



## CLARK COUNTY STAFF REPORT

DEPARTMENT: Clark County Treasurer's Office

DATE: March 31, 2015

Request: Approve adoption of Resolution 2015- 03 -15 authorizing the Treasurer to negotiate the sale of bonds in an appropriate amount relating to contracting indebtedness; providing for the issuance, sale and delivery of not to exceed \$3,800,000 aggregate principal amount of limited tax general obligation refunding bond to provide a portion of the funds required to refund, pay and redeem certain of the County's outstanding Limited Tax General Obligation Bonds, 2005A, and to pay the costs of issuance and sale of the bond; fixing or setting parameters with respect to certain terms and covenants of the bond; appointing the County's designated representative to approve the final terms of the sale of the bond; and providing for other related matters.

This resolution also includes Limited Tax General Obligation Bonds, 2003, Series B which are budgeted for in the 2015/2016 Biennial Budget and we will pay-off early thereby saving the County Funds interest expense.

CHECK ONE:                        X   Consent                             CAO

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### BACKGROUND

Resolution No. 2005-03-09 authorized the issuance of \$24,985,000 in Limited Tax General Obligation Refunding (LTGOR), 2005 Series A bonds to pay the cost of refunding the callable portions of certain of the County's outstanding limited tax general obligation bonds and the administrative costs of such refunding and to pay the costs of issuance and sale of such bonds; providing for and authorizing the purchase of certain obligations out of the proceeds of the sale of the bonds.

This Resolution provided for the refunding of the following projects:

- Conservations Futures Program portion in the amount of \$9,722,000,
- Pay the cost of expanding, remodeling, improving and equipping the current juvenile detention facility portion in the amount of \$6,333,000 and to pay costs of issuing and selling of the bonds.
- Constructing a joint fire/sheriff public safety facility at the County Fair Grounds in the amount of \$1,975,000.
- \$6,955,000 for the Tri-Mountain Golf Course and to pay the cost of issuing and selling the bonds. These bonds were subsequently refunded under Resolution 2014-07-15 as taxable bonds and are not part of this financing.

The financing facility for the 2005A bonds is twofold:

1. A two year bank loan for \$3,800,000 bearing interest at no more than 1.5% Total Interest Cost (TIC) paid every six months in level payments (principal and interest),

*mgm  
OK  
yix*

2. A five year \$4,040,000 loan from the General Fund bearing interest at no more than 1.5% paid every six months in level payments (principal and interest).

The responsible Funds will save:

1. Conservation Futures which would save \$258,996,
2. Fire District Fund 6254 which would save \$25,899 and
3. Real Estate Excise Tax (REET) would save \$194,044 over the five years.

At a 1.5% rate interest the General Fund will receive \$168,518 in interest payments and interest to outside sources (bank) will be \$71,516.

Additionally Resolution No. 2003-10-02 authorized the issuance of \$5,395,000 in Limited Tax General Obligation Refunding (LTGOR), 2003 Series B bonds to pay the cost of refunding the callable portions of certain of the County's outstanding limited tax general obligation bonds and the administrative costs of such refunding and to pay the costs of issuance and sale of such bonds; providing for and authorizing the purchase of certain obligations out of the proceeds of the sale of the bonds. County 800 MHz public safety radio communications system and acquiring and constructing other law and justice facilities, including additional juvenile detention facilities.

The action for the 2003B bonds is to call the \$840,000 bonds outstanding plus interest on June 1, 2015 and pay with the current budgeted amount early thereby returning unspent interest of \$18,335.89 to CRESA and saving REET \$7,800 in interest expense.

## COMMUNITY OUTREACH

N/A

N/A

## BUDGET AND POLICY IMPLICATIONS

The 2015-2016 budget includes the costs related to the 2003B bonds thereby no change in budget is required.

This budget authorization authorizes calling the callable outstanding bonds associated with Resolution 2005-03-09 in the amount of \$7,840,000.

The 2005A bonds related financing interest expense incurred and paid by the using department would go to the General Fund for the \$4.04M for the next five years and the \$3.8M will go to the bank for the next two years.

