AN ORDINANCE of the City of Kent, Washington, specifying and adopting a system or plan of additions to and betterments and extensions of the sewage collection and disposal system of the City with which has been combined the system and plant for garbage and refuse collection and disposal of the City; declaring the estimated cost thereof as nearly as may be; authorizing the issuance and sale of sewer revenue bonds in the principal sum of not to exceed $800,000.00 to provide the funds necessary to carry out said system or plan; creating a special fund to provide for the payment of the sewer revenue bonds; authorizing the issuance of interest bearing warrants drawn upon the "Sewer Construction Fund" pending the sale of such sewer revenue bonds; and declaring an emergency.

THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON,

DO ORDAIN as follows:

Section 1. It is hereby found and declared that the public health requires and it is deemed necessary that the North Treatment Plant of the City be expanded to provide an adequate sanitary sewage collection and disposal system for the City and that engineering studies be undertaken to determine the present and future waste disposal needs of the City in view of the rapid urban and industrial expansion of areas within the City.

Section 2. The City of Kent, Washington, hereby specifies and adopts a system or plan for making additions to and betterments and extensions of the existing sewage collection and disposal system of the City with which has been combined, pursuant to Ordinance No. 1338 passed by the City Council and approved by the Mayor on April 18, 1966, the system and plant for garbage and refuse collection and disposal of the City (which combined systems are hereinafter referred to as the "system of sewerage of the City") to consist of the following:
1. The North Treatment Plant of the City shall be improved and expanded by the construction and installation of influent and effluent pumping stations, piping, earthwork for ponds and dikes, flow measuring and control equipment, rip-rap, fencing, landscaping and appurtenances on property presently owned by the City of Kent and described as follows:

The northwest quarter of the southeast quarter of Section 11, Township 22 North, Range 4 East W.M., LESS right of way for drainage ditch; AND the southwest quarter of the southeast quarter of said Section 11, LESS right of way for drainage ditch; and LESS that portion thereof lying southerly of a line running from a point on the east line of said subdivision 500 feet north of the southeast corner thereof to a point on the west line thereof 280 feet north of the southwest corner thereof.

2. The City shall retain consulting engineers to prepare and furnish to the City appropriate engineering studies of present and future waste disposal needs and requirements for the City.

3. The City Council may modify the details of the foregoing system or plan where in its judgment it appears advisable, provided such modifications do not substantially alter the purposes hereinbefore set forth.

Section 3. The life of the foregoing additions, betterments and extensions is hereby declared to be at least thirty years.

Section 4. The estimated cost of the acquisition, construction and installation of the above-described additions and betterments to the system of sewerage of the City is hereby fixed, as nearly as may be, at the sum of $800,000.00.

Section 5. The cost of acquiring, constructing and making the foregoing additions to and betterments and extensions of the system of sewerage shall be paid from the proceeds received from the issuance and sale of sewer revenue bonds of the City in an amount of not to exceed $800,000.00.

Section 6. The sewer revenue bonds shall be issued in one or more series at such times as the City Council shall deem advisable. The sewer revenue bonds shall be entitled "Sewer Revenue Bonds, 1966, Issue No. 2," with series designations following, if issued in series. Such bonds shall bear interest at an effective rate not to exceed 6% per annum, payable semiannually,
and shall be numbered from "one" upward, consecutively, within each series as issued. The bonds shall be issued in such series; shall be in such denominations and form; shall bear such date or dates and interest rate or rates; shall be payable at such place or places; shall mature serially in accordance with such schedule, beginning not earlier than one year after date of issuance and ending not later than thirty years thereafter or shall be term bonds; shall have such option of payment prior to maturity; shall guarantee such coverage and collection of rates; shall provide for such additional funds and accounts; and shall contain and be subject to such provision or covenants as shall be hereafter provided by ordinance. The bonds shall be sold in such manner as the City Council of the City of Kent shall deem to be in the best interest of the City.

Section 7. The gross revenues and benefits to be derived from the operation and maintenance of the system of sewerage and the additions, extensions and betterments thereto herein provided for, at the rates to be charged for sanitary sewage disposal service on the entire system and garbage and refuse collection and disposal service, will in the judgment of the City Council be more than sufficient to meet all expenses of operation and maintenance thereof and to permit the setting aside into a special fund out of the gross revenues of the system of sewerage of sufficient amounts to pay the interest on the sewer revenue bonds herein authorized to be issued and on the presently outstanding "Sewer Revenue Bonds, 1954," dated April 1, 1954, and the "Sewer Revenue Bonds, 1956," dated October 1, 1956, and the "Sewer Revenue Bonds, 1959," dated June 1, 1959, and "Sewer Revenue Bonds, 1966," dated May 1, 1966, as such interest becomes due and payable and to pay and redeem all of said bonds at maturity.

