner than the shortest maturity
24 available for such obligations, then those proceeds and funds either shall be converted to
25 United States currency and retained or shall remain uninvested in the refunding escrow
26 and carried on the books of the Refunding Trustee until required to make the payments
27 described in Section 3, or until sufficient money is accumulated to permit the investment
28 thereof;

(d) "Yield," as used in paragraph (a) of this section with respect to the
Acquired Obligations and Substitute Obligations, means that yield computed in
accordance with and permitted by the Code applicable to the Bonds and the trust under
this Refunding Trust Agreement so as to preserve the exclusion from gross income for
federal income tax purposes of the interest on the Bonds; and

(e) The Refunding Trustee, prior to making such reinvestment, shall receive:
(i) a verification by a nationally recognized independent certified public accounting firm
confirming that after such reinvestment, the assets and funds held by the Refunding
Trustee pursuant to this Refunding Trust Agreement will be sufficient to carry out the
Refunding Plan and make all remaining payments described in Section 3; and (ii) an
opinion from Bond Counsel that such reinvestment will not cause the interest on the
Refunded Bonds to be included in gross income for federal income tax purposes.

The Refunding Trustee may make any and all investments permitted by the provisions of this Section
through its own investment department or the investment departments of any of its affiliates.

1 Section 10. Amendments to Refunding Trust Agreement. The Refunding Trustee and the City
2 recognize that the owners of the Refunded Bonds and the Bonds from time to time have a beneficial
3 interest in the Acquired Obligations, the Substitute Obligations, and money to be held by the Refunding
4 Trustee as herein provided. Therefore, this Refunding Trust Agreement is irrevocable and shall not be
5 subject to amendment except for the purpose of clarifying any ambiguity herein, increasing the protection
6 of the rights of the owners of the Refunded Bonds or the Bonds, or preserving the exclusion of the interest
7 on the Refunded Bonds and the Bonds from gross income for federal income tax purposes, and only if
8 such amendment is accompanied by an opinion addressed to the City and the Refunding Trustee from
9 Bond Counsel, to the effect that such change is necessary for one of the above reasons and does not
10 detrimentally affect the owners of the outstanding Refunded Bonds and the Bonds or that it strengthens
11 the protection of the owners of the Refunded Bonds and the Bonds and does not detrimentally affect the
12 owners of the Refunded Bonds and the Bonds. If such amendment affects the amount of money and
13 investments in the escrow account or the application thereof, prior to the amendment's taking effect there
14 also shall be a verification by a nationally recognized independent certified public accounting firm
15 satisfactory to the Refunding Trustee to the effect that after such amendment the Acquired Obligations,
16 Substitute Obligations, and other money in the escrow account will be sufficient to make the payments
17 described in Section 3. A copy of such verification shall be delivered to the Refunding Trustee.

18 Section 11. Limitation of Liability of Refunding Trustee. None of the provisions contained in
19 this Refunding Trust Agreement shall require the Refunding Trustee to use or advance its own funds in
20 the performance of any of its duties or the exercise of any of its rights or powers hereunder. The
21 Refunding Trustee shall be under no liability for the payment of interest on any funds or other property
22 received by it hereunder except to the extent the Refunding Trustee is required by the express terms of
23 this Refunding Trust Agreement to invest such funds.

24 The Refunding Trustee undertakes to perform such duties and only such duties as are specifically
25 set forth in this Refunding Trust Agreement, and no implied covenants or obligations shall be read into
26 this Refunding Trust Agreement against the Refunding Trustee. The Refunding Trustee shall not be
27 liable except for its negligence or willful misconduct hereunder. The Refunding Trustee may
28 conclusively rely and shall be fully protected in acting or refraining from acting upon any ordinance,
certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper
or document believed by it to be genuine and to have been signed or presented by the proper party or
parties. The Refunding Trustee may consult with counsel and the advice or any opinion of counsel shall
be full and complete authorization and protection in respect of any action taken or omitted by it hereunder
in good faith and in accordance with such advice or opinion of counsel. The Refunding Trustee may
execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or
through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible
for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so
appointed.

Anything in this Refunding Trust Agreement to the contrary notwithstanding, in no event shall
the Refunding Trustee be liable for special, indirect, punitive or consequential loss or damage of any kind
whatsoever (including but not limited to lost profits), even if the Refunding Trustee has been advised of
the likelihood of such loss or damage and regardless of the form of action.