## FISCAL IMPACTS

☐ Yes (see attached form)

☒ No

## ACTION REQUESTED

Request: Approve adoption of Resolution 2015- 03 - **15** authorizing the Treasurer to negotiate the sale of bonds in an appropriate amount relating to contracting indebtedness; providing for the issuance, sale and delivery of not to exceed \$3,800,000 aggregate principal amount of limited tax general obligation refunding bond to provide a portion of the funds required to refund, pay and redeem certain of the County's outstanding Limited Tax General Obligation Bonds, 2005A, and to pay the costs of issuance and sale of the bond; fixing or setting parameters with respect to certain terms and covenants of the bond; appointing the County's designated representative to approve the final terms of the sale of the bond; and providing for other related matters.

## DISTRIBUTION

Upon acceptance please forward to: Auditor's Office, Office of Budget and Treasurer's Office.

  
\_\_\_\_\_  
John Payne  
Deputy Treasurer

Approved:   
\_\_\_\_\_  
BOARD OF COUNTY COUNCILORS

Approved: March 31, 2015  
SR 059-15

## FISCAL IMPACT ATTACHMENT

### Part I: Narrative Explanation

I. A – In summary: Receive a \$3,800,000 bank loan into the General Fund and transfer to Fund 2914 \$7,840,000 to call and pay expenses for the 2003B and 2005A bonds.

### Part II: Estimated Revenues

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
0001 General Fund	3,800,000	3,800,000				
(Bank Loan)						
<b>Total</b>	3,800,000	3,800,000				

II. A – Describe the type of revenue (grant, fees, etc.)  
Bank Loan in the amount of \$3,800,000.

### Part III: Estimated Expenditures

III. A – Expenditures summed up

Fund #/Title	FTE's	Current Biennium		Next Biennium		Second Biennium	
		GF	Total	GF	Total	GF	Total
Fund 2914 - General Obligation Bond Fund		7,840,000	7,840,000				
<b>Total</b>		7,840,000	7,840,000				

III. B – Expenditure by object category

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
Salary/Benefits						
Contractual						
Supplies						
Travel						
Other controllables						
Capital Outlays						
Inter-fund Transfers	7,840,000	7,840,000				
Debt Service						
<b>Total</b>	7,840,000	7,840,000				

CLARK COUNTY, WASHINGTON  
RESOLUTION NO. 2015-03-15

A RESOLUTION of the Board of County Councilors, Clark County, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of not to exceed \$3,800,000 principal amount limited tax general obligation refunding bond to provide a portion of the funds required to refund, pay and redeem certain of the County's outstanding Limited Tax General Obligation Bonds, 2003, Series B and Limited Tax General Obligation Bonds, 2005A, and to pay the costs of issuance and sale of the bond; fixing or setting parameters with respect to certain terms and covenants of the bond; appointing the County's designated representative to approve the final terms of the sale of the bond; and providing for other related matters.

Adopted March 31, 2015

*This document prepared by:  
Foster Pepper PLLC  
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Seattle, Washington 98101  
(206) 447-4400*

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*\*The cover page, table of contents and section headings of this resolution are for convenience of reference only, and shall not be used to resolve any question of interpretation of this resolution.*

CLARK COUNTY, WASHINGTON

RESOLUTION NO. 2015-03-15

A RESOLUTION of the Board of County Councilors, Clark County, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of not to exceed \$3,800,000 principal amount limited tax general obligation refunding bond to provide a portion of the funds required to refund, pay and redeem certain of the County's outstanding Limited Tax General Obligation Bonds, 2003, Series B and Limited Tax General Obligation Bonds, 2005A, and to pay the costs of issuance and sale of the bond; fixing or setting parameters with respect to certain terms and covenants of the bond; appointing the County's designated representative to approve the final terms of the sale of the bond; and providing for other related matters.

THE BOARD OF COUNTY COUNCILORS OF CLARK COUNTY, WASHINGTON,  
DO ORDAIN as follows:

Section 1.     Definitions. As used in this resolution, the following capitalized terms shall have the following meanings:

(a)     *"2003B Bonds"* means the County's Limited Tax General Obligation Refunding Bonds, 2003B, dated October 22, 2003, issued by the County for the purpose of providing a portion of the funds necessary to advance refund the callable portions of the County's Limited Tax General Obligation Improvement and Refunding Bonds, 1996, Series A, and the Limited Tax General Obligation Bonds, 1996 Series B.

(b)     *"2003B Refunded Bond Legislation"* means Resolution No. 2003-08-23 adopted by the County on August 27, 2003, and Resolution No. 2003-10-02 adopted by the County on October 7, 2003.

