



SEATTLE CITY COUNCIL

Legislative Summary

Res 31674

Record No.: Res 31674

Type: Resolution (Res)

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In Control: City Clerk

File Created: 06/03/2016

Final Action: 06/14/2016

Title: A RESOLUTION relating to contracting indebtedness; confirming, ratifying and approving certain terms of the issuance and sale of The City of Seattle, Washington, Drainage and Wastewater System Improvement and Refunding Revenue Bonds, 2016, for the purposes set forth in Ordinance 124914 and in Ordinance 124338, as amended by Ordinance 124914; confirming, ratifying and approving actions taken and to be taken to provide for the refunding of certain outstanding bonds of the Drainage and Wastewater System of the City; confirming, ratifying and approving the notice of bond sale and other actions taken and to be taken in connection with the issuance of the bonds and their sale to the purchaser; and ratifying and confirming the actions of the Director of Finance and other City officials relating to the issuance and sale of the bonds.

Notes:

Date
Filed with City Clerk: 6/14/2016

Mayor's Signature: 6/14/2016

Sponsors: Harrell

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Exhibit A, Exhibit B, Exhibit C

Drafter: Emilia.Sanchez@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published: ☐ Yes ☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Full Council	06/08/2016	adopted				Pass
	Action Text: The Motion carried, the Resolution (Res) was adopted by the following vote, and the President signed the Resolution.						
	Notes: Motion was made and duly seconded to adopt Resolution 31674.						
		In Favor: 8	Councilmember Bagshaw, Councilmember Burgess, Councilmember González, Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien				
		Opposed: 0					

Legislative Summary Continued (Res 31674)

- 1 City Clerk 06/09/2016 submitted for Mayor
Mayor's signature
Action Text: The Resolution (Res) was submitted for Mayor's signature. to the Mayor
Notes:
- 1 Mayor 06/14/2016 Signed
Action Text: The Resolution (Res) was Signed.
Notes:
- 1 Mayor 06/14/2016 returned City Clerk
Action Text: The Resolution (Res) was returned. to the City Clerk
Notes:
- 1 City Clerk 06/14/2016 attested by City
Clerk
Action Text: The Resolution (Res) was attested by City Clerk.
Notes:
-

RESOLUTION 31674

A RESOLUTION relating to contracting indebtedness; confirming, ratifying and approving certain terms of the issuance and sale of The City of Seattle, Washington, Drainage and Wastewater System Improvement and Refunding Revenue Bonds, 2016, for the purposes set forth in Ordinance 124914 and in Ordinance 124338, as amended by Ordinance 124914; confirming, ratifying and approving actions taken and to be taken to provide for the refunding of certain outstanding bonds of the Drainage and Wastewater System of the City; confirming, ratifying and approving the notice of bond sale and other actions taken and to be taken in connection with the issuance of the bonds and their sale to the purchaser; and ratifying and confirming the actions of the Director of Finance and other City officials relating to the issuance and sale of the bonds.

WHEREAS, pursuant to Ordinance 124914 (the "New Money Ordinance"), the City authorized the issuance and sale of not to exceed \$140 million of its Drainage and Wastewater System revenue bonds in one or more series: (a) to pay part of the cost of carrying out the Plan of Additions (as defined in the New Money Ordinance); (b) to provide for a deposit to the Reserve Subaccount; (c) to capitalize interest on, if necessary, and pay the costs of issuance of the bonds; and (d) for other Drainage and Wastewater System purposes approved by ordinance; and

WHEREAS, pursuant to Ordinance 124338, as amended by Ordinance 124914 (the "Omnibus Refunding Bond Ordinance"), the City authorized the issuance of Drainage and Wastewater System revenue bonds for the purpose, among other things, of paying all or a part of the costs of refunding certain of the City's outstanding Drainage and Wastewater System revenue bonds; and

WHEREAS, pursuant to Ordinance 122637 and Resolution 31050 (together, the "Refunded Bond Legislation"), the City previously issued its Drainage and Wastewater Revenue Bonds, 2008 and reserved the right to call, pay and redeem those bonds maturing on and after June 1, 2019 prior to maturity at any time on or after June 1, 2018 at a price equal to the stated principal amount to be redeemed, plus accrued interest; and

WHEREAS, the New Money Ordinance and the Omnibus Refunding Bond Ordinance (together, the "Bond Ordinances") 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 certain Bond Sale Terms (as defined in the Bond Ordinances), within certain parameters set forth in the Bond Ordinances; and

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

WHEREAS, pursuant to the Bond Ordinances, a preliminary official statement dated May 31, 2016, for the public sale of the Bonds, including an official notice of that sale, was prepared and distributed, bids were received in accordance with the notice of bond sale, and the proposed sale of the Bonds to Morgan Stanley & Co. LLC has been recommended to the City Council for its approval with the interest rates and other Bond Sale Terms; NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THAT:

Section 1. Definitions. The meanings of capitalized terms used and not otherwise defined in this resolution shall be as set forth in the Bond Ordinances. In addition, the following terms as used in this resolution shall have the following meanings:

“Acquired Obligations” means those Government Obligations purchased to accomplish the refunding of the Refunded Bonds as identified in and in accordance with the Refunding Trust Agreement.

“Bond Legislation” means, collectively, the Bond Ordinances and this resolution.

“Bond Ordinances” means, together, the New Money Ordinance and the Omnibus Refunding Bond Ordinance.

“Bonds” means the \$160,910,000 aggregate principal amount of Drainage and Wastewater System Improvement and Refunding Revenue Bonds, 2016, issued pursuant to the Bond Legislation.

“New Money Ordinance” means Ordinance 124914 passed by the City Council on November 23, 2015.

“New Money Portion” means that portion of the Bonds identified in the allocation attached to the Tax Certificate to be executed by the Director of Finance as of the Issue Date.

“Omnibus Refunding Bond Ordinance” means Ordinance 124338, passed by the City Council on November 25, 2013 (which amended and restated Ordinance 121938, originally passed by the City Council on September 26, 2005 and subsequently amended by Ordinance 122209 (passed by the City Council on September 5, 2006) and Ordinance 122637 (passed by the City

Council on March 3, 2008)), as amended by Section 26 of Ordinance 124914, passed by the City Council on November 23, 2015. In accordance with Section 39 of Ordinance 124338, all section references to the Omnibus Refunding Bond Ordinance herein refer to the “clean” version of that legislation attached to Ordinance 124338 as Exhibit C.

