



# Official Gazette

## City of Spokane, Washington

Statement of City Business, including a Summary of the Proceedings of the City Council

Volume 115

**APRIL 30, 2025**

Issue 18 PART I OF II



### MAYOR AND CITY COUNCIL

MAYOR LISA BROWN

COUNCIL PRESIDENT BETSY WILKERSON

COUNCIL MEMBERS:

JONATHAN BINGLE (DISTRICT 1)

MICHAEL CATHCART (DISTRICT 1)

PAUL DILLON (DISTRICT 2)

KITTY KLITZKE (DISTRICT 3)

LILI NAVARRETE (DISTRICT 2)

ZACK ZAPPONE (DISTRICT 3)

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# Minutes

**MINUTES OF SPOKANE CITY COUNCIL****Monday, April 14, 2025****AGENDA REVIEW SESSION**

The Agenda Review Session of the Spokane City Council held on the above date was called to order at 3:32 p.m. in the Council Chambers in the Lower Level of the Municipal Building, 808 West Spokane Falls Boulevard, Spokane, Washington. A recording of the meeting can be found at the following link: <https://vimeo.com/spokanecitycouncil>.

**Roll Call**

On roll call, Council President Wilkerson and Council Members Bingle, Cathcart, Dillon, Klitzke (appearing virtually), Navarrete, and Zappone were present.

City Administrator Alex Scott; Giacobbe Byrd, Director-City Council Office; City Council Policy Advisor Chris Wright; and City Clerk Terri Pfister were also present for the meeting.

**INTERVIEWS OF NOMINEES TO BOARDS AND COMMISSIONS**

**Spokane Arts Commission (CPR 1981-0043) and Climate Resilience and Sustainability Board (CPR 2024-0030)**

The City Council interviewed Don Hamilton, candidate for appointment to the Spokane Arts Commission. The City Council also interviewed Claire Cooney and Ryan Arnold, candidates for appointment to the Climate Resilience & Sustainability Board.

**BRIEFING ON AGENDA ITEMS****Final Agenda for April 14, 2025**

There were no requests from Council for staff briefings on the April 14, 2025, Final Agenda.

**Updated Draft Agenda for April 21, 2025**

Development Reimbursement Agreement for the Seven Mile Sewer Pump Station (OPR 2025-0199) (Council Sponsor: Council Member Dillon)

Public Works Director Marlene Feist requested a one-month deferral (to May 19, 2025, Agenda) of the Development Reimbursement Agreement for the Seven Mile Sewer Pump Station.

**Draft Agenda for April 28, 2025**

There were no requests from Council for staff briefings on the April 28, 2025, Draft Agenda.

**CONSIDERATION OF AMENDMENT AND DEFERRAL REQUESTS****April 14, 2025, Final Agenda**

Contract Amendment and Extension with Evergreen State Towing, LLC (OPR 2021-0130 / IRFP 5372-20)

**Motion** by Council Member Zappone, seconded by Council Member Dillon, **to suspend** Council Rules for purposes of adding Item No. 16 (Contract Amendment and Extension with Evergreen State Towing) to the Final Agenda; **carried**.

**Motion** by Council Member Zappone, seconded by Council Member Dillon, **to add** Consent Agenda Item No. 16 (Contract Amendment and Extension with Evergreen State Towing, LLC) to the April 14, 2025, Final Consent Agenda; **carried**.

**Motion** by Council Member Zappone, seconded by Council Member Bingle, **to substitute** with amended version (circulated via email by Policy Advisor Chris Wright on April 9); **carried**.

First Reading Ordinance C36667 (Council Sponsors: Council Members Dillon, Navarrete, and Zappone)

**Motion** by Council Member Zappone, seconded by Council Member Dillon, **to approve** Bingle Proposed Amendment Nos. 1, 2, and 3 (which were all filed April 4, 2025, and included in agenda packet under Ordinance C36667; **failed**.

**Motion** by Council Member Dillon, seconded by Council Member Zappone, **to adopt** Dillon Proposed Amendment amending First Reading Ordinance C36667 with an updated revised version filed April 2, 2025, and included in agenda packet under First Reading Ordinance C36667; **carried**.