(c)     *"2005A Bonds"* means the County's Limited Tax General Obligation Refunding Bonds, 2005A, dated April 5, 2005, issued by the County for the purpose of advance refunding

portions of the County's Limited Tax General Obligation Bonds, 1997, Limited Tax General Obligation Bonds, 1998, and Limited Tax General Obligation Bonds, 1999, Series B.

(d) *"2005A Refunded Bond Legislation"* means Resolution No. 2005-02-09 adopted by the County on February 22, 2005, and Resolution No. 2005-03-09 adopted by the County on March 15, 2005.

(e) *"Board"* means the Board of County Councilors of the County.

(f) *"Bond"* means the bond issued pursuant to and for the purposes provided in this resolution.

(g) *"Bond Counsel"* means the firm of Foster Pepper PLLC, its successor, or any other attorney or firm of attorneys selected by the County with a nationally recognized standing as bond counsel in the field of municipal finance.

(h) *"Bond Fund"* means the Limited Tax General Obligation Refunding Bond Fund, 2015, of the County created for the payment of the principal of and interest on the Bond.

(i) *"Bond Register"* means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of the Bond.

(j) *"Bond Registrar"* means the Treasurer, or any successor bond registrar selected by the County.

(k) *"Code"* means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(l) *"County"* means Clark County, Washington, a political subdivision of the State of Washington duly organized and existing under and by virtue of the laws of the State.



(m) “*County Contribution*” means legally available money of the County, in addition to proceeds of the Bond, necessary or advisable to carry out the Refunding Plan, as determined by the Designated Representative.

(n) “*Designated Representative*” means the officer of the County appointed in Section 4 of this resolution to serve as the County’s designated representative in accordance with RCW 39.46.040(2).

(o) “*Final Terms*” means the terms and conditions for the sale of the Bond including the amount, date, denomination, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption rights, price, and other terms or covenants, including minimum savings for refunding bonds (if the refunding bonds are issued for savings purposes).

(p) “*Finance Officer*” means the County Treasurer, Deputy Treasurer or Finance Manager, or such other officer of the County who succeeds to substantially all of the responsibilities of that office.

(q) “*Government Obligations*” has the meaning given in RCW 39.53.010, as now in effect or as may hereafter be amended.

(r) “*Issue Date*” means the date of initial issuance and delivery of the Bond to the Purchaser in exchange for the purchase price of the Bond.

(s) “*Purchase Offer*” means an offer to purchase the Bond, setting forth certain terms and conditions of the issuance, sale and delivery of that Bond, which offer is authorized to be accepted by the Designated Representative on behalf of the County, if consistent with this resolution.

(t) "*Purchaser*" means the corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected by the Designated Representative to serve as purchaser in a private placement or underwriter or placement agent in a negotiated sale.

(u) "*Record Date*" means the Bond Registrar's close of business on the 15th day of the month preceding an interest payment date. With respect to redemption of the Bond prior to its maturity, the Record Date shall mean the Bond Registrar's close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with Section 9.

(v) "*Redemption Date*" means June 1, 2015, or such other date as the Designated Representative shall select, which date shall not be earlier than June 1, 2015.

(w) "*Refunded Bond Legislation*" means, together, the 2003B Refunded Bond Legislation and the 2005A Refunded Bond Legislation.

(x) "*Refunded Bonds*" means those Refunding Candidates selected by the Designated Representative and identified in a Refunding Plan to be refunded with the proceeds of the Bond and the County Contribution.

(y) "*Refunding Account*" means the special account created in Section 8 of this resolution carry out the Refunding Plan.

(z) "*Refunding Candidates*" means those 2003B Bonds and 2005A Bonds identified in Exhibit B, attached to this resolution and incorporated by this reference.

(aa) "*Refunding Plan*" means the deposit into the Refunding Account of the proceeds of the Bond sufficient, together with the County Contribution, to be held in trust, to the Redemption Date and on the Redemption Date, to call, pay and redeem the Refunded Bonds at a price of par.

(bb) “*Registered Owner*” means, with respect to the Bond, the person in whose name the Bond is registered on the Bond Register.

(cc) “*State*” means the State of Washington.

(dd) “*System of Registration*” means the system of registration for the County’s bonds and other obligations set forth in Resolution No. 1985-05-104 of the County.

(ee) “*Treasurer*” means the Treasurer of the County or his or her designee.