“Purchaser” means Morgan Stanley & Co. LLC.

“Refunded Bonds” means those portions of the City’s outstanding Drainage and Wastewater Revenue Bonds, 2008, identified in Exhibit A, which is attached and incorporated by this reference.

“Refunded Bond Legislation” means Ordinance 122637 and Resolution 31050, authorizing the issuance of the Refunded Bonds.

“Refunding Plan” means the refunding plan for the Refunded Bonds, as set forth in Section 5(d).

“Refunding Portion” means that portion of the Bonds identified as such in the allocation attached to the Tax Certificate to be executed by the Director of Finance as of the Issue Date.

“Refunding Trust Agreement” means the agreement between the City and a Refunding Trustee and such other parties as may be necessary, providing for the carrying out of the Refunding Plan, in a form acceptable to the Director of Finance.

“Refunding Trustee” means the financial institution selected by the Director of Finance to serve as refunding trustee or escrow agent under the Refunding Trust Agreement, or its successors.

Section 2. Sale and Delivery of Bonds. The City finds that the sale of the Bonds to the Purchaser at the interest rates and pursuant to the Bond Sale Terms set forth in the Bond Legislation, the Official Notice of Bond Sale, attached as Exhibit B, and the bid information attached as Exhibit C (which includes a summary of the true interest cost associated with each bid and a printed version

of all the electronic bids for the Bonds, including the electronic bid of the Purchaser), is in the City's best interest and therefore confirms, ratifies and approves the award of the Bonds to the Purchaser.

Section 3. Approval of Bond Sale Terms. In accordance with Section 5 of the New Money Ordinance and Section 4 of the Omnibus Refunding Bond Ordinance, the following Bond Sale Terms are approved:

(a) Principal Amount. The Bonds shall be issued in the aggregate principal amount of \$160,910,000. The allocation of the Bonds to the New Money Portion and the Refunding Portion shall be as set forth in the allocation attached to the Tax Certificate executed by the Director of Finance as of the Issue Date.

(b) Date or Dates. Each Bond shall be dated its Issue Date, which date shall be any date selected by the Director of Finance that is not later than December 31, 2018.

(c) Denominations. The Bonds shall be issued in Authorized Denominations, as set forth in the Bond Ordinances.

(d) Interest Rates; Payment Dates. Each Bond shall bear interest at fixed rates per annum, as shown below, computed on the basis of a 360-day year of twelve 30-day months, from the Issue Date or from the most recent date with respect to which interest has been paid or duly provided for, whichever is later. Interest shall be payable on the first day of each April and October, commencing October 1, 2016. Principal shall be payable at maturity (and on mandatory redemption dates in the amounts set forth in subsection (f)) in principal amounts on October 1, 2016 and on April 1 for each maturity thereafter, as follows:

Maturity Date (April 1)	Principal Amount	Interest Rate	Maturity Date (April 1)	Principal Amount	Interest Rate
Oct. 1, 2016	\$ 210,000	5.00%	2030	\$ 6,230,000	4.00%
2017	1,570,000	5.00	2031	6,485,000	4.00
2018	1,650,000	5.00	2032	6,745,000	4.00
2019	3,725,000	5.00	2033	7,020,000	4.00
2020	3,910,000	5.00	2034	7,310,000	4.00
2021	4,115,000	5.00	2035	7,610,000	4.00
2022	4,325,000	5.00	2036	7,920,000	4.00
2023	4,545,000	5.00	2037	8,245,000	4.00
2024	4,775,000	5.00	2038	8,575,000	4.00
2025	5,025,000	5.00	2039	4,160,000	4.00
2026	5,250,000	4.00	***	***	***
2027	5,500,000	5.00	2041	8,835,000	4.00
2028	5,755,000	4.00	***	***	***
2029	5,985,000	4.00	2046	25,435,000	4.00

(e) **Final Maturity.** The final maturity of the Bonds is April 1, 2046.

(f) **Redemption Rights.**

(i) Optional Redemption. The Bonds maturing on and before April 1, 2026, are not subject to redemption prior to maturity. The City reserves the right and option to redeem Bonds maturing on and after April 1, 2027, prior to their stated maturity dates at any time on or after April 1, 2026, as a whole or in part, at a price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

(ii) Mandatory Redemption. Bonds maturing in the years 2041 and 2046 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 Ordinances, shall be called for redemption in accordance with the Bond Ordinances at a price equal to the principal amount to be redeemed plus accrued interest on April 1 in the years and amounts as follows:

2041 Term Bond

Mandatory Redemption Year	Mandatory Redemption Amount
2040	\$4,330,000
2041*	4,505,000

*Maturity

2046 Term Bond

Mandatory Redemption Year	Mandatory Redemption Amount
2042	\$4,690,000
2043	4,880,000
2044	5,080,000
2045	5,285,000
2046*	5,500,000

*Maturity

If a Term Bond is redeemed under the optional redemption provisions or defeased or purchased by the City and surrendered for cancellation, the principal amount of that Term Bond so redeemed, purchased, or defeased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory redemption installments for that Term Bond in accordance with the Bond Ordinances.

(g) Price. The purchase price for the Bonds is \$184,749,787.61, representing the aggregate principal amount of the Bonds, plus an original issue premium and less underwriter's discount.

(h) Other Terms and Conditions. The following terms and conditions, along with those additional Bond Sale Terms set forth in the Official Notice of Bond Sale, are ratified, confirmed and approved in all respects:

(1) The average expected life of the capital facilities to be financed with the proceeds of the New Money Portion exceeds the weighted average maturity of the New Money Portion allocated to financing those capital facilities.

1 (2) The Parity Conditions have been met or satisfied to allow the Bonds to be
2 issued as Parity Bonds.

3 (3) The City Council has had due regard for the cost of maintenance and
4 operation of the Drainage and Wastewater System in creating the Parity Bond Account and in fixing
5 the amounts to be paid into it, and is not setting aside into the Parity Bond Account a greater amount
6 than in its judgment, based on rates established from time to time, will be available over and above
7 such cost of maintenance and operation.

