CITY OF KENT, WASHINGTON

ORDINANCE NO. 1032

AN ORDINANCE providing for the issuance and sale of $350,000.00 par value of "Water Revenue Bonds, 1959," for the purpose of obtaining the funds with which to pay the cost of carrying out the system or plan for making additions to and betterments and extensions of the existing water supply and distribution system of the City, as adopted by Ordinance No. 1021; fixing the form, date, maturities, interest rates, covenants and terms of said bonds; providing for the sale thereof to McLean & Company, Inc., Tacoma, Washington; and declaring an emergency.

WHEREAS, the City of Kent, Washington, by Ordinance No. 1021, passed by the City Council and approved by the Mayor on the 20th day of April, 1959, specified and adopted a system or plan for making additions to and betterments and extensions of the existing water supply and distribution system of the City and authorized the issuance and sale of water revenue bonds in the amount of not to exceed $350,000.00 par value to provide the funds with which to pay the cost of acquiring, constructing and making said additions to and betterments and extensions of said water supply and distribution system of the City; and

WHEREAS, the City Council deems it to be in the best interest of the City that the entire $350,000.00 par value of authorized water revenue bonds be issued and sold to provide the proceeds necessary to carry out said system or plan; and

WHEREAS, the City has heretofore issued, under date of November 1, 1948, its "Water Revenue Bonds, 1948," of which issue there are now outstanding bonds in the total principal sum of $123,000.00, which bonds are a first and prior charge and lien upon the gross revenues of the water supply and distribution system of the City; and

WHEREAS, pursuant to Ordinances Nos. 949-A and 956, the City has heretofore issued, under date of July 1, 1957, its "Water Revenue Bonds, 1957," of which issue there are now outstanding bonds in the total principal sum of $725,000.00, which bonds are a second charge and lien upon the gross
revenues of the water supply and distribution system of the City, subject only to the prior charge and lien thereon for the 1948 bonds; and

WHEREAS, pursuant to Ordinance No. 982, the City has heretofore issued, under date of June 1, 1958, its "Water Revenue Bonds, 1958," in the total principal sum of $145,000.00 par value, all of which bonds are presently outstanding and which bonds are a third charge and lien upon the gross revenues of the water supply and distribution system of the City, subject only to the prior charge and lien thereon for the 1948 bonds and the 1957 bonds; and

WHEREAS, pursuant to Section 10 of said Ordinance No. 982, the City covenanted and agreed that it would not issue any water revenue bonds which would rank on a parity with the said 1958 bonds, except that the City reserved the right, for

"First, the purpose of acquiring, constructing and installing additions, betterments and improvements to and extensions of, acquiring necessary equipment for, or making necessary replacements of or repairs or capital improvements to the System, or

"Second, the purpose of refunding, by exchange or purchasing and retiring at or prior to their maturity, any outstanding revenue bonds or revenue coupon warrants of the City that may have a lien upon the gross revenue of the System for the payment of the principal thereof and interest thereon junior and inferior to the lien on such gross revenue for the payment of the principal of and interest on the Bonds, to issue additional and/or refunding revenue bonds therefor (herein called "Parity Revenue Bonds" as hereinbefore defined) and to pledge that payments shall be made out of the gross revenue of the System into the 1958 Bond Redemption Fund and the Reserve Account to pay and secure the payment of the principal of and interest on such Parity Revenue Bonds on a parity with the payments required herein to be made out of such gross revenue into such Fund and Account to pay and secure the payment of the principal of and interest on the Bonds, upon compliance with the following conditions:

"(1) That at the time of the issuance of such Parity Revenue Bonds there is no deficiency in the 1948 and 1957 Bond Redemption Funds or in the 1958 Bond Redemption Fund or Reserve Account therein created herein. And

"(2) That the city will covenant in each ordinance authorizing the issuance of Parity Revenue Bonds that it will establish, maintain and collect rates and charges for water (and for sanitary sewage disposal service in the event that the sanitary sewerage system of the city ever becomes a part of the System) for as long as any of the Bonds and any Parity Revenue Bonds are outstanding that will make available for the payment of the principal of and interest on all of such bonds as the same shall
become due, an amount equal to at least 1.5 times the average annual amount required thereafter, exclusive of any Term Bond Year, for the payment of all such principal and interest after necessary costs of maintenance and operation of the System and amounts necessary to pay the principal of and interest on the Outstanding Prior Lien Bonds then outstanding have been paid but before depreciation.