**Motion** by Council Member Dillon, seconded by Council Member Zappone, **to defer** Ordinance C36667 for first reading to April 21, 2025, with final consideration on April 28, 2025; **carried**.

Resolution 2025-0025 (Council Sponsor: Council Members Dillon and Navarrete)

**Motion** by Council Member Bingle, seconded by Cathcart, **to suspend** Council Rules for purposes of verbal amendment; **carried**.

**Motion** by Council Member Cathcart, seconded by Council Member Bingle, that in the fifth "WHEREAS" **change it** to read "Congress has proposed cuts of at least \$880 billion that could impact Medicaid and other health care programs...;" **carried**.

**Motion** by Council Member Zappone, seconded by Council Member Dillon, **to strike** (in the sixth "WHEREAS") "Governor Bob Ferguson" and replace with "the State has proposed...;" **carried**.

**Motion** by Council Member Bingle, seconded by Council Member Cathcart, **to suspend** Council Rules to keep Resolution 2025-0025 on the agenda for this evening; **carried**.

#### **April 21, 2025, Updated Draft Agenda**

First Reading Ordinance C36674 (Council Sponsors: Council Members Bingle and Cathcart)

**Motion** by Council Member Dillon, seconded by Council Member Zappone, **to indefinitely defer** Ordinance C36674 (relating to the prohibition of sitting and laying on public sidewalks); **carried**.

Development Reimbursement Agreement for the Seven Mile Sewer Pump Station (OPR 2025-0199) (Council Sponsor: Council Member Dillon)

**Motion** by Council Member Zappone, seconded by Council Member Cathcart, **to defer** Consent Agenda Item No. 5 (Development Reimbursement Agreement for the Seven Mile Sewer Pump Station) for one month (to May 19, 2025); **carried**.

#### **April 28, 2025, Draft Agenda**

There were no considerations of amendments or deferrals for the April 28, 2025, Draft Agenda.

#### **Action to Approve Agendas**

The City Council took the following action (pursuant to Council Rule 2.1.B):

**Motion** by Council Member Cathcart, seconded by Council Member Zappone, **to approve** the April 14, 2025, Final Agenda, the April 21, 2025, Updated Draft Agenda as next week's Final Agenda, and the April 28, 2025, Draft Agenda, as modified; **carried**.

#### **Council Recess/Executive Session**

The City Council recessed at 4:24 p.m. and immediately reconvened into an Executive Session to discuss potential and pending litigation for twenty minutes, or until 4:44 p.m., at which time the Agenda Review Session also ended. City Attorney Michael Piccolo and Assistant City Attorneys Elizabeth Schoedel and Tim Fischer were present for the Executive Session. The City Council reconvened at 6:02 p.m. for the Legislative Session.

### **LEGISLATIVE SESSION**

(Note: Items were taken out of the order that they appeared on the Council's agenda.)

#### **Land Acknowledgement**

Council President Wilkerson started the meeting off by reading the "Land Acknowledgement" (adopted by City Council on March 22, 2021, under Resolution 2021-0019) which appears on page 2 of the agenda.

#### **Pledge of Allegiance**

The Pledge of Allegiance was led by Council President Wilkerson.

#### **Roll Call**

On roll call, Council President Wilkerson and Council Members Bingle, Cathcart, Dillon, Navarrete, and Zappone were present. Council Member Klitzke arrived at approximately 6:22p.m. and appeared virtually.

Giacobbe Byrd, Director-City Council Office; City Council Policy Advisor Chris Wright; and City Clerk Terri Pfister were also present for the meeting.

**For Proclamations and Salutations, Poetry at the Podium, and Boards and Commission Appointments, see minutes further below after consideration of “Hearings.”**

(Council Member Klitzke joined the meeting virtually at approximately 6:22 p.m. during consideration of Resolution 2025-0023.)