The Refunding Trustee agrees to accept and act upon instructions or directions pursuant to this
Refunding Trust Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured
electronic methods, provided, however, that, the Refunding Trustee shall have received an incumbency

1 certificate listing persons designated to give such instructions or directions and containing specimen
2 signatures of such designated persons, which such incumbency certificate shall be amended and replaced
3 whenever a person is to be added or deleted from the listing. If the City elects to give the Refunding
4 Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Refunding
5 Trustee in its discretion elects to act upon such instructions, the Refunding Trustee's reasonable
6 understanding of such instructions shall be deemed controlling. The Refunding Trustee shall not be liable
7 for any losses, costs or expenses arising directly or indirectly from the Refunding Trustee's reliance upon
8 and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with
9 a subsequent written instruction. The City agrees to assume all risks arising out of the use of such
10 electronic methods to submit instructions and directions to the Refunding Trustee, including without
11 limitation the risk of the Refunding Trustee acting on unauthorized instructions, and the risk of
12 interception and misuse by third parties.

13 The Refunding Trustee's liabilities and obligations in connection with this Refunding Trust
14 Agreement are confined to those specifically described herein. The Refunding Trustee is authorized and
15 directed to comply with the provisions of this Refunding Trust Agreement and is relieved from all
16 liability for so doing notwithstanding any demand or notice to the contrary by any party hereto. The
17 Refunding Trustee shall not be responsible or liable for the sufficiency, correctness, genuineness, or
18 validity of the Acquired Obligations or the Substitute Obligations deposited with it; the performance or
19 compliance by any party other than the Refunding Trustee with the terms or conditions of any such
20 instruments; or any loss which may occur by reason of forgeries, false representations, or the exercise of
21 the Refunding Trustee's discretion in any particular manner unless such exercise is negligent or
22 constitutes willful misconduct.

23 If any controversy arises between the City and any third person, the Refunding Trustee shall not
24 be required to determine the same or to take any action in the premises, but it may institute, in its
25 discretion, an interpleader or other proceedings in connection therewith as it may deem proper, and in
26 following either course, it shall not be liable.

27 Section 12. City Deposit of Additional Money. The City agrees that it will deposit with the
28 Refunding Trustee in time to make the then-current scheduled debt service payment the additional money
specified in the Refunding Trustee's notice of insufficiency given pursuant to Section 7 hereof.

Section 13. Remittance of Funds When Refunded Bonds Paid in Full. At such time as the
Refunding Trustee has received the representation of the City that all of the payments described in
Section 3 have been made and the confirmation of such representation by the Fiscal Agent, together with
such other evidence of such payments as shall be satisfactory to the City and the Refunding Trustee, the
Refunding Trustee shall deliver forthwith or remit to the City any remaining Acquired Obligations,
Substitute Obligations, and money held pursuant to this Refunding Trust Agreement.

Section 14. Compensation of Refunding Trustee. The payment arrangement heretofore made
between the Refunding Trustee and the City on compensation and expenses of the Refunding Trustee for
services rendered by it pursuant to the provisions of this Refunding Trust Agreement is satisfactory to it
and to the City, and no further payment to the Refunding Trustee shall be required for such purpose.
Such arrangement for compensation and expenses is intended as compensation for the ordinary services
as contemplated by this Refunding Trust Agreement, and if the Refunding Trustee renders any service
hereunder not provided for in this Refunding Trust Agreement, or the Refunding Trustee is made a party
to or intervenes in any litigation pertaining to this Refunding Trust Agreement or institutes interpleader

1 proceedings relative hereto, the Refunding Trustee shall be compensated reasonably by the City for such
2 extraordinary services and reimbursed for all fees, costs, liability, and expenses (including reasonable
3 attorneys' fees and expenses) occasioned thereby. The Refunding Trustee shall not have a lien against or
4 otherwise be compensated for its services and expenses from the money, Acquired Obligations, and
5 Substitute Obligations held pursuant to this Refunding Trust Agreement to make the payments described
6 in Section 3.