"That the city will also covenant in each such ordinance authorizing the issuance of Parity Revenue Bonds that it will pay into and maintain in the Reserve Account within five years of the date of the issuance of such Parity Revenue Bonds the amounts required by the second paragraph of Section 7 of this ordinance to be paid into and maintained in said Account. The whole or any part of the money in any other reserve fund or account of the city created to secure the payment of the principal of and interest on any revenue bonds or revenue coupon warrants being refunded by any such Parity Revenue Bonds may be transferred to the Reserve Account at the time such outstanding bonds or warrants are redeemed, to satisfy the above requirement. And

"(3) That at the time of the issuance of such Parity Revenue Bonds the city shall have on file a certificate from an independent licensed professional engineer showing that in his professional opinion the net revenue of the System which will be available in each succeeding year for the payment of the principal of and interest on the Bonds, any Parity Revenue Bonds then outstanding, and the Parity Revenue Bonds to be issued as all of the same shall become due, will equal at least 1.5 times the average annual amount required thereafter, exclusive of any Term Bond Year, for the payment of the principal of and interest on all of such bonds.

"The words "net revenue of the System which will be available . . . for the payment of the principal of and interest on all of such bonds" as used in subparagraph (3) immediately above shall mean the gross operating revenues and receipts of the System after deducting therefrom all necessary expenses of maintenance and operation thereof and amounts necessary to pay the principal of and interest on the Outstanding Prior Lien Bonds, but before depreciation and annual debt service on any outstanding revenue bonds or revenue coupon warrants that may have a lien on the gross revenue of the System junior and inferior to the lien thereon for the payment of the principal of and interest on the Bonds. Such net revenue may be based on any increase in revenues to be derived by an increase in water rates and charges (and any charges for sanitary sewage disposal service) authorized by the City Council to be effective by the time of delivery of any such Parity Revenue Bonds."

and

WHEREAS, the City Council hereby finds and declares that there is no deficiency in the 1948 and 1957 Bond Redemption Funds or in the 1958 Bond Redemption Fund or in the Reserve Account therein, and that there will be no deficiency in said funds at the time of the issuance of the additional bonds herein proposed to be issued, and that provision is hereinafter made for the
required coverage covenant and the required payments into the "Reserve Account" in the 1958 Bond Redemption Fund, and that Allen E. Hill of Hill & Ingman, an independent licensed professional engineer, has certified that in his professional opinion the net revenues of the water supply and distribution system of the City will be sufficient to meet the 1.5 coverage requirement above set forth, as evidenced by his certificate to such effect on file with the City Clerk, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DO ORDAIN, as follows:

Section 1. For the purpose of obtaining the funds necessary to carry out the system or plan for making additions to and betterments and extensions of the existing water supply and distribution system of the City, as adopted by Ordinance No. 1021, there shall be issued and sold $350,000.00 par value of "Water Revenue Bonds, 1959" (hereinafter called the "Bonds"). The Bonds shall be in denominations of $1,000.00 each; shall be numbered from 1 to 350, inclusive; shall be dated June 1, 1959; and shall bear interest payable semiannually on June 1 and December 1 of each year, interest to maturity to be evidenced by coupons to be attached to the Bonds, with full obligation on the part of the City to pay interest at the same rate or rates from and after the bond maturity dates until the Bonds with interest are paid in full. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America at the office of the City Treasurer of Kent, Washington, solely out of the "Kent 1958 Water Revenue Bond Redemption Fund" (hereinafter called the "Bond Fund"), created and established by Ordinance No. 982.

The Bonds shall mature and shall bear interest in accordance with the following schedule, to wit:

<table>
<thead>
<tr>
<th>Bond Numbers</th>
<th>Amounts</th>
<th>Interest Rates</th>
<th>Maturities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 13, inclusive</td>
<td>$13,000</td>
<td>4.20</td>
<td>June 1, 1961</td>
</tr>
<tr>
<td>14 to 23, *</td>
<td>$10,000</td>
<td>4.20</td>
<td>June 1, 1962</td>
</tr>
<tr>
<td>24 to 34, *</td>
<td>$11,000</td>
<td>4.20</td>
<td>June 1, 1963</td>
</tr>
<tr>
<td>35 to 45, *</td>
<td>$11,000</td>
<td>4.20</td>
<td>June 1, 1964</td>
</tr>
<tr>
<td>46 to 56, *</td>
<td>$11,000</td>
<td>4.20</td>
<td>June 1, 1965</td>
</tr>
<tr>
<td>57 to 60, *</td>
<td>$ 4,000</td>
<td>4.40</td>
<td>June 1, 1966</td>
</tr>
<tr>
<td>61 to 64, *</td>
<td>$ 4,000</td>
<td>4.40</td>
<td>June 1, 1967</td>
</tr>
<tr>
<td>65 to 74, *</td>
<td>$10,000</td>
<td>4.40</td>
<td>June 1, 1968</td>
</tr>
</tbody>
</table>
Section 2. The City of Kent reserves the right to redeem the Bonds solely for refunding purposes, as a whole or in part, in inverse numerical order, on June 1, 1969, or on any subsequent interest payment date, at the following redemption prices if redeemed on the following dates, plus accrued interest to the date of redemption in each case, to wit:

June 1 or December 1, 1969, at $102.50 per each $100 par value thereof
June 1 or December 1, 1970, at $102.00 per each $100 par value thereof
June 1 or December 1, 1971, at $101.50 per each $100 par value thereof
June 1 or December 1, 1972, at $101.00 per each $100 par value thereof
June 1 or December 1, 1973, at $100.50 per each $100 par value thereof
June 1, 1974, and thereafter, at par.

The City of Kent reserves the right to redeem the Bonds solely from surplus earnings of the water supply and distribution system of the City, in inverse numerical order, on June 1, 1969, or on any subsequent interest payment date, at par, plus accrued interest to date of redemption.

Notice of any call for redemption of any of the Bonds prior to their stated maturity dates shall be published at least once in the official newspaper of the City not less than 30 nor more than 45 days prior to the call date.

Notice of said intended redemption shall also be mailed to McLean & Company, Inc., 772 Commerce Street, Tacoma 2, Washington, or its successor, not less than 30 nor more than 45 days prior to the call date. Interest on any Bonds so called for redemption shall cease on the date fixed for such redemption upon payment of the redemption price into the Bond Fund.
Section 3. So long as any Bonds are outstanding against the Bond Fund, the City Treasurer of the City of Kent shall set aside and pay into the Bond Fund out of the gross revenues of the water supply and distribution system of the City, as defined in Ordinance No. 982, a fixed amount without regard to any fixed proportion, in addition to the amount the City has obligated itself to set aside and pay into said Bond Fund, by Section 6 of Ordinance No. 982, the following amounts, on or before the 20th day of each month:

(a) Beginning with the month of June, 1959, and continuing as long as any of the Bonds are outstanding and unpaid, an amount equal to at least one-sixth of the interest to become due and payable on the next interest payment date on all of the Bonds then outstanding, and

(b) Beginning with the month of June, 1960, and continuing as long as any of the Bonds are outstanding and unpaid, an amount equal to at least one-twelfth of the principal of the Bonds to become due and payable on the next principal payment date.

The City Treasurer of the City of Kent shall further set aside and pay into the "Reserve Account" created in the Bond Fund by Ordinance No. 982, out of the gross revenues of the water supply and distribution system of the City, in addition to the amount the City has obligated itself to set aside and pay into the said "Reserve Account" by Section 7 of Ordinance No. 982, by no later than June 1, 1964, an amount which, with the money in the "Reserve Account," will be at least equal to the next year's debt service on all outstanding bonds, the principal of and interest on which are payable out of the Bond Fund, so that there shall be on deposit in the "Reserve Account" at all times, except for withdrawals therefrom as authorized herein, after said five-year period, an amount at least equal to the next succeeding year's debt service on all bonds payable out of the Bond Fund.

The "Reserve Account" may be accumulated from any other moneys which the City of Kent may have available for such purpose, in addition to using such revenues therefor.

The City further agrees that when said required amounts have been paid into the "Reserve Account" it will, at all times, except for withdrawals therefrom as authorized herein, maintain those amounts therein.
until there is a sufficient amount in the Bond Fund and "Reserve Account" to pay the principal of, premium, if any, and interest on all bonds payable out of the Bond Fund outstanding, at which time the money in the "Reserve Account" may be used to pay such principal, premium, if any, and interest.