Section 2. Findings and Determinations. The County takes note of the following facts and makes the following findings and determinations:

(a) The County issued the 2003B Bonds pursuant to the 2003B Refunded Bond Legislation for the purposes provided in the 2003B Bond Legislation and reserved the right and option to redeem the 2003B Bonds maturing on or after December 1, 2014, prior to their stated maturity dates at any time on or after December 1, 2013, as a whole or in part, at par plus accrued interest to the date fixed for redemption.

(b) The County issued its 2005A Bonds pursuant to the 2005A Refunded Bond Legislation for the purposes provided in the 2005A Refunded Bond Legislation and reserved the right and option to redeem the 2005A Bonds maturing on or after December 1, 2015, prior to their stated maturity dates at any time on or after June 1, 2015, as a whole or in part, at par plus accrued interest to the date fixed for redemption.

(c) After due consideration, the Board has determined it to be in the best interest of the County that it authorize the issuance and sale of the Bond, for the purpose of refunding the Refunding Candidates consisting of the 2005A Bonds maturing on December 1, 2015 and December 1, 2016, and of paying all or part of the costs of issuance and sale of the Bond.

(d) RCW 39.46.040(2) provides that a resolution authorizing the issuance of bonds may authorize an officer of the County to serve as the County's designated representative and to accept, on behalf of the County, an offer to purchase those bonds so long as the acceptance of such offer is consistent with terms established by a resolution that establishes the following terms for the bonds (or parameters with respect thereto): the amount, date, denominations, interest rates (or mechanism for determining interest rates), payment dates, final maturity, redemption rights, price, minimum savings for refunding bonds and any other terms or conditions deemed appropriate by the Board.

(e) In order to carry out the Refunding Plan, it is in the best interest of the County to delegate to the County Treasurer, the Deputy County Treasurer or the Finance Manager of the County the authority to: determine the redemption date of the Refunded Bonds; determine the final terms of the Bond and take additional action necessary for the refunding of all the Refunded Bonds and the issuance of the Bond pursuant to the terms of this resolution.

(f) For the purpose of providing the funds necessary to carry out the Refunding Plan and to pay the costs of issuance and sale of the Bond, the Board finds that it is in the best interests of the County and its taxpayers to issue and sell the Bond to the Purchaser, pursuant to the terms set forth in the Purchase Offer as approved by the County's Designated Representative consistent with this resolution.

Section 3. Authorization of Bond. The County is authorized to borrow money on the credit of the County and issue a negotiable limited tax general obligation refunding bond evidencing indebtedness in aggregate principal amount not to exceed \$3,800,000 to provide a portion of the funds necessary to carry out the Refunding Plan and to pay the costs of issuance and sale of the Bond.

Section 4. Description of the Bond; Appointment of Designated Representative. The County Treasurer, Deputy Treasurer, and Finance Manager are each, acting separately, appointed as the Designated Representative of the County and are authorized and directed to conduct the sale of the Bond in the manner and upon the terms deemed most advantageous to the County, and to approve the Final Terms of the Bond, with such additional terms and covenants as the Designated Representative deems advisable, within the parameters set forth in Exhibit A, which is attached to this resolution and incorporated by this reference.

Section 5. Bond Registrar; Registration and Transfer of Bond.

(a) *Registration of Bond.* The Bond shall be issued only in registered form as to both principal and interest and the ownership of the Bond shall be recorded on the Bond Register.

(b) *Bond Registrar; Duties.* The Treasurer shall serve as initial Bond Registrar. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bond, which shall be open to inspection by the County at all times. The Bond Registrar is authorized, on behalf of the County, to authenticate and deliver the Bond if transferred or exchanged in accordance with the provisions of the Bond and this resolution, to serve as the County's paying agent for the Bond and to carry out all of the Bond Registrar's powers and duties under this resolution and the System of Registration. The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on the Bond.

(c) *Bond Register; Transfer of Bond.* The Bond Register shall contain the name and mailing address of the Registered Owner of the Bond and the principal amount and number of the Bond held by the Registered Owner. The Bond may be transferred only in whole and only with the written consent of the County, which consent may not unreasonably be withheld. Any

transfer shall be without cost to the Registered Owner or transferee. The Bond Registrar shall not be obligated to exchange the Bond or transfer registered ownership during the period between the applicable Record Date and the next upcoming principal and interest payment.

Section 6. Form and Execution of Bond.