8 (4) The Bond Sale Terms do not provide for any bond insurance or other credit
9 enhancement, or for interest rate swaps, caps, floors or other similar hedging devices, at the expense
10 or direction of the City.

11 (5) Proceeds of the New Money Portion will be deposited into the Reserve
12 Subaccount to satisfy the Reserve Requirement in accordance with Section 4(a).

13 (6) Terms and covenants relating to federal tax matters are as set forth in
14 Section 6.

15 **Section 4. Use of Bond Proceeds.** The principal proceeds of the Bonds received by the
16 City shall be allocated as set forth in the Tax Certificate to be executed by the Director of Finance as
17 of the Issue Date and shall be deposited immediately upon receipt, as set forth below. The amounts
18 necessary to pay the costs of issuance of the Bonds shall be allocated among the various purposes in
19 accordance with the allocation set forth in the Tax Certificate executed by the Director of Finance as
20 of the Issue Date.

21 **(a) New Money Portion.** The principal proceeds of the sale of the New Money Portion
22 shall be deposited (i) in the funds, accounts or subaccounts as determined by the Director of Finance
23 as necessary to pay costs of the Plan of Additions, the costs of issuing the New Money Portion of the

1 Bonds and for such other purposes as may be approved by ordinance; and (ii) into the Reserve
2 Subaccount an amount sufficient to fund the amount necessary to satisfy the Reserve Requirement.

3 **(b) Refunding Portion.** The principal proceeds of the sale of the Refunding Portion
4 shall be deposited immediately upon the receipt thereof with the Refunding Trustee and shall be
5 used to carry out the Refunding Plan, including discharging the obligations of the City relating to the
6 Refunded Bonds under the Refunded Bond Legislation. The Refunding Plan shall be as set forth in
7 the Refunding Trust Agreement and Section 5(d). The Director of Finance shall determine, in his
8 sole discretion, whether the portion of the sale proceeds of the Refunding Portion necessary for
9 payment of costs of issuance and administrative costs of the refunding shall be (i) deposited into a
10 fund, account or subaccount to be paid directly by the City, or (ii) deposited with the Refunding
11 Trustee, who shall be directed to pay such costs as part of the Refunding Plan.

12 **Section 5. Provisions for Refunding.**

13 **(a) Findings With Respect to Refunding.** The City Council finds that the issuance of
14 the Refunding Portion at this time will effect a savings to the City and is in the best interest of the
15 City and its Drainage and Wastewater System ratepayers and in the public interest. In making such
16 finding, the City Council has given consideration to the fixed maturities allocated to the Refunding
17 Portion and the Refunded Bonds, the costs of issuance of the Refunding Portion and the known
18 earned income from the investment of the amounts deposited with the Refunding Trustee pending
19 payment and redemption of the Refunded Bonds. The City Council further finds that the money to
20 be deposited with the Refunding Trustee will discharge and satisfy the obligations, pledges, charges,
21 trusts, covenants, and agreements of the City under the Refunded Bond Legislation, and that the
22 Refunded Bonds shall no longer be deemed to be outstanding under the Refunded Bond Legislation
23 immediately upon the deposit of such money with the Refunding Trustee.

1 **(b) Call for Redemption of the Refunded Bonds.** The City authorizes the Director of
2 Finance to call for redemption on June 1, 2018, all of the Refunded Bonds at a price of 100% of the
3 principal amount to be redeemed, plus accrued interest to the date set for redemption. Such call for
4 redemption shall be irrevocable after the Issue Date. The date on which the Refunded Bonds are
5 called for redemption is the first date on which the Refunded Bonds may be called. The City
6 authorizes and directs the Director of Finance to give or cause to be given such notices as required,
7 at the times and in the manner required, pursuant to the Refunded Bond Legislation in order to effect
8 the redemption prior to the maturity of the Refunded Bonds.

9 **(c) Refunding Trust Agreement.** The Director of Finance is authorized and directed to
10 appoint the Refunding Trustee and to execute a Refunding Trust Agreement, in form and substance
11 acceptable to him, consistent with Section 12 of the Omnibus Refunding Bond Ordinance.

12 **(d) Refunding Plan.** The Refunding Plan is approved substantially as follows, with such
13 alterations as may be set forth in the Refunding Trust Agreement, all as the Director of Finance
14 deems necessary or appropriate:

- 15 (i) On the Issue Date, certain proceeds of the Refunding Portion shall be deposited with
16 the Refunding Trustee in an amount sufficient to purchase the Acquired Obligations.
- 17 (ii) The Refunding Trustee shall hold the maturing principal of and interest on the
18 Acquired Obligations in a refunding trust account, and shall apply such money,
19 together with other money held in that account, to the payment of the principal of and
20 interest on the Refunded Bonds when due up to and including the date set for
21 redemption.
- 22 (iii) On the date set for redemption of the Refunded Bonds, the Refunding Trustee shall
23 call, pay, and redeem all of the Refunded Bonds at a price equal to the principal
24 amount to be redeemed, plus accrued interest to that date.
- 25 (iv) The costs of carrying out the Refunding Plan and the costs of issuance of the
26 Refunding Portion of the Bonds may be paid either by the City directly or from the
27 amounts held by the Refunding Trustee, as directed by the Director of Finance in his
28 discretion.
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1 **Section 6. Federal Tax Matters.** The Bonds shall be issued as Tax-Exempt Bonds, in
2 accordance with Section 22(a) of the New Money Ordinance and Section 23(a) of the Omnibus
3 Bond Refunding Ordinance.

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

8 **Section 8. Severability.** The provisions of this resolution are declared to be separate and
9 severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal
10 periods having run, finds any provision of this resolution to be invalid or unenforceable as to any
11 person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be
12 within the limits of enforceability or validity. However, if the offending provision cannot be so
13 modified, it shall be null and void with respect to the particular person or circumstance, and all other
14 provisions of this resolution in all other respects, and the offending provision with respect to all
15 other persons and all other circumstances, shall remain valid and enforceable.

16 **Section 9. Ratification of Prior Acts.** All acts taken pursuant to the authority of this
17 resolution but prior to its effective date are ratified, approved and confirmed.