In the event that there shall be a deficiency in the Bond Fund to meet maturing installments of either principal or interest, as the case may be, on bonds payable out of the Bond Fund, such deficiency shall be made up from the "Reserve Account" by the withdrawal of cash therefrom for that purpose. Any deficiency created in the "Reserve Account" by reason of any such withdrawal shall then be made up from the moneys from the revenues of the water supply and distribution system of the City first available after making necessary provision for the required payments into the Bond Fund.

All money in the "Reserve Account" above provided for may be kept on deposit in the official bank depository of the City of Kent or may be invested in direct obligations of the United States Government having a guaranteed redemption price prior to maturity or maturing not later than twelve years from date of purchase and, in no event, maturing later than the last maturity of the Bonds outstanding at the time of such purchase. Interest earned on any such investment or on such bank deposit shall be deposited and become a part of the "Reserve Account" until the total required reserve amount shall have been accumulated therein, after which such interest shall be deposited in the Bond Fund.

Section 4. The gross revenues from the water supply and distribution system of the City, as defined in Ordinance No. 982, are hereby pledged to such payments and the Bonds shall constitute a charge or lien upon such revenues prior and superior to any other charges whatsoever, excluding charges for maintenance and operation, except that the charge or lien upon such gross revenues for the Bonds shall be on a parity with the charge or lien upon such gross revenues for the outstanding "Water Revenue Bonds, 1958," dated June 1, 1958, any and/or additional and/or refunding revenue bonds hereafter issued on a parity with said outstanding bonds and the Bonds, in accordance with the provisions of
Section 10 of Ordinance No. 982, but shall be junior and inferior to the prior charge or lien upon such gross revenues for the outstanding "Water Revenue Bonds, 1948", dated November 1, 1948, and the outstanding "Water Revenue Bonds, 1957", dated July 1, 1957.

Section 5. The City of Kent hereby covenants and agrees with the owner and holder of each Bond at any time outstanding, as follows:

(a) That it will establish, maintain and collect such rates and charges for water (and for sanitary sewage disposal service in the event that the sanitary sewage system of the City ever becomes a part of the water supply and distribution system of the City) so long as any "Water Revenue Bonds, 1948", "Water Revenue Bonds, 1957", "Water Revenue Bonds, 1958", the Bonds, and any additional and/or refunding revenue bonds hereafter issued on a parity of lien with said "Water Revenue Bonds, 1958", and the Bonds, in accordance with the provisions of Section 10 of Ordinance No. 982, are outstanding, as will make available for the payment of the principal of and interest on all of such bonds as the same shall become due an amount equal to at least 1.3 times the average annual amount required hereafter, exclusive of any Term Bond Year (as defined in Ordinance No. 982), for the payment of all such principal and interest, after necessary costs of maintenance and operation of the water supply and distribution system have been paid, but before depreciation.

(b) That it will, at all times, maintain and keep the water supply and distribution system and all additions thereto and betterments and replacements and extensions thereof in good repair, working order and condition, and also will at all times operate such system and the business in connection therewith in an efficient manner and at a reasonable cost.

(c) That it will not sell, lease, mortgage or in any manner encumber or dispose of all the property of the water supply and distribution system unless provision is made for payment into the Bond Fund of a sum sufficient to pay the principal of and interest on all Bonds at any time outstanding, and that it will not sell, lease, mortgage or in any manner encumber or dispose of any part of the property of said system that is used, useful and material to the operation thereof unless provision is made for replacement thereof or for payment into the Bond Fund of the total amount of revenue received, which shall not be less than an amount which shall bear the same ratio to the amount of outstanding Bonds as the revenue available for debt service for such outstanding Bonds for the twelve months preceding such sale, lease, encumbrance or disposal from the portion of the system sold, leased, encumbered or disposed of bears to the revenue available for debt service for such Bonds from the entire system for the same period. Any such money so paid into the Bond Fund shall be used to retire such outstanding Bonds at the earliest possible date.
(d) That it will while any of the Bonds remain outstanding keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to its said system and it will furnish the original purchaser or purchasers of the Bonds or any subsequent holder or holders thereof, at the written request of such holder or holders, complete operating and income statements of said system in reasonable detail covering any calendar year not more than ninety (90) days after the close of such calendar year, and it will grant any holder or holders of at least twenty-five per cent (25%) of the outstanding Bonds the right at all reasonable times to inspect the entire system and all records, accounts and data of the City relating thereto. Upon request of any holder of any of said Bonds, it also will furnish such holder a copy of the most recently completed audit of the City's accounts by the State Auditor of Washington.