Section 8. The sewer revenue bonds herein authorized to be issued and sold shall be payable solely out of the special fund herein created and shall be a valid claim of the holder thereof only as against such special
fund, and the amount of the revenues of the system of sewerage pledged to such special fund, and shall not be a general obligation of the City of Kent, Washington.

Section 9. There shall be and hereby is created and established in the office of the Treasurer of the City of Kent a special fund to be known as the "Sewer Revenue Bond Fund, No. 2, 1966," which fund is to be drawn upon for the sole purpose of paying the principal of and interest on the sewer revenue bonds herein authorized to be issued and sold. From and after the date thereof and so long thereafter as bonds are outstanding against such fund the City Treasurer shall set aside and pay into said fund out of the gross revenues of the system of sewerage now belonging to or which may hereafter belong to the City, including all additions, extensions and betterments thereof at any time made, a fixed amount without regard to any fixed proportion, namely, an amount sufficient to pay the principal of and interest on all bonds payable out of said special fund as they respectively become due and to create such surplus and reserve, if any, that may hereafter be prescribed by ordinance. The gross revenues from the said system of sewerage are hereby pledged to such payment and the sewer revenue bonds herein authorized shall constitute a charge or lien upon such revenues prior and superior to any other charges whatsoever, excluding charges for maintenance and operation, provided, however, that if the conditions required to be met as set forth in Section 8 of Ordinance No. 871, passed February 1, 1954, shall be met at the time of the issuance of the sewer revenue bonds herein authorized the charge or lien upon such gross revenues for the sewer revenue bonds herein authorized shall be on a parity with the charge or lien upon such gross revenues for the outstanding "Sewer Revenue Bonds, 1954," dated April 1, 1954, the outstanding "Sewer Revenue Bonds, 1956," dated October 1, 1956, the outstanding "Sewer Revenue Bonds, 1959," dated June 1, 1959, and the "Sewer Revenue Bonds, 1966," dated May 1, 1966, issued on a parity therewith. Otherwise, the charge or lien upon such gross revenues for the sewer revenue bonds herein authorized shall be subordinate and inferior to the prior charge or lien upon such gross revenues for the presently outstanding "Sewer Revenue

Section 10. The City Council and corporate authorities of the City of Kent hereby declare that in creating the said special fund and in fixing the amounts to be paid into it as set forth herein they have exercised due regard to the cost of operation and maintenance of the system of sewerage of the City and the debt service requirements of the outstanding "Sewer Revenue Bonds, 1954," "Sewer Revenue Bonds, 1956," "Sewer Revenue Bonds, 1959," and "Sewer Revenue Bonds, 1966," and the City of Kent has not bound and obligated itself and will not bind and obligate itself to set aside and pay into such special fund a greater amount or proportion of the revenues of the system of sewerage than in the judgment of the City Council will be available over and above such costs of maintenance and operation and debt service requirements of said outstanding bonds, and that no portion of the revenues of the system of sewerage has been previously pledged for any indebtedness other than the said outstanding "Sewer Revenue Bonds, 1954," "Sewer Revenue Bonds, 1956," "Sewer Revenue Bonds, 1959," "Sewer Revenue Bonds, 1966."

Section 11. The proceeds received from the sale of the foregoing "Sewer Revenue Bonds, 1966, Issue No. 2," shall be deposited in the "Sewer Construction Fund," of the City and shall be used for the sole purpose of paying the cost of carrying out the additions to and betterments and extensions of the system of sewerage as herein authorized and of paying the cost and expenses connected therewith, and the City of Kent, through its proper officers and agents, shall proceed with the making of said improvements and the calling of bids therefor in the manner provided by law. Pending the sale of said "Sewer Revenue Bonds, 1966, Issue No. 2," the City may issue interest-bearing warrants drawn upon the "Sewer Construction Fund," to be paid out of the proceeds of the sale of the bonds.

Section 12. 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 2nd day of May,
1966.

Mayor

ATTEST:

City Clerk

FORM APPROVED:

City Attorney