EXHIBIT A
IDENTIFICATION OF 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, 2008	04/16/2008	\$84,645,000	\$68,380,000	2019 through 2028, 2031 and 2038	June 1, 2018 at par

EXHIBIT B
OFFICIAL NOTICE OF BOND SALE

OFFICIAL NOTICE OF BOND SALE

\$164,945,000⁽¹⁾

THE CITY OF SEATTLE, WASHINGTON
DRAINAGE AND WASTEWATER SYSTEM IMPROVEMENT AND REFUNDING REVENUE BONDS, 2016

Electronic bids for the purchase of The City of Seattle Drainage and Wastewater System Improvement and Refunding Revenue Bonds, 2016 (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 8, 2016, NO LATER THAN 7:45 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 provided to Parity 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 212-849-5021. Hard-copy bids will not be accepted.

No bid will be received after the cut-off 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. on June 8, 2016. 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 Parity. No bid will be awarded until the City Council has adopted a resolution accepting the bid at its meeting.

Bidders are referred to the Preliminary Official Statement for additional information regarding the City, Seattle Public Utilities, the Bonds, the security for the Bonds, and other matters.

Modification, Cancellation, Postponement

The City may modify the terms of this Official Notice of Bond Sale prior to the cut-off time for receiving bids if the City elects to change the principal amounts or the redemption or other provisions or increase or decrease the total principal amount or the amounts of individual maturities of Bonds. Any such modification will be provided to Parity on or before June 7, 2016. In addition, the City may cancel or postpone the date and time for receiving bids for the Bonds at any time prior to the cut-off time for receiving bids. Notice of such cancellation or postponement will be provided to Parity as soon as practicable following such cancellation or postponement. As an accommodation to bidders, telephone, facsimile, or electronic notice of any such modification, cancellation, or postponement 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.

(1) Preliminary, subject to change.

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CONTACT INFORMATION

Finance Division	Michael van Dyck, Debt Manager, City of Seattle (206) 684-8347 <i>michael.vandyck@seattle.gov</i>
Financial Advisor	Rob Shelley, Piper Jaffray & Co. Office phone: (206) 628-2879 Day of sale phone: (206) 601-2249 <i>robert.e.shelley@pjc.com</i>
Bond Counsel	Alice Ostdiek, Stradling Yocca Carlson & Rauth, P.C. (206) 829-3002 <i>aostdiek@syccr.com</i>

DESCRIPTION OF THE BONDS

Bond Details

The Bonds will be dated the date of their initial delivery. Interest on the Bonds is payable semiannually on each April 1 and October 1, beginning October 1, 2016.

Registration and Book-Entry Transfer System

The Bonds will be issued only in registered form as to both principal and interest by the fiscal agent of the State (the "Bond Registrar"), currently U.S. Bank National Association in Seattle, Washington (or such other fiscal agent or agents as the State may from time to time designate). The Bonds initially will be registered in the name of the Securities Depository, which is defined in the Bond Legislation as the Depository Trust Company, New York, New York ("DTC"), or any successor thereto.

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 April 1, 2027, 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.

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Serial Maturities Years or Amortization (April 1) Installments ⁽¹⁾		Serial Maturities Years or Amortization (April 1) Installments ⁽¹⁾	
Oct. 1, 2016	285,000	2032	6,905,000 ⁽²⁾
2017	1,610,000	2033	7,185,000 ⁽²⁾
2018	1,695,000	2034	7,480,000 ⁽²⁾
2019	3,805,000	2035	7,785,000 ⁽²⁾
2020	4,005,000	2036	8,100,000 ⁽²⁾
2021	4,210,000	2037	8,435,000 ⁽²⁾
2022	4,430,000	2038	8,775,000 ⁽²⁾
2023	4,650,000	2039	4,275,000 ⁽²⁾
2024	4,885,000	2040	4,450,000 ⁽²⁾
2025	5,140,000	2041	4,630,000 ⁽²⁾
2026	5,405,000	2042	4,820,000 ⁽²⁾
2027	5,655,000 ⁽²⁾	2043	5,015,000 ⁽²⁾
2028	5,880,000 ⁽²⁾	2044	5,220,000 ⁽²⁾
2029	6,125,000 ⁽²⁾	2045	5,430,000 ⁽²⁾
2030	6,370,000 ⁽²⁾	2046	5,655,000 ⁽²⁾
2031	6,635,000 ⁽²⁾		

- (1) Preliminary, subject to change. See "Bidding Information and Award—Adjustment of Principal Amounts and Bid Price After Receipt of Bids" below for a description of the City's right to adjust the principal amounts after the bids are received.
- (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 April 1, 2026, are not subject to redemption prior to maturity. The City reserves the right and option to redeem Bonds maturing on and after April 1, 2027, prior to their stated maturity dates at any time on or after April 1, 2026, as a whole or in part, at a price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption. See "Description of the Bonds—Redemption of Bonds—Optional Redemption" in the Preliminary Official Statement.

Mandatory Redemption. As indicated on the schedule above, Bonds that are designated by the successful bidder as Term Bonds will be subject to mandatory sinking fund redemption. See "Description of the Bonds—Redemption of Bonds—Mandatory Redemption" in the Preliminary Official Statement.

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 under "Description of the Bonds—Redemption of Bonds—Selection of Bonds for Redemption" in the Preliminary Official Statement.

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 make a deposit into the Reserve Subaccount, to refund, subject to market conditions, certain outstanding obligations of the Drainage and Wastewater System, and to pay the costs of issuing the Bonds and administering the Refunding Plan.

Security

The Bonds are special limited obligations of the City payable from and secured solely by the Net Revenue of the Drainage and Wastewater System (including all utility local improvement district assessments pledged to Parity Bonds) and by money in the Parity Bond Account and subaccounts therein (including the Reserve Subaccount). Net Revenue is pledged to make the payments into the Bond Account and the Reserve Subaccount required by the Bond

Legislation, which pledge constitutes a charge and lien upon such Net Revenue prior and superior to all other liens and charges whatsoever. The Bonds are on a parity with the Outstanding Parity Bonds and all Future Parity Bonds, without preference or priority of right or lien.

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 any revenues of the City derived from sources other than the Drainage and Wastewater System, are pledged to the payment of the Bonds.