(e) That it will not furnish any water (or possibly any sanitary sewage disposal service) to any customer whatsoever free of charge, and it will promptly take legal action to enforce collection of all delinquent accounts.

(f) That it will carry the types of insurance on its system properties in the amounts normally carried by private water companies engaged in the operation of water systems, and the cost of such insurance shall be considered a part of operating and maintaining said system. If, as, and when, the United States of America or some agency thereof shall provide for war risk insurance, the City further agrees to take out and maintain such insurance on all or such portions of said system on which such war risk insurance may be written in an amount or amounts to cover adequately the value thereof.

(g) That it will pay all costs of maintenance and operation of the said system and the debt service requirements for the outstanding "Water Revenue Bonds, 1948," "Water Revenue Bonds, 1957," and "Water Revenue Bonds, 1958," and otherwise meet the obligations of the City, as herein set forth.

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

No.____ $1,000,00

UNITED STATES OF AMERICA
STATE OF WASHINGTON
CITY OF KENT
WATER REVENUE BOND, 1959

KNOW ALL MEN BY THESE PRESENTS: That the City of Kent, a municipal corporation of the State of Washington, for value received, promises to pay to bearer on the 1ST DAY OF JUNE, 19____, the principal sum of

ONE THOUSAND DOLLARS
together with interest thereon at the rate of ___% per annum, payable semiannually on the 1st days of June and December of each year upon the presentation and surrender of the attached interest coupons as they severally mature up to the bond maturity date and with full obligation on the part of the City to pay interest at the same rate from and after the bond maturity date until this bond, with interest, is paid in full. Both principal and interest are payable in lawful money of the United States of America at the office of the City Treasurer of Kent, Washington, solely out of the special fund of the City known as "Kent 1958 Water Revenue Bond Redemption Fund," created by Ordinance No. 982 of the City (hereinafter called the "Bond Fund").

This bond is one of a total issue of $350,000.00 par value of bonds, all of like date, tenor and effect, except as to maturities and interest rates, all payable from the Bond Fund and all issued by the City of Kent under and pursuant to the laws of the State of Washington and Ordinances Nos. 982, 1021, and 1032 of the City. Reference is made to said ordinances as more fully describing the covenants with and rights of holder of bonds of this issue.

The City of Kent reserves the right to redeem the bonds of this issue solely for refunding purposes, as a whole or in part, in inverse numerical order, on June 1, 1969, or on any subsequent interest payment date, at the following redemption prices if redeemed on the following dates, plus accrued interest to date of redemption in each case, to wit:

June 1 or December 1, 1969, at $102.50 per each $100 par value thereof
June 1 or December 1, 1970, at $102.00 per each $100 par value thereof
June 1 or December 1, 1971, at $101.50 per each $100 par value thereof
June 1 or December 1, 1972, at $101.00 per each $100 par value thereof
June 1 or December 1, 1973, at $100.50 per each $100 par value thereof
June 1, 1974, and thereafter, at par.

The City of Kent reserves the right to redeem the bonds of this issue solely from surplus earnings of the water supply and distribution system of the City, in inverse numerical order, on June 1, 1969, or on any subsequent interest payment date, at par, plus accrued interest to date of redemption.

Notice of any call for redemption of any of the bonds of this issue prior to their stated maturity dates shall be published at least once in the official newspaper of the City not less than thirty nor more than forty-five days prior to the call date. Notice of such intended redemption shall also be mailed to McLean & Company, Inc., 772 Commerce Street, Tacoma 2, Washington, or its successor, not less than thirty nor more forty-five days prior to the call date. Interest on any bonds so called for redemption shall cease on the date fixed for such redemption upon payment of the redemption price into the Bond Fund.

The bonds of this issue constitute a charge or lien upon the gross revenues from the water supply and distribution system of the City prior and superior to any other charges whatsoever, excluding charges for maintenance and operation of said system, except that the charge or lien upon such gross revenues for the bonds of this issue shall be on a parity with the charge or
lien upon such gross revenues for the outstanding "Water Revenue Bonds, 1958," dated June 1, 1958, and any additional and/or refunding revenue bonds hereafter issued on a parity of lien with said bonds in accordance with the provisions of Section 10 of Ordinance No. 982, but said charge or lien shall be junior and inferior to the prior charge or lien upon such gross revenues for the outstanding "Water Revenue Bonds, 1948," dated November 1, 1948, and the outstanding "Water Revenue Bonds, 1957," dated July 1, 1957.