7 Section 15. Successor Refunding Trustee. The obligations assumed by the Refunding Trustee
8 pursuant to this Refunding Trust Agreement may be transferred by the Refunding Trustee to a successor if
9 (a) the successor trustee has presented evidence satisfactory to the City and to Bond Counsel that the
10 successor trustee meets the requirements of RCW 39.53.070, as now in effect or hereafter amended; (b)
11 the City approves the appointment of the successor trustee; (c) the successor trustee has assumed all of the
12 obligations of the Refunding Trustee under this Refunding Trust Agreement and has been compensated;
13 and (d) all of the Acquired Obligations, reinvestments, Substitute Obligations, and money then held by
14 the Refunding Trustee pursuant to this Refunding Trust Agreement have been duly transferred to such
15 successor trustee. If a successor trustee is not appointed within 30 days of the Refunding Trustee's giving
16 notice of its resignation or its removal, the Refunding Trustee shall be entitled to petition a court of
17 competent jurisdiction for the appointment of a successor.

18 Notwithstanding anything to the contrary contained in this Refunding Trust Agreement, any
19 company into which the Refunding Trustee may be merged or converted or with which it may be
20 consolidated or any company resulting from any merger, conversion, or consolidation to which the
21 Refunding Trustee is a party, or any company to which the Refunding Trustee may sell or transfer all or
22 substantially all of its corporate trust business shall be the successor to the Refunding Trustee without
23 execution or filing of any paper or further act, if such company is eligible to serve as Refunding Trustee
24 under RCW 39.53.070.

25 Section 16. Miscellaneous. This Refunding Trust Agreement is governed by Washington law
26 without regard to the conflict of laws provisions thereof and may not be modified except by a writing
27 signed by the parties and subject to the limitations of Section 10. If any one or more of the provisions
28 contained in this Refunding Trust Agreement shall for any reason be held to be invalid, illegal, or
unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other
provisions of this Refunding Trust Agreement, but this Refunding Trust Agreement shall be construed as
if such invalid, illegal, or unenforceable provision had never been contained herein.

Section 17. Notice to Rating Agencies. The Refunding Trustee shall notify all national rating
agencies maintaining (at the request of the City) a rating on the Refunded Bonds or the Bonds, in writing
upon timely receipt of notice or evidence of either of the following circumstances:

(a) Prior to their taking effect, any amendments to this Refunding Trust
Agreement under Section 10, enclosing the proposed amendatory documents; and

(b) The holding (referred to in Section 16) that one or more provisions of
this Refunding Trust Agreement are invalid, illegal, or unenforceable in any respect,
enclosing a copy of that holding.

Such notices shall be sent to the applicable rating agencies by first class mail to the addresses advised by
those rating agencies.

Section 18. Counterparts. This Refunding Trust Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed and delivered this Refunding Trust Agreement pursuant to due and proper authorization, all as of the date and year first above written.

THE CITY OF SEATTLE, WASHINGTON

THE BANK OF NEW YORK MELLON, as
Refunding Trustee

By _____
Director of Finance

By _____
Title: _____

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A

THE CITY OF SEATTLE, WASHINGTON
DRAINAGE AND WASTEWATER IMPROVEMENT AND REFUNDING REVENUE BONDS,
2012

ACQUIRED OBLIGATIONS

<u>TYPE*</u>	<u>MATURITY DATE</u>	<u>PAR AMOUNT</u>	<u>INTEREST RATE</u>
--------------	--------------------------	-----------------------	--------------------------

*CERT -	United States Treasury Certificate of Indebtedness--State and Local Government Series		
NOTE -	United States Treasury Note--State and Local Government Series		

EXHIBIT B

Notice of Defeasance*
The City of Seattle, Washington
Drainage and Wastewater Revenue Bonds, 2001

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington (the "City"), has called for redemption on July 27, 2012, all of its then-outstanding Drainage and Wastewater Revenue Bonds, 2001 (the "Refunded Bonds").

The Refunded Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to July 27, 2012. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

[By Mail or in Person]

-or-

[In Person Only]

The Bank of New York Mellon
Worldwide Securities Processing
2001 Bryan Street, 9th Floor
Dallas, TX 75201

Any branch of Wells Fargo Bank,
National Association in the State of
Washington

Interest on all Refunded Bonds or portions thereof which are redeemed shall cease to accrue on July 27, 2012.