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. Bidders must specify interest rates of equal to or greater than 4% for each maturity of the Bonds maturing on or after April 1, 2027, and no interest rate greater than 5% is allowed for any maturity of the Bonds. 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 108.5% of the par value of the Bonds nor more than an amount equal to 122.5% of the par value of the Bonds. For the purpose of this paragraph, "price" means the lesser of the price to the redemption date, if any, or the price to 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 cut-off time for receiving bids. The City strongly encourages the inclusion of women and minority business enterprise firms in bidding syndicates.

Bidding Process

Bids for the Bonds must be submitted via Parity. 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 modifications provided by the City to Parity) 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 modifications provided by the City to Parity).
- (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 the bidder's bid is accepted by the City, this Official Notice of Bond Sale (including any modifications provided by the City to Parity) 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 (including any modifications provided by the City to Parity).

Good Faith Deposit

The winning bid must be backed by a good faith deposit in the amount of \$1,650,000. The good faith deposit must be paid by federal funds wire transfer within 90 minutes after notice from the City to the apparent successful bidder for the Bonds. Wiring instructions will be provided to the apparent successful bidder at the time of the notice from the City.

The good faith deposit for the Bonds shall be retained by the City as security for the performance of the apparent successful bidder and shall be applied to the purchase price of the Bonds upon the delivery of the Bonds to the apparent 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 apparent successful bidder fails or neglects to complete 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.

Award

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

The apparent successful bidder for the Bonds will be notified by the City and must provide a good faith deposit as described above. The bid for the Bonds will be presented to the City Council at approximately 1:30 p.m., Pacific Time, on the date set for receiving bids and shall remain in effect until 5:00 p.m., Pacific Time, on that date. Such bid shall be considered awarded upon the City Council's adoption of a resolution accepting the bid.

The City reserves the right to reject any or all bids submitted and to waive any formality or irregularity in any bid or the bidding process. If all bids for the Bonds are rejected, then the Bonds may be sold in the manner provided by law. Any bid presented after the cut-off time for receiving bids will not be accepted.

Adjustment of Principal Amounts and Bid Price After Receipt of Bids

The City reserves the right to increase or decrease the preliminary aggregate principal amount of the Bonds by an amount not to exceed 10% of the aggregate principal amount of the Bonds after the cut-off time for receiving bids. The City also reserves the right to increase or decrease the preliminary principal amount of any maturity of the Bonds shown on Parity by an amount not to exceed the greater of \$500,000 or 15% of the preliminary principal amount of that maturity.

If the preliminary principal amount of the Bonds is adjusted by the City, the price bid by the successful bidder for the Bonds will be adjusted by the City on a proportionate basis to reflect an increase or decrease in the principal amount and maturity schedule. In the event that the City elects to increase or decrease the principal amount of the Bonds after receiving bids, the Underwriter's discount, expressed in dollars per thousand, will be held constant. The City will not be responsible in the event and to the extent 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), and
- (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.

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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.

Insurance

No bid for the Bonds may be conditioned upon obtaining insurance or any other credit enhancement, or upon the City's acceptance of any of the terms of insurance or other credit enhancement. Any purchase of municipal bond insurance or commitment therefor shall be at the sole option and expense of the bidder, and any increased costs of issuance of the Bonds resulting by reason of such insurance, unless otherwise paid, shall be paid by 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 such policy of insurance to be issued shall not in any way relieve the successful bidder of its contractual obligations arising from the acceptance of its bid.

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

Ratings

The Bonds have been rated "Aa1" and "AA+" by Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, respectively. The City will pay the fees for these ratings; any other ratings are the responsibility of the successful bidder.

DELIVERY

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

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

The City will furnish to the successful bidder for the Bonds one CD-ROM transcript of proceedings; additional transcripts will be furnished at the successful bidder's cost.

Legal Opinion

The approving legal opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Seattle, Washington, Bond Counsel, with respect to the Bonds will be provided to the successful bidder for the Bonds at the time of the delivery of the Bonds. The form of Bond Counsel's opinion is attached to the Preliminary Official Statement as Appendix B. A no-litigation certificate will be included in the closing documents for the Bonds.

CUSIP Numbers

It is anticipated that a CUSIP identification number will appear on each Bond, but neither the failure to insert such number 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.

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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 and the City's compliance with its prior undertakings is set forth in the Preliminary Official Statement under "Legal and Tax Information—Continuing Disclosure Undertaking" 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 at www.i-dealprospectus.com, 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), 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 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 to state a material fact necessary in order 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, the information provided by Bond Counsel under "Legal and Tax Information—Limitations on Remedies and Municipal Bankruptcies" and "—Tax Exemption," or the information provided by or obtained from DTC or any entity providing bond insurance, reserve insurance, or other credit facility).

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DATED at Seattle, Washington, this 31st day of May, 2016.

/s/ Glen M. Lee
Glen M. Lee
Director of Finance

EXHIBIT C

PRINTED VERSION OF ALL ELECTRONIC BIDS

PARITY Result Screen

Page 1 of 1

08:01:05 a.m. PDST	Upcoming Calendar	Overview	Compare	Summary
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Bid Results

Seattle

\$164,945,000 Drainage and Wastewater System Improvement and Refunding Revenue Bonds, 2016

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
☒ Reoffering	Morgan Stanley & Co. LLC	2.921409
☐	Citigroup Global Markets Inc.	2.931337
☐	Bank of America Merrill Lynch	2.931937
☐	Wells Fargo Bank, National Association	2.935006
☐	Mesirow Financial, Inc.	2.938357
☐	J.P. Morgan Securities LLC	2.939984
☐	Jefferies LLC	2.956860
☐	Barclays Capital Inc.	2.968929

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

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<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityRes...> 6/8/2016