(a) *Form of Bond; Signatures and Seal.* The Bond shall be prepared in a form consistent with the provisions of this resolution and State law. The Bond shall be signed by the Chairman of the Board and the Clerk of the Board, either or both of whose signatures may be manual or in facsimile, and the seal of the County or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on the Bond ceases to be an officer of the County authorized to sign bonds before the Bond bearing his or her manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the County, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the County as though that person had continued to be an officer of the County authorized to sign bonds. The Bond also may be signed on behalf of the County by any person who, on the actual date of signing of the Bond, is an officer of the County authorized to sign bonds, although he or she did not hold the required office on its Issue Date.

(b) *Authentication.* Only if the Bond bears a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall it be valid or obligatory for any purpose or entitled to the benefits of this resolution: "Certificate Of Authentication. This Bond is the fully registered Clark County, Washington, Limited Tax General Obligation Refunding Bond, 2015, described in the Bond Resolution." The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so

authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

Section 7.     Payment of Bond. Both principal of and interest on the Bond shall be payable in lawful money of the United States of America. Principal of and interest on the Bond shall be paid by electronic funds transfer, or by checks or drafts of the Bond Registrar mailed on the payment date to the registered owner at the address appearing on the Bond Register.

Section 8.     Funds; Deposit of Bond Proceeds; Execution of Refunding Plan.

(a)     *Bond Fund.* The Bond Fund is created as a special fund of the County for the sole purpose of paying principal of and interest on the Bond. All amounts allocated to the payment of the principal of and interest on the Bond shall be deposited in the Bond Fund as necessary for the timely payment of amounts due with respect to the Bond. The principal of and interest on the Bond shall be paid out of the Bond Fund. Until needed for that purpose, the County may invest money in the Bond Fund temporarily in any legal investment, and the investment earnings shall be retained in the Bond Fund and used for the purposes of that fund.

(b)     *Refunding Account.* The Refunding Account is created as a special account in the general fund of the County for the purpose of carrying out the Refunding Plan. Proceeds received from the sale and delivery of the Bond and the County Contribution shall be deposited into the Refunding Account, separate and apart from all other money of the County, and shall be irrevocably set aside for and pledged to carry out the Refunding Plan.

(c)     *Call for Redemption of the Refunded Bonds.* The Designated Representative is authorized and directed, on behalf of the County, to call for redemption on the Redemption Date the Refunded Bonds that the Designated Representative has selected to be refunded with proceeds of the Bond. The redemption price shall be equal to the aggregate stated principal

amount of the Refunded Bonds, plus accrued interest to the Redemption Date. Such call for redemption shall be irrevocable after the delivery of the Bond to the Purchaser thereof.

Section 9. Prepayment of Bond. The Bond shall be subject to prepayment at the option of the County on terms acceptable to the Designated Representative, as set forth in the Purchase Offer, consistent with the parameters set forth in Exhibit A.

Section 10. Failure To Pay Bond. If the principal of the Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption, the County shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

Section 11. Pledge of Taxes. The Bond constitutes a general indebtedness of the County and is payable from tax revenues of the County and such other money as is lawfully available and pledged by the County for the payment of principal of and interest on the Bond. For as long as the Bond is outstanding, the County irrevocably pledges that it shall, in the manner provided by law within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, to pay principal of and interest on the Bond as the same become due. The full faith, credit and resources of the County are pledged irrevocably for the prompt payment of the principal of and interest on the Bond and such pledge shall be enforceable in mandamus against the County.



Section 12. Tax Covenants; Designation of Bond as “Qualified Tax Exempt Obligation.”

(a) *Preservation of Tax Exemption for Interest on Bond.* The County covenants that it will take all actions necessary to prevent interest on the Bond from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bond or other funds of the County treated as proceeds of the Bond that will cause interest on the Bond to be included in gross income for federal income tax purposes. The County also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bond, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bond.

(b) *Post-Issuance Compliance.* The Finance Officer is authorized and directed to review and update, if necessary, the County’s written procedures to facilitate compliance by the County with the covenants in this resolution and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bond from being included in gross income for federal tax purposes.

(c) *Designation of Bond as a “Qualified Tax-Exempt Obligation.”* The Bond may be designated as a “qualified tax-exempt obligation” for the purposes of Section 265(b)(3) of the Code, if the following conditions are met:

(1) the Bond does not constitute a “private activity bond” within the meaning of Section 141 of the Code;

(2) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the County and any entity subordinate to the County (including any entity that the County

controls, that derives its authority to issue tax-exempt obligations from the County, or that issues tax-exempt obligations on behalf of the County) will issue during the calendar year in which the Bond is issued will not exceed \$10,000,000; and

(3) the amount of tax-exempt obligations, including the Bond, designated by the County as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bond is issued does not exceed \$10,000,000.