The following Bonds are being redeemed:

The City of Seattle, Washington
Drainage and Wastewater Revenue Bonds, 2001
(Dated July 1, 2001)

Maturity Date (Nov. 1)	Par Amount Defeased	Interest Rate	Call Date (at 100%)	CUSIP Nos.
2012	\$ 1,465,000	4.50%	07/27/2012	812631AM1
2013	1,535,000	4.625	07/27/2012	812631AN9
2014	1,605,000	4.75	07/27/2012	812631AP4
2015	1,685,000	4.80	07/27/2012	812631AQ2
2016	1,765,000	5.00	07/27/2012	812631AR0
2017	1,855,000	5.00	07/27/2012	812631AS8
2018	1,950,000	5.00	07/27/2012	812631AT6
2019	2,050,000	5.10	07/27/2012	812631AU3
2020	2,160,000	5.125	07/27/2012	812631AV1
2021	2,270,000	5.125	07/27/2012	812631AW9
2025*	10,350,000	5.25	07/27/2012	812631BA6
2031*	20,190,000	5.25	07/27/2012	812631BG3

* Term Bonds

The City of Seattle, Washington, and the Bond Registrar shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. They are included solely for the convenience of the holders.

* This notice shall be given immediately by first class mail to each registered owner of the Refunded Bonds and to the Municipal Securities Rulemaking Board. In addition, notice shall be mailed to Moody's Investors Services, Inc.; Standard and Poor's; Financial Guaranty Insurance Company, New York, New York (Reserve Fund Policy No. 01010674); The Depository Trust Company; and to the Municipal Securities Rulemaking Board.

1 NOTICE IS FURTHER GIVEN to the owners of the Refunded Bonds that, pursuant to the Refunding Trust
2 Agreement dated as of June 27, 2012, by and between the City, and The Bank of New York Mellon (the "Refunding
3 Trustee"), there has been deposited into an escrow account, held by the Refunding Trustee, cash and non-callable
4 direct obligations of the United States of America, the principal of and interest on which, when due, will provide
5 money to the redemption date the principal thereof and interest on the Refunded Bonds. Such Refunded Bonds are
6 therefore deemed to be no longer outstanding pursuant to Section 22 of Ordinance 120386 of the City relating to the
7 Refunded Bonds, but will be paid by application of the assets in such escrow account.

8 **By Order of The City of Seattle, Washington**

9 **The Bank of New York Mellon, as Paying Agent**

10 Dated: _____

11 Under Section 3406(a)(1) of the Internal Revenue Code the Bond Registrar may be obligated to withhold a
12 percentage of the principal of a holder who has failed to furnish the Bond Registrar with a valid taxpayer
13 identification number and a certification that the owner is not subject to backup withholding. Owners who wish to
14 avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their
15 certificates for payment.
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT C

Notice of Defeasance*
The City of Seattle, Washington
Drainage and Wastewater Revenue and Refunding Bonds, 2002

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington (the "City"), has called for redemption on July 27, 2012, all of its then-outstanding Drainage and Wastewater Revenue and Refunding Bonds, 2002 (the "Refunded Bonds").

The Refunded Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to July 27, 2012. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

[By Mail or in Person]

-or-

[In Person Only]

The Bank of New York Mellon
Worldwide Securities Processing
2001 Bryan Street, 9th Floor
Dallas, TX 75201

Any branch of Wells Fargo Bank,
National Association in the State of
Washington

Interest on all Refunded Bonds or portions thereof which are redeemed shall cease to accrue on July 27, 2012.

The following Bonds are being redeemed:

The City of Seattle, Washington
Drainage and Wastewater Revenue and Refunding Bonds, 2002
(Dated December 1, 2002)

Maturity Date (July. 1)	Par Amount Defeased	Interest Rate	Call Date (at 100%)	CUSIP Nos.
2013	\$ 2,340,000	4.50%	07/27/2012	812631BT5
2014	2,450,000	4.75	07/27/2012	812631BU2
2015	2,560,000	4.75	07/27/2012	812631BV0
2016	2,680,000	5.20	07/27/2012	812631BW8
2017	2,820,000	5.25	07/27/2012	812631BX6
2018	2,975,000	5.25	07/27/2012	812631BY4
2019	3,130,000	5.25	07/27/2012	812631BZ1
2020	3,295,000	5.25	07/27/2012	812631CA5
2021	3,465,000	5.25	07/27/2012	812631CB3
2028*	20,455,000	5.00	07/27/2012	812631CJ6
2032*	14,270,000	5.00	07/27/2012	812631CN7