## RESOLUTIONS

### **Resolution 2025-0023 (Council Sponsor: Council President Wilkerson and Council Member Klitzke)**

Public Works Director Marlene Feist provided an overview of Resolution 2025-0023 related to the Spokane County aquifer Protection Area (APA) and placing the APA reauthorization before City voters. After public testimony and Council commentary, the following action was taken:

**Upon 7-0 Roll Call Vote**, the City Council **adopted Resolution 2025-0023** related to Spokane County aquifer Protection Area (APA) and placing the APA reauthorization before City Voters.

**For Resolutions 2025-0023 and 2025-0025, see section of minutes below under “Resolutions (continued).”**

(Council Member Dillon left the meeting at 6:24 p.m. and returned at 6:26 p.m. during consideration of the hearing on vacation of the west 150 feet of the alley between Mission & Sinto.)

## HEARINGS

### **Vacation of the West 150 Feet of the Alley between Mission & Sinto and Related First Reading Ordinance C36642 (Council Sponsors: Council Members Bingle and Navarette) and Vacation of Grace Avenue West of Northwest Boulevard and Related First Reading Ordinance C36643**

The Spokane City Council held hearings on the above-referenced vacations.

Regarding the vacation requested by Chick-Fil-a, Eldon Brown of Development Services Center provided an overview and responded to Council inquiries. After public testimony from one individual and Council commentary, the following action was taken:

**Motion** by Council Member Bingle, seconded by Council Member Cathcart, **to close** the hearing; **carried upon 6-1 Roll Call Vote**.

Regarding the vacation requested by Excelsior Wellness, Eldon Brown of Development Services Center, provided an overview and responded to Council inquiries. No individuals from the public requested to speak on the matter. The following actions were then taken:

**Motion** by Council Member Bingle, seconded by Council Member Dillon, **to close** the hearing; **carried upon 7-0 Roll Call Vote**.

**Motion** by Council Member Bingle, seconded by Council Member Cathcart, **to approve** both vacations subject to conditions; **carried on 7-0 Voice Vote**.

**Ayes:** Bingle, Cathcart, Dillon, Klitzke, Navarette, Zappone and Wilkerson  
**Nos:** None  
**Abstain:** None  
**Absent:** None

In conjunction with the hearings, Ordinance C36642 (vacating the west 150 feet of the alley between Mission & Sinto, from Ruby to Pearl) and Ordinance C36643 (vacation Grace Avenue west of Northwest Boulevard) were read for the first time, with further action deferred.

## PROCLAMATIONS AND SALUTATIONS

April 14, 2025 *Saluting Those Standing Up to Construction Industry Tax Fraud and Recognizing 2025 Days of Action*

Council President Wilkerson read the salutation. Representatives of the United Brotherhood of Carpenters and Jointers of America (UBC) accepted the salutation.

The salutation is attached to these minutes for reference.

**BOARDS AND COMMISSIONS APPOINTMENTS****Appointment and Reappointments to Community, Housing, and Human Services Board (CPR 2012-0033)**

After public testimony and Council commentary, the following action was taken:

**Upon 7-0 Voice Vote**, the City Council **approved** (and thereby confirmed) the appointment of Sara Bauer and reappointments of Barbara Lee and Karen Ssebanakitta to the Community, Housing, and Human Services Board for three-year terms from April 18, 2025, through April 17, 2028.

There were no **Reports from Community Organizations**.

No individuals presented during **Poetry at the Podium**.

(Council Member Klitzke left the meeting at approximately 6:52 p.m. and rejoined the meeting at approximately 7:04 p.m.)