Section 13. Refunding or Defeasance of the Bond. The County may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on the Bond (the "defeased Bond"); (b) redeeming the defeased Bond prior to its maturity; and (c) paying the costs of the refunding or defeasance. If the County sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the "trust account"), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bond in accordance with its terms, then all right and interest of the Registered Owner of the defeased Bond in the covenants of this resolution and in the funds and accounts obligated to the payment of the defeased Bond shall cease and become void. Thereafter, the Registered Owner of the defeased Bond shall have the right to receive payment of the principal of and interest on the defeased Bond solely from the trust account and the defeased Bond shall be deemed no longer outstanding. In that event, the County may apply money remaining in any fund or account (other than the trust account) established for the payment or redemption of the defeased Bond to any lawful purpose.

Unless otherwise specified by the County in a refunding or defeasance plan, notice of refunding or defeasance shall be given in the manner prescribed in this resolution for the redemption of the Bond.

Section 14. Sale and Delivery of the Bond.

(a) *Manner of Sale of Bond; Delivery of Bond.* The Designated Representative is authorized to sell the Bond by negotiated sale or private placement based on the assessment of the Designated Representative of market conditions, in consultation with appropriate County officials and staff, Bond Counsel and other advisors. In determining the method of sale of the Bond and accepting the Final Terms, the Designated Representative shall take into account those factors that, in the judgment of the Designated Representative, may be expected to result in the lowest true interest cost to the County.

(b) *Procedure for Negotiated Sale or Private Placement.* If the Designated Representative determines that the Bond is to be sold by negotiated sale or private placement, the Designated Representative shall select one or more Purchasers with which to negotiate such sale. The Purchase Offer for the Bond shall set forth the Final Terms. The Designated Representative is authorized to execute the Purchase Offer on behalf of the County, so long as the terms provided therein are consistent with the terms of this resolution.

(c) *Preparation, Execution and Delivery of the Bond.* The Bond will be prepared at County expense and will be delivered to the Purchaser in accordance with the Purchase Offer, together with the approving legal opinion of Bond Counsel regarding the Bond.

Section 15. Reporting Requirements. The County covenants to provide to the Purchaser such information as is acceptable to the Designated Representative.

Section 16. Supplemental and Amendatory Resolutions. The County may supplement or amend this resolution for any one or more of the following purposes without the consent of the Registered Owner of the Bond:

(a) To add covenants and agreements that do not materially adversely affect the interests of the Registered Owner, or to surrender any right or power reserved to or conferred upon the County.

(b) To cure any ambiguities, or to cure, correct or supplement any defective provision contained in this resolution in a manner that does not materially adversely affect the interest of the Registered Owner of the Bond.

Section 17. General Authorization and Ratification. The Designated Representative and other appropriate officers of the County are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this resolution, and to do everything necessary for the prompt delivery of the Bond to the Purchaser thereof and for the proper application, use and investment of the proceeds of the Bond. All actions taken prior to the effective date of this resolution in furtherance of the purposes described in this resolution and not inconsistent with the terms of this resolution are ratified and confirmed in all respects.

Section 18. Severability. The provisions of this resolution are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this resolution to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be

modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this resolution in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 19. Effective Date; Ratification. This resolution shall be in full force and effect from and after its adoption and approval. All actions heretofore taken by the County consistent with the provisions of this resolution are ratified, confirmed and approved.

ADOPTED by the Board of County Councilors of Clark County, Washington, at a regular open public meeting thereof this 31<sup>st</sup> day of March, 2015.