* Term Bonds

* This notice shall be given immediately by first class mail to each registered owner of the Refunded Bonds and to the Municipal Securities Rulemaking Board. In addition, notice shall be mailed to Moody's Investors Services, Inc.; Standard and Poor's; Financial Guaranty Insurance Company, New York, New York (Reserve Fund Policy No. 02011529); The Depository Trust Company; and to the Municipal Securities Rulemaking Board.

1 The City of Seattle, Washington, and the Bond Registrar shall not be responsible for the selection or use of
2 the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as
printed on any Bond. They are included solely for the convenience of the holders.

3 NOTICE IS FURTHER GIVEN to the owners of the Refunded Bonds that, pursuant to the Refunding Trust
4 Agreement dated as of June 27, 2012, by and between the City, and The Bank of New York Mellon (the "Refunding
5 Trustee"), there has been deposited into an escrow account, held by the Refunding Trustee, cash and non-callable
6 direct obligations of the United States of America, the principal of and interest on which, when due, will provide
money to the redemption date the principal thereof and interest on the Refunded Bonds. Such Refunded Bonds are
therefore deemed to be no longer outstanding pursuant to Section 19 of Ordinance 102965 of the City relating to the
Refunded Bonds, but will be paid by application of the assets in such escrow account.

7 **By Order of The City of Seattle, Washington**

8 **The Bank of New York Mellon, as Paying Agent**

9 Dated: _____

10 Under Section 3406(a)(1) of the Internal Revenue Code the Bond Registrar may be obligated to withhold a
11 percentage of the principal of a holder who has failed to furnish the Bond Registrar with a valid taxpayer
12 identification number and a certification that the owner is not subject to backup withholding. Owners who wish to
13 avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their
14 certificates for payment.
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT D

Notice of Defeasance*
The City of Seattle, Washington
Drainage and Wastewater Revenue Bonds, 2004

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds that, pursuant to the Refunding Trust Agreement dated as of June 27, 2012, by and between The City of Seattle, Washington (the "City"), and The Bank of New York Mellon (the "Refunding Trustee"), there has been deposited into an escrow account, held by the Refunding Trustee, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Refunded Bonds"). Such Refunded Bonds are therefore deemed to be no longer outstanding pursuant to Section 19 of Ordinance 121551 of the City relating to the Refunded Bonds, but will be paid by application of the assets in such escrow account.

The Refunded Bonds are described as follows:

The City of Seattle, Washington
Drainage and Wastewater Revenue Bonds, 2004
(Dated October 28, 2004)

<u>Maturity Date</u> (Sept. 1)	<u>Par Amount</u> <u>Defeased</u>	<u>Interest</u> <u>Rate</u>	<u>Call Date</u> (at 100%)	<u>CUSIP</u> <u>Nos.</u>
2015	\$1,520,000	5.00%	09/01/2014	812631DY2
2016	1,595,000	5.00	09/01/2014	812631DZ9
2017	1,675,000	5.00	09/01/2014	812631EA3
2018	1,760,000	5.00	09/01/2014	812631EB1
2019	1,850,000	5.00	09/01/2014	812631EC9
2020	1,940,000	5.00	09/01/2014	812631ED7
2021	2,035,000	5.00	09/01/2014	812631EE5
2022	2,140,000	5.00	09/01/2014	812631EF2
2023	2,245,000	5.00	09/01/2014	812631EG0
2024	2,360,000	5.00	09/01/2014	812631EH8
2025	2,475,000	4.50	09/01/2014	812631EJ4
2028*	8,140,000	4.75	09/01/2014	812631EL9
2029	2,975,000	4.70	09/01/2014	812631EK1
2032*	9,830,000	5.125	09/01/2014	812631EM7

* Term Bonds

The City of Seattle, Washington, and the Bond Registrar shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. They are included solely for the convenience of the holders.

* This notice shall be given immediately by first class mail to each registered owner of the Refunded Bonds and to the Municipal Securities Rulemaking Board.