**CONSENT AGENDA**

After public testimony and an opportunity for Council commentary, with none provided, the following actions were taken:

**Upon 5-1 Voice Vote**, the City Council **approved** Outside Special Counsel Contract Amendment with Pacifica Law Group (Seattle, WA) for legal services and advice to the City regarding the matter of Shea v. Spokane, Washington, et. al.—additional \$100,000. Total Contract Amount: \$150,000. (OPR 2025-0054) (Taken separately) (Council Sponsor: Council Members Dillon)

**Upon 6-0 Voice Vote**, the City Council **approved** Staff Recommendations for the following items:

Purchase from Mercedes Benz of Spokane of one additional Mercedes 2500 Sprinter Van for the Water Department—\$71,329.44 (incl. tax). (OPR 2025-0189) (Council Sponsors: Council Members Dillon and Cathcart)

Master On-call Contract with Quality Counts, LLC (Athol, ID) for traffic data collection services from April 15, 2025, through April 14, 2027—\$250,000 (plus tax). (OPR 2025-0246 / RFP 6265-24) (Council Sponsor: Council Member Klitzke)

Consultant Agreement with KPFF Consulting Engineers (Spokane), for Preliminary Engineering and alternatives analysis for improvements to the Thorpe Tunnels from April 15, 2025, through December 31, 2026—not to exceed \$248,334.96 (plus tax). (OPR 2025-0244 / ENG 2024077 / RFQU 6234-24) (Council Sponsor: Council Member Klitzke)

Grant Agreement with the Washington State Department of Ecology for design of the Hill N' Dale Park Treatment Facility—\$595,000.00 Revenue (\$105,000 match requirement). (OPR 2025-0245/ ENG 2025055) (Council Sponsor: Council Member Klitzke)

Three-year Contract, with Senske Lawn and Tree Care, LLC, d/b/a Senske Services (Spokane Valley, WA), with option to renew for one additional year, with for lawn maintenance and weed control services at the Nelson Complex and Waste to Energy Facility, from April 1, 2025, through March 31, 2028—annual expenditure of \$43,905.00, (plus tax). Total Contract Amount \$131,715 (plus tax). (OPR 2025-0224 / RFQ 6318-25) (Council Sponsor: Council Member Klitzke)

Contract Renewal 1 of 2 with Woodland Resource Services, Inc. (Ellensburg, WA) for noxious weed abatement at the City's Northside and Southside Landfills from April 15, 2025, through April 14, 2026—not to exceed \$45,938.05 (plus tax). (OPR 2023-0419 / IPWQ 2863-23) (Council Sponsor: Council Member Klitzke)

Four-year Contract with Atlas Copco Compressors, LLC. (Auburn, WA) for as-needed compressor maintenance and repair services at the Waste to Energy Facility from March 15, 2025, through March 14, 2029—not to exceed \$240,000.00 (plus tax). (OPR 2025-0247 / RFQ 6312-25) (Council Sponsor: Council Member Klitzke)

Lease Extension with Kenworth Sales (Spokane) for a semi-truck utilized at the Waste to Energy Facility from October 01, 2024, through February 19, 2025—additional \$15,777.48. Total Cost: \$87,704.52. (OPR 2023-0385) (Council Sponsor: Council Member Klitzke)

Low Bid of Inland Infrastructure, LLC (Spokane) for 2025 Street Maintenance Curb Ramps project—\$586,400 (plus tax). An administrative reserve of \$58,640 plus tax, which is 10% of the contract price, will be set aside. (Various Neighborhoods) (OPR 2025-0145 / ENG 2024042) (Council Sponsor: Council Member Klitzke)

Low Bid of WM Winkler Company (Newman Lake, WA) for Lincoln Street Pedestrian Bike Safety project—\$2,647,568 (plus tax). An administrative reserve of \$264,756.80 (plus tax), which is 10% of the contract price, will be set aside. (Riverside Neighborhood) (OPR 2025-0146 / ENG 2023112) (Council Sponsor: Council Member Klitzke)

Contract Amendment with Career Path Employment and Training (Spokane) to add funding from Washington State Department of Transportation and increase the scope of the Clean and Safe Program—\$100,000 (plus tax). (OPR 2024-0970) (Council Sponsors: Council President Wilkerson and Council Members Dillon and Zappone)

Report of the Mayor of pending:

- a. Claims and payments of previously approved obligations, including those of Parks and Library, through March 26, 2025, total \$7,991,372.42 (Check Nos.: 609790-609950; Credit Card Nos.: 001333-001361; ACH Nos.: 139152-139366), with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$7,579,964.42. (CPR 2025-0002)
- b. Claims and payments of previously approved obligations, including those of Parks and Library, through April 5, 2025, total \$9,932,477.52 (Check Nos.: 609951-610127; Credit Card Nos.: 001362-001390; ACH Nos.: 139367-139598), with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$9,740,519.26. (CPR 2025-0002)
- c. Payroll claims of previously approved obligations through March 29, 2025: \$9,914,112.46 (Check Nos.: 576108-576232). (CPR 2025-0003)

Minutes:

- a. City Council Meeting Minutes: March 17 and March 24, 2025.
- b. City Council Special Meeting Minutes: March 17, March 27, and March 31, 2025.
- c. City Council Finance and Administration Standing Committee Meeting Minutes: March 24, 2025.
- d. City Council Public Safety & Community Health Standing Committee Meeting Minutes: March 31, 2025.

Low Bid of Inland Asphalt Company (Spokane) for Maple Street to Walnut Street Grind and Overlay project—\$2,198,198 (plus tax). An administrative reserve of \$219,819.80 plus tax, which is 10% of the contract price, will be set aside. (Deferred to this Agenda from the March 31, 2025, Agenda, during the March 31, 2025, 3:30 p.m. Agenda Review Session) (Various Neighborhoods) (Council Sponsor: Council Member Klitzke)

Contract Amendment and Extension with Evergreen State Towing, LLC (Spokane) for impound and abandoned RV disposal services for the Spokane Police Department from January 1, 2025, through September 30, 2025—\$125,000. (As brought forward from the April 21, 2025, Agenda, and amended, during the April 14, 2025, 3:30 p.m. Agenda Review Session) (Council Sponsors: Council Members Zappone and Cathcart)

## LEGISLATIVE AGENDA

### SPECIAL BUDGET ORDINANCES

#### **Special Budget Ordinance C36662 (Council Sponsors: Council Members Zappone, Bingle, and Navarrete)**

After an opportunity for public testimony and Council commentary, with no individuals requesting to speak, the following action was taken:

**Upon 6-0 Roll Call Vote**, the City Council **passed Special Budget Ordinance C36662** amending Ordinance No. C36626 passed by the City Council December 9, 2024, and entitled in part "An Ordinance adopting a Biennial Budget for the City of Spokane," making appropriation adjustments for year 2025, and declaring and emergency.

[This action arises from the need to accept the Washington State Department of Commerce Coordinating Low-Income Housing Planning (CLIHP) grant.]

**Ayes:** Bingle, Cathcart, Dillon, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** Klitzke

#### **Special Budget Ordinance C36671 (Council Sponsors: Council Members Bingle and Cathcart)**

After an opportunity for public testimony and Council commentary, with no individuals requesting to speak, the following action was taken:

**Upon 6-0 Roll Call Vote**, the City Council **passed Special Budget Ordinance C36671** amending Ordinance No. C36626 passed by the City Council December 9, 2024, and entitled in part "An Ordinance adopting a

Biennial Budget for the City of Spokane,” making appropriation adjustments for year 2025, and declaring and emergency.

(This action arises from the need to take receipt of the State and Local Cyber Security Grant award.)

**Ayes:** Bingle, Cathcart, Dillon, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** Klitzke

There were no **Emergency Ordinances**.

#### **RESOLUTIONS (Continued)**

**Resolution 2025-0018 (As Amended during the March 31, 2025, 3:30 p.m. Agenda Review Session) (Deferred from March 24, 2025, Agenda, during the March 24, 2025, 3:30 p.m. Agenda Review Session) (Council Sponsors: Council President Wilkerson and Council Member Dillon)**

After an opportunity for public testimony, with none provided, and Council commentary, the following action was taken:

**Upon 6-0 Roll Call Vote**, the City Council **adopted Resolution 2025-0018**, as amended, approving settlement of claim for damages of Dan Eakin—\$86,699.16.

**Ayes:** Bingle, Cathcart, Dillon, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** Klitzke

(Council Member Klitzke rejoined the meeting virtually at approximately 7:04 p.m.)