Exhibit C - 1

PARITY Reoffering

Page 1 of 1

Result

Morgan Stanley & Co, LLC's Reoffering Scale



Seattle

**\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016**

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Call Date
10/01/2016	285M	5.0000	0.4000	101.262	
04/01/2017	1,610M	5.0000	0.5900	103.404	
04/01/2018	1,695M	5.0000	0.7100	107.552	
04/01/2019	3,805M	5.0000	0.8500	111.356	
04/01/2020	4,005M	5.0000	1.0200	114.700	
04/01/2021	4,210M	5.0000	1.1400	117.887	
04/01/2022	4,430M	5.0000	1.2900	120.580	
04/01/2023	4,650M	5.0000	1.3800	123.335	
04/01/2024	4,885M	5.0000	1.4900	125.676	
04/01/2025	5,140M	5.0000	1.5900	127.823	
04/01/2026	5,405M	4.0000	1.7100	120.531	
04/01/2027	5,655M	5.0000	1.8300	128.252	04/01/2026
04/01/2028	5,880M	4.0000	2.1000	116.708	04/01/2026
04/01/2029	6,125M	4.0000	2.2000	115.751	04/01/2026
04/01/2030	6,370M	4.0000	2.2600	115.181	04/01/2026
04/01/2031	6,635M	4.0000	2.3100	114.709	04/01/2026
04/01/2032	6,905M	4.0000	2.3600	114.238	04/01/2026
04/01/2033	7,185M	4.0000	2.4100	113.770	04/01/2026
04/01/2034	7,480M	4.0000	2.4600	113.305	04/01/2026
04/01/2035	7,785M	4.0000	2.5100	112.841	04/01/2026
04/01/2036	8,100M	4.0000	2.5600	112.380	04/01/2026
04/01/2037	8,435M	4.0000	2.6000	112.012	04/01/2026
04/01/2038	8,775M	4.0000	2.6100	111.921	04/01/2026
04/01/2039	4,275M	4.0000	2.6300	111.738	04/01/2026
04/01/2040					
04/01/2041	9,080M	4.0000	2.6500	111.555	04/01/2026
04/01/2042					
04/01/2043					
04/01/2044					
04/01/2045					
04/01/2046	26,140M	4.0000	2.7000	111.100	04/01/2026

Accrued Interest: \$0.00

Gross Production: \$189,665,917.15

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<https://www.newissuetime.i-deal.com/Parity/asp/main.asp?frame=content&page=parityRe...> 6/8/2016

Exhibit C - 2

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PARITY Bid Form

Page 1 of 2

Upcoming Calendar	Overview	Result	Excel
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Morgan Stanley & Co, LLC - New York, NY's Bid
Seattle



**\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016**

For the aggregate principal amount of \$164,945,000.00, we will pay you \$189,371,147.24, 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 %
10/01/2016	285M	5.0000
04/01/2017	1,610M	5.0000
04/01/2018	1,695M	5.0000
04/01/2019	3,805M	5.0000
04/01/2020	4,005M	5.0000
04/01/2021	4,210M	5.0000
04/01/2022	4,430M	5.0000
04/01/2023	4,650M	5.0000
04/01/2024	4,885M	5.0000
04/01/2025	5,140M	5.0000
04/01/2026	5,405M	4.0000
04/01/2027	5,655M	5.0000
04/01/2028	5,880M	4.0000
04/01/2029	6,125M	4.0000
04/01/2030	6,370M	4.0000
04/01/2031	6,635M	4.0000
04/01/2032	6,905M	4.0000
04/01/2033	7,185M	4.0000
04/01/2034	7,480M	4.0000
04/01/2035	7,785M	4.0000
04/01/2036	8,100M	4.0000
04/01/2037	8,435M	4.0000
04/01/2038	8,775M	4.0000
04/01/2039	4,275M	4.0000
04/01/2040		
04/01/2041	9,880M	4.0000
04/01/2042		
04/01/2043		
04/01/2044		
04/01/2045		
04/01/2046	26,140M	4.0000

Total Interest Cost: \$111,247,187.50
Premium: \$24,426,147.24
Net Interest Cost: \$86,821,040.26
TIC: 2.921409
Time Last Bid Received On: 06/08/2016 7:44:40 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityBid...> 6/8/2016

Exhibit C - 3

PARITY Bid Form

Page 1 of 2

Upcoming Calendar	Overview	Result	Excel
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Citigroup Global Markets Inc. - New York, NY's Bid
Seattle



**\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016**

For the aggregate principal amount of \$164,945,000.00, we will pay you \$190,304,847.65, 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 %
10/01/2016	285M	2.0000
04/01/2017	1,610M	4.0000
04/01/2018	1,695M	3.0000
04/01/2019	3,805M	5.0000
04/01/2020	4,005M	5.0000
04/01/2021	4,210M	5.0000
04/01/2022	4,430M	5.0000
04/01/2023	4,650M	5.0000
04/01/2024	4,885M	5.0000
04/01/2025	5,140M	5.0000
04/01/2026	5,405M	4.0000
04/01/2027	5,655M	5.0000
04/01/2028	5,880M	5.0000
04/01/2029	6,125M	5.0000
04/01/2030	6,370M	4.0000
04/01/2031	6,635M	4.0000
04/01/2032	6,905M	4.0000
04/01/2033	7,185M	4.0000
04/01/2034	7,480M	4.0000
04/01/2035	7,785M	4.0000
04/01/2036	8,100M	4.0000
04/01/2037	8,435M	4.0000
04/01/2038	8,775M	4.0000
04/01/2039	4,275M	4.0000
04/01/2040		
04/01/2041	9,080M	4.0000
04/01/2042		
04/01/2043		
04/01/2044		
04/01/2045		
04/01/2046	26,140M	4.0000

Total Interest Cost: \$112,647,025.00
Premium: \$25,359,847.65
Net Interest Cost: \$87,287,177.35
TIC: 2.931337
Time Last Bid Received On: 06/08/2016 7:44:35 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

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Exhibit C - 4

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PARITY Bid Form

Page 1 of 2

Upcoming Calendar	Overview	Result	Excel
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Bank of America Merrill Lynch - New York, NY's Bid
Seattle