THE BANK OF NEW YORK MELLON,
as Refunding Trustee

Dated: _____

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

EXHIBIT E

Notice of Redemption *

**The City of Seattle, Washington
Drainage and Wastewater Revenue Bonds, 2004**

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington, has called for redemption on September 1, 2014, certain of its then-outstanding Drainage and Wastewater Revenue Bonds, 2004 (the "Bonds").

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to September 1, 2014. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

[By Mail or in Person]

-or-

[In Person Only]

The Bank of New York Mellon
Worldwide Securities Processing
2001 Bryan Street, 9th Floor
Dallas, TX 75201

Any branch of Wells Fargo
Bank, National Association in the
State of Washington

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on September 1, 2014.

The following Bonds are being redeemed:

<u>Maturity Date</u> (Sept. 1)	<u>Par Amount</u> Defeased	<u>Interest</u> Rate	<u>CUSIP</u> Nos.
2015	\$1,520,000	5.00%	812631DY2
2016	1,595,000	5.00	812631DZ9
2017	1,675,000	5.00	812631EA3
2018	1,760,000	5.00	812631EB1
2019	1,850,000	5.00	812631EC9
2020	1,940,000	5.00	812631ED7
2021	2,035,000	5.00	812631EE5
2022	2,140,000	5.00	812631EF2
2023	2,245,000	5.00	812631EG0
2024	2,360,000	5.00	812631EH8
2025	2,475,000	4.50	812631EJ4
2028*	8,140,000	4.75	812631EL9

* This notice shall be given not less than 30 nor more than 60 days prior to September 1, 2014, by first class mail, postage prepaid, to each registered owner of the redeemed bonds. In addition, notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York; UBS Financial Services Inc., at its principal office in New York, New York; MBIA Insurance Corporation at its principal office in Armonk, New York (Surety Bond No. 45119(2) and Policy No. 45119(1)); The Depository Trust Company of New York, New York, and the Municipal Securities Rulemaking Board.

1	2029	2,975,000	4.70	812631EK1
2	2032*	9,830,000	5.125	812631EM7
3	* Term Bonds			

4 The City of Seattle, Washington, and the Bond Registrar shall not be responsible for the
5 selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness
6 indicated in the notice or as printed on any Bond. They are included solely for the convenience of the
7 holders

8 **By Order of The City of Seattle, Washington**

9 **The Bank of New York Mellon, as Paying Agent**

10 Dated: _____

11 Under Section 3406(a)(1) of the Internal Revenue Code the Registrar may be obligated to withhold a percentage of
12 the principal of a holder who has failed to furnish the Registrar with a valid taxpayer identification number and a
13 certification that the owner is not subject to backup withholding. Owners who wish to avoid the application of these
14 provisions should submit a completed IRS Form W-9 when presenting their certificates for payment.
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATE OF WASHINGTON – KING COUNTY

--ss.

285663
CITY OF SEATTLE, CLERKS OFFICE

No. 31387

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT: TITLE ONLY RESOLUTION

was published on

06/25/12

The amount of the fee charged for the foregoing publication is the sum of \$ 55.80, which amount has been paid in full.



Affidavit of Publication



Subscribed and sworn to before me on

06/25/12



Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle Title Only Ordinance

The full text of the following legislation, passed by the City Council on June 6, 2012, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Contact: Office of the City Clerk at (206) 684-8344.

RESOLUTION NO. 31387

A RESOLUTION providing for the sale and issuance of The City of Seattle, Washington, Drainage and Wastewater Improvement and Refunding Revenue Bonds, 2012; specifying the amount, maturities, interest rates and other terms of the bonds; providing for the payment of part of the cost of the Plan of Additions to the Drainage and Wastewater System of the City, the Reserve Requirement and the refunding of certain of the City's outstanding bonds of the Drainage and Wastewater System, and the payment of the administrative costs of the refunding and costs of issuance and sale of the bonds; providing for the call, payment and redemption of the outstanding bonds to be refunded, appointing a refunding trustee and approving the form and execution of a refunding trust agreement, and authorizing the purchase of certain obligations and the use and application of money derived from those obligations; and ratifying and confirming certain prior acts.

Date of publication in the Seattle Daily Journal of Commerce, June 25, 2012.

6/25(285663)