The City of Kent has covenanted to establish, maintain and collect such rates and charges for water (and for sanitary sewage disposal service should the sewerage system of the City ever be combined with the water system) for so long as any bonds of this issue, any "Water Revenue Bonds, 1948", "Water Revenue Bonds, 1957", "Water Revenue Bonds, 1958", and any revenue bonds which may be hereafter issued on a parity with said "Water Revenue bonds, 1958," and the bonds of this issue, are outstanding, as will make available for the payment of the principal of and interest on such outstanding bonds as the same shall become due, an amount equal to at least 1.3 times the average annual amount required hereafter (exclusive of any year during which any of such bonds shall mature, which year is a "Term Bond Year" as such words are defined in Ordinance No. 982) for the payment of all of such principal and interest, after necessary costs of maintenance and operation of such system have been paid, but before depreciation.

The City further covenants and agrees to maintain in good condition and to operate the said system and all additions thereto and betterments, replacements and extensions thereof and to establish, maintain and collect such rates for water as will produce gross revenues from the said system sufficient to permit payment into the Bond Fund of the amounts required for the payment of the principal of and interest on all bonds payable out of the Bond Fund as the same become due and the amounts required to be paid into the "Reserve Account" in the Bond Fund, and in addition thereto to pay all costs of maintenance and operation and the debt service requirements of all outstanding water revenue bonds, and otherwise to meet the obligations of the City as herein set forth.

It is hereby certified and declared that the bonds of this issue are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and the ordinances of the City of Kent, and all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, have been done and have been performed as required by law.

IN WITNESS WHEREOF, the City of Kent, Washington, has caused this bond to be signed by its Mayor and attested by its Clerk and its corporate seal to be hereeto affixed and the interest coupons attached to be signed with the facsimile signatures of said officials this 1st day of June, 1959.

CITY OF KENT, WASHINGTON

BY

MAYOR

ATTEST

CLERK
The interest coupons attached to the Bonds shall be in substantially the following form:

Coupon No.______

$_____

On the 1st day of (June)(December), 19__, the CITY OF KENT, WASHINGTON, upon presentation and surrender of this coupon, will pay to bearer at the office of the City Treasurer the sum of ___$_______ in lawful money of the United States of America from the special fund of the City known as the "Kent 1958 Water Revenue Bond Redemption Fund," said sum being six months' interest then due on its "Water Revenue Bond, 1959," dated June 1, 1959, and numbered ____.

CITY OF KENT, WASHINGTON

BY_______

MAYOR

ATTEST:_______

CLERK

The Bonds shall be printed on lithographed forms, shall be signed by the Mayor and attested by the Clerk, and shall have the seal of the City of Kent affixed thereto, and the coupons shall bear the facsimile signatures of the Mayor and the Clerk.

Section 7. McLean & Company, Inc., of Tacoma, Washington, heretofore offered to purchase the Bonds at a price of $97.00, for each $100.00 par value thereof, plus accrued interest from the date of the issuance to the date of delivery of the Bonds, the City to furnish, at its expense, the Bonds, together with the approving legal opinion of Messrs. Weter, Roberts & Shefelman, municipal bond counsel of Seattle, Washington. The City Council, deeming that no better offer could be received for the Bonds and that it was in the best interest of the City to accept said offer, duly accepted the same on June 1, 1959, and such acceptance is hereby ratified and confirmed. The Bonds shall, therefore, immediately upon their execution, be delivered to McLean & Company, Inc., upon payment therefor in accordance with said offer. The accrued interest received shall be deposited in the Bond Fund, and the principal proceeds received shall be deposited in the "Water Construction Fund" of the City.

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Section 8. This Ordinance is declared to be one necessary for the immediate preservation of the public peace, property, health and safety of the people of the City of Kent, Washington. An emergency is hereby declared to exist, and this Ordinance is hereby declared to be in full force and effect from and after its passage, approval and publication, as provided by law.

PASSED by the City Council of the City of Kent, Washington, and APPROVED by its Mayor, at a regular meeting held on the 15th day of June, 1959.

Mayor

ATTEST:         CITY CLERK

CITY ATTORNEY

APPROVED AS TO FORM