**\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016**

For the aggregate principal amount of \$164,945,000.00, we will pay you \$188,614,061.21, 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 %
10/01/2016	285M	5.0000
04/01/2017	1,610M	5.0000
04/01/2018	1,695M	5.0000
04/01/2019	3,805M	5.0000
04/01/2020	4,005M	5.0000
04/01/2021	4,210M	5.0000
04/01/2022	4,430M	5.0000
04/01/2023	4,650M	5.0000
04/01/2024	4,885M	5.0000
04/01/2025	5,140M	5.0000
04/01/2026	5,405M	4.0000
04/01/2027	5,655M	4.0000
04/01/2028	5,880M	4.0000
04/01/2029	6,125M	4.0000
04/01/2030	6,370M	4.0000
04/01/2031	6,635M	4.0000
04/01/2032	6,905M	4.0000
04/01/2033	7,185M	4.0000
04/01/2034	7,480M	4.0000
04/01/2035	7,785M	4.0000
04/01/2036	8,100M	4.0000
04/01/2037	8,435M	4.0000
04/01/2038	8,775M	4.0000
04/01/2039	4,275M	4.0000
04/01/2040	4,450M	4.0000
04/01/2041	4,630M	4.0000
04/01/2042		
04/01/2043		
04/01/2044		
04/01/2045		
04/01/2046	26,140M	4.0000

Total Interest Cost: \$110,637,961.25
Premium: \$23,669,061.21
Net Interest Cost: \$86,968,900.04
TIC: 2.931937
Time Last Bid Received On: 06/08/2016 7:44:50 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

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Exhibit C - 5

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PARITY Bid Form

Page 1 of 2

Upcoming Calendar	Overview	Result	Excel
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Wells Fargo Bank, National Association - Charlotte, NC's Bid
Seattle



**\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016**

For the aggregate principal amount of \$164,945,000.00, we will pay you \$189,977,852.82, 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 %
10/01/2016	285M	2.0000
04/01/2017	1,610M	4.0000
04/01/2018	1,695M	5.0000
04/01/2019	3,805M	2.0000
04/01/2020	4,005M	5.0000
04/01/2021	4,210M	5.0000
04/01/2022	4,430M	5.0000
04/01/2023	4,650M	5.0000
04/01/2024	4,885M	5.0000
04/01/2025	5,140M	5.0000
04/01/2026	5,405M	4.0000
04/01/2027	5,665M	5.0000
04/01/2028	5,880M	5.0000
04/01/2029	6,125M	5.0000
04/01/2030	6,370M	4.0000
04/01/2031	6,635M	4.0000
04/01/2032	6,805M	4.0000
04/01/2033	7,185M	4.0000
04/01/2034	7,480M	4.0000
04/01/2035	7,785M	4.0000
04/01/2036	8,100M	4.0000
04/01/2037	8,435M	4.0000
04/01/2038	8,775M	4.0000
04/01/2039		
04/01/2040	8,725M	4.0000
04/01/2041		
04/01/2042		
04/01/2043	14,465M	4.0000
04/01/2044		
04/01/2045		
04/01/2046	16,305M	4.0000

Total Interest Cost: \$112,390,431.25
Premium: \$25,032,852.82
Net Interest Cost: \$87,357,578.43
TIC: 2.935006
Time Last Bid Received On: 06/08/2016 7:44:47 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityBid...> 6/8/2016

Exhibit C - 6

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PARITY Bid Form

Page 1 of 2

Upcoming Calendar	Overview	Result	Excel
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Mesirow Financial, Inc. - Chicago, IL's Bid



Seattle

**\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016**

For the aggregate principal amount of \$164,945,000.00, we will pay you \$188,427,268.95, 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 %
10/01/2016	285M	4.0000
04/01/2017	1,610M	4.0000
04/01/2018	1,695M	4.0000
04/01/2019	3,805M	5.0000
04/01/2020	4,005M	5.0000
04/01/2021	4,210M	5.0000
04/01/2022	4,430M	5.0000
04/01/2023	4,650M	5.0000
04/01/2024	4,885M	5.0000
04/01/2025	5,140M	5.0000
04/01/2026	5,405M	4.0000
04/01/2027	5,665M	4.0000
04/01/2028	5,880M	4.0000
04/01/2029	6,125M	4.0000
04/01/2030	6,370M	4.0000
04/01/2031	6,635M	4.0000
04/01/2032	6,905M	4.0000
04/01/2033	7,185M	4.0000
04/01/2034	7,480M	4.0000
04/01/2035	7,785M	4.0000
04/01/2036	8,100M	4.0000
04/01/2037	8,435M	4.0000
04/01/2038	8,775M	4.0000
04/01/2039	4,275M	4.0000
04/01/2040	4,450M	4.0000
04/01/2041	4,630M	4.0000
04/01/2042	4,820M	4.0000
04/01/2043		
04/01/2044		
04/01/2045		
04/01/2046	21,320M	4.0000

Total Interest Cost: \$110,594,513.75
Premium: \$23,482,268.95
Net Interest Cost: \$87,112,244.80
TIC: 2.938357
Time Last Bid Received On: 06/08/2016 7:44:50 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityBid...> 6/8/2016

Exhibit C - 7

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PARTY Bid Form.

Page 1 of 2

Upcoming Calendar	Overview	Result	Excel
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J.P. Morgan Securities LLC - New York , NY's Bid
Seattle



**\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016**

For the aggregate principal amount of \$164,945,000.00, we will pay you \$189,518,995.36, 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 %
10/01/2016	285M	2.0000
04/01/2017	1,810M	4.0000
04/01/2018	1,895M	5.0000
04/01/2019	3,805M	5.0000
04/01/2020	4,005M	5.0000
04/01/2021	4,210M	5.0000
04/01/2022	4,430M	5.0000
04/01/2023	4,650M	5.0000
04/01/2024	4,885M	5.0000
04/01/2025	5,140M	5.0000
04/01/2026	5,405M	4.0000
04/01/2027	5,655M	5.0000
04/01/2028	5,880M	5.0000
04/01/2029	6,125M	4.0000
04/01/2030	6,370M	4.0000
04/01/2031	6,635M	4.0000
04/01/2032	6,905M	4.0000
04/01/2033	7,185M	4.0000
04/01/2034	7,480M	4.0000
04/01/2035	7,785M	4.0000
04/01/2036	8,100M	4.0000
04/01/2037	8,435M	4.0000
04/01/2038		
04/01/2039		
04/01/2040		
04/01/2041	22,130M	4.0000
04/01/2042		
04/01/2043		
04/01/2044		
04/01/2045		
04/01/2046	26,140M	4.0000