BOARD OF COUNTY COUNCILORS  
FOR CLARK COUNTY, WASHINGTON

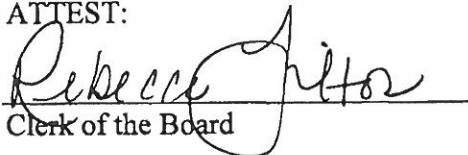


David Madore, Chair

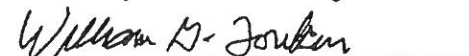
Jeanne E. Stewart, Councilor

Tom Mielke, Councilor

ATTEST:

  
Clerk of the Board

Approved as to Form Only:

  
Bond Counsel

**EXHIBIT A**  
**DESCRIPTION OF THE BOND**

- |     |                             |   |
|-----|-----------------------------|---|
| (a) | Principal Amount.           | The Bond shall not exceed the principal amount of \$3,800,000.  |
| (b) | Date or Dates.              | The Bond shall be dated its Issue Date, which date may not be later than one year after the effective date of this resolution.  |
| (c) | Denominations, Name, etc.   | The Bond shall be numbered in the manner and shall bear any name and additional designation as deemed necessary or appropriate by the Designated Representative.  |
| (d) | Interest Rate(s).           | The Bond shall bear interest at a fixed rate per annum (computed on the basis of a 360-day year of twelve 30-day months) from the Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. The rate of interest for the Bond may not exceed 1.50%, and the true interest cost to the County for the Bond may not exceed 1.50%.  |
| (e) | Payment Dates.              | Principal and interest of the Bond shall be amortized over the term of the Bond and shall be payable in approximately equal semiannual payments on each December 1 and June 1, commencing on December 1, 2015 and ending on the Maturity Date, in amounts acceptable to the Designated Representative.  |
| (f) | Final Maturity.             | The Bond shall mature no later than June 1, 2017.   |
| (g) | Redemption Rights.          | The Designated Representative may approve in the Purchase Offer provisions for the optional redemption of Bond.   |
| (h) | Price.                      | The purchase price for the Bond may not be less than 98% or more than 101% of the stated principal amount of the Bond.  |
| (i) | Other Terms and Conditions. | <p>(1) The Bond may not be issued if it would cause the indebtedness of the County to exceed the County's legal debt capacity on the Issue Date.</p> <p>(2) The Designated Representative may accept such additional terms, conditions and covenants as he or she may determine are in the best interests of the County, consistent with this resolution.</p> <p>(3) The issuance of the Bond shall produce a minimum net present value savings to the County and its taxpayers of 2.0% (as a percentage of the principal</p> |

amount of the 2005A Refunding Candidates maturing on December 1, 2015, and December 1, 2016). Net present value savings means the aggregate difference between (i) annual debt service on the 2005A Refunding Candidates maturing on December 1, 2015, and December 1, 2016, less (ii) annual debt service on the Bond (including expenses related to costs of issuance of the Bond) discounted to the Issue Date using the yield on the Bond as the discount rate, plus (iii) excess cash, if any, distributed to the County on the Issue Date.

- (4) The County covenants to provide to the Purchaser such financial information and on such dates as approved by the Designated Representative.

**EXHIBIT B****IDENTIFICATION OF REFUNDING CANDIDATES****2003B Refunding Candidates**

Maturity (Dec. 1)	Principal Amount	Interest Rate	Redemption Date	CUSIP No.
2015	\$615,000	4.00%	06/01/2015	181093RT4
2016	225,000	4.10	06/01/2015	181093RU1

**2005A Refunding Candidates**

Maturity (Dec. 1)	Principal Amount	Interest Rate	Redemption Date	CUSIP No.
2015	\$1,810,000	5.00%	06/01/2015	181093ZD0
2016	1,905,000	5.00	06/01/2015	181093ZE8
2017	1,910,000	5.00	06/01/2015	181093ZF5
2018	1,895,000	5.00	06/01/2015	181093ZG3
2019	235,000	4.30	06/01/2015	181093ZH1



## CERTIFICATION

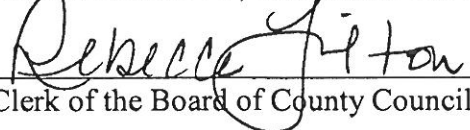
I, the undersigned, Clerk of the Board of County Councilors of Clark County, Washington (the "County"), hereby certify as follows:

1. The attached copy of Resolution No. 2015-~~03-15~~ (the "Resolution") is a full, true and correct copy of the Resolution duly passed at a regular meeting of the Board of County Councilors of the County held at the regular meeting place thereof on March 31, 2015, as that Resolution appears on the minute book of the County and that Resolution is now in full force and effect.

2. A quorum of the members of the Board of County Councilors of the County was present throughout the meeting and a majority of the members voted in the proper manner for the passage of the Resolution.

Dated March 31, 2015

CLARK COUNTY, WASHINGTON

  
Clerk of the Board of County Councilors