**Resolution 2025-0025 (As amended during the 3:30 p.m. Agenda Review Session) (Council Sponsors: Council Members Dillon and Navarrete)**

After public testimony and Council commentary, the following action was taken:

**Upon 7-0 Roll Call Vote**, the City Council **adopted Resolution 2025-0025**, as amended, Expressing Opposition to Any Proposed Federal or State Cuts to Medicaid.

**Ayes:** Bingle, Cathcart, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** None

**For Council action on Resolution 2025-0023, see section of minutes above.**

#### **FINAL READING ORDINANCES**

**Final Reading Ordinance C36657 (Council Sponsors: Council Members Bingle and Klitzke)**

After public testimony and Council commentary, the following action was taken:

**Upon 7-0 Roll Call Vote**, the City Council **passed Final Reading Ordinance C36657** relating to fees and charges amending Chapter 08.02 of the Spokane Municipal Code. Specifically amending Section 08.02.031 Building Code, Section 08.02.039 Special Inspections and Other Fees, the Development Fee Schedule and the Historic Preservation Fee Schedule, and other matters properly related thereto.

**Ayes:** Bingle, Cathcart, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** None

(Council Member Klitzke left the meeting at approximately 7:40 p.m. during testimony on First Reading Ordinances.)

#### **FIRST READING ORDINANCES**

The following Ordinances were read for the first time, with further action deferred. Public testimony was received on the First Reading Ordinances.



- ORD C36650** Relating to Intergovernmental Purchase Contracts and Interlocal Purchase Agreements; amending Section 07.06.140; repealing Section 07.06.261 of the Spokane Municipal Code. (Deferred from March 24, 2025, Agenda, during the March 17, 2025, 3:30 p.m. Agenda Review Session) (As amended during the March 31, 2025, 3:30 p.m. Agenda Review Session.) (Council Sponsors: Council Members Dillon and Klitzke)
- ORD C36659** Relating to designated truck routes; amending Section 12.08.020 of the Spokane Municipal Code. (Council Sponsors: Council President Wilkerson and Council Member Klitzke)
- ORD C36666** Titled “Ban The Address” and expanding fair chance hiring practices and amending sections 9.02.010 through 9.02.050 and sections 9.03.010 and 9.03.020 of the Spokane Municipal Code. (Council Sponsors: Council Members Dillon, Cathcart, and Navarrete)
- ORD C36654** Relating to utility cost recovery methods, repealing SMC 13.03.0702, 13.03.0704, 13.03.0706, 13.03.0708, 13.03.0710, and 13.03.0712 to chapter 13.03; amending 13.08.010, and 13.08.020 to chapter 13.08; and adding new SMC sections 13.08.200, 13.08.210, 13.08.220, 13.08.230, 13.08.240, 13.08.250, 13.08.300, 13.08.310, 13.08.320, 13.08.330, 13.08.340, 13.08.350, and 13.08.360 to chapter 13.08 of the Spokane Municipal Code; and setting an effective date. (Council Sponsors: Council Members Klitzke and Dillon)

**For Council action on First Reading Ordinance C36642, see section of minutes under “Hearings” above.**

**For Council action on First Reading Ordinance C36643, see section of minutes under “Hearings” above.**

**For Council action on First Reading Ordinance C36667, see section of minutes under 3:30 p.m. Agenda Review Session above.**

There were no **Special Considerations**.

**For Hearings, see section of minutes above.**

[The City Clerk left the meeting at 7:53 p.m. (pursuant to Council Rule 2.2.A). Open Forum speaker information and motion of adjournment and adjournment time were provided by Council Director Giacobbe Byrd for the minutes.]

(CM Bingle left the meeting at 7:53 and returned at 7:56 p.m., during Open Forum.)

(CM Zappone left the meeting at 8:15 and returned at 8:17 p.m., during Open Forum.)

### **OPEN FORUM**

The following individual(s) spoke during the Open Forum:

- Will Quinn
- Jennifer Gatts
- Will Hulings
- Justin Haller
- Derek Azzaro
- Sunshine