Total Interest Cost: \$111,924,728.75
Premium: \$24,573,995.36
Net Interest Cost: \$87,350,733.39
TIC: 2.939984
Time Last Bid Received On: 06/08/2016 7:44:41 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityBid...> 6/8/2016

Exhibit C - 8

PARITY Bid Form

Page 1 of 2

Upcoming Calendar	Overview	Result	Excel
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Jefferies LLC - New York , NY's Bid



Seattle
\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016

For the aggregate principal amount of \$164,945,000.00, we will pay you \$189,410,733.87, 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 %
10/01/2016	285M	2.0000
04/01/2017	1,610M	3.0000
04/01/2018	1,695M	4.0000
04/01/2019	3,805M	4.0000
04/01/2020	4,005M	5.0000
04/01/2021	4,210M	5.0000
04/01/2022	4,430M	4.0000
04/01/2023	4,650M	5.0000
04/01/2024	4,885M	5.0000
04/01/2025	5,140M	5.0000
04/01/2026	5,405M	4.0000
04/01/2027	5,655M	5.0000
04/01/2028	5,880M	5.0000
04/01/2029	6,125M	5.0000
04/01/2030	6,370M	4.0000
04/01/2031	6,635M	4.0000
04/01/2032	6,905M	4.0000
04/01/2033	7,185M	4.0000
04/01/2034	7,480M	4.0000
04/01/2035	7,785M	4.0000
04/01/2036	8,100M	4.0000
04/01/2037	8,435M	4.0000
04/01/2038	8,775M	4.0000
04/01/2039		
04/01/2040		
04/01/2041	13,355M	4.0000
04/01/2042		
04/01/2043		
04/01/2044		
04/01/2045		
04/01/2046	26,140M	4.0000

Total Interest Cost: \$112,303,212.50
Premium: \$24,465,733.87
Net Interest Cost: \$87,837,478.63
TIC: 2.956860
Time Last Bid Received On: 06/08/2016 7:43:28 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityBid...> 6/8/2016

Exhibit C - 9

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PARITY Bid Form

Page 1 of 2

Upcoming Calendar	Overview	Result	Excel
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Barclays Capital Inc. - New York, NY's Bid



Seattle

**\$164,945,000 Drainage and Wastewater System Improvement
and Refunding Revenue Bonds, 2016**

For the aggregate principal amount of \$164,945,000.00, we will pay you \$191,034,196.55, 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 %
10/01/2016	285M	5.0000
04/01/2017	1,610M	5.0000
04/01/2018	1,695M	5.0000
04/01/2019	3,805M	5.0000
04/01/2020	4,005M	5.0000
04/01/2021	4,210M	5.0000
04/01/2022	4,430M	5.0000
04/01/2023	4,650M	5.0000
04/01/2024	4,885M	5.0000
04/01/2025	5,140M	5.0000
04/01/2026	5,405M	4.0000
04/01/2027	5,655M	5.0000
04/01/2028	5,880M	5.0000
04/01/2029	6,125M	5.0000
04/01/2030	6,370M	5.0000
04/01/2031	6,635M	5.0000
04/01/2032	6,905M	4.0000
04/01/2033	7,185M	4.0000
04/01/2034	7,480M	4.0000
04/01/2035	7,785M	4.0000
04/01/2036	8,100M	4.0000
04/01/2037	8,435M	4.0000
04/01/2038	8,775M	4.0000
04/01/2039		
04/01/2040		
04/01/2041		
04/01/2042	18,175M	4.0000
04/01/2043		
04/01/2044		
04/01/2045		
04/01/2046	21,320M	4.0000

Total Interest Cost: \$114,579,815.00
Premium: \$26,089,196.55
Net Interest Cost: \$88,490,618.45
TIC: 2.968929
Time Last Bid Received On: 06/08/2016 7:44:57 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityBid...> 6/8/2016

Exhibit C - 10

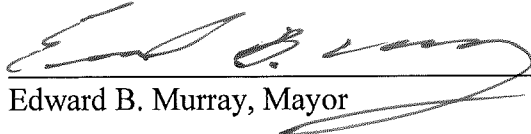
Section 10. Section Headings. Section headings in this resolution are used for convenience only and shall not constitute a substantive portion of this resolution.

ADOPTED by the City Council this 8th day of June, 2016, and signed by me in open session in authentication of its adoption this 8th day of June, 2016.



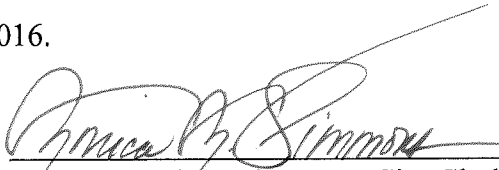
President of the City Council

The Mayor concurred this 14th day of June, 2016.



Edward B. Murray, Mayor

File by me this 14th day of June, 2016.



Monica Martinez Simmons, City Clerk

(SEAL)

LIST OF EXHIBITS

Exhibit A	Identification of Refunded Bonds
Exhibit B	Official Notice of Bond Sale
Exhibit C	Printed Version of All Electronic Bids

STATE OF WASHINGTON -- KING COUNTY

--SS.

338890

No.

CITY OF SEATTLE, CLERKS OFFICE

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:31674 TITLE ONLY

was published on

06/24/16

The amount of the fee charged for the foregoing publication is the sum of \$52.00 which amount has been paid in full.



Affidavit of Publication

Subscribed and sworn to before me on

06/24/2016

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on June 8, 2016, 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 31674

A RESOLUTION relating to contracting indebtedness; confirming, ratifying and approving certain terms of the issuance and sale of The City of Seattle, Washington, Drainage and Wastewater System Improvement and Refunding Revenue Bonds, 2016, for the purposes set forth in Ordinance 124914 and in Ordinance 124338, as amended by Ordinance 124914; confirming, ratifying and approving actions taken and to be taken to provide for the refunding of certain outstanding bonds of the Drainage and Wastewater System of the City; confirming, ratifying and approving the notice of bond sale and other actions taken and to be taken in connection with the issuance of the bonds and their sale to the purchaser; and ratifying and confirming the actions of the Director of Finance and other City officials relating to the issuance and sale of the bonds.

Date of publication in the Seattle Daily Journal of Commerce, June 24, 2016.

6/24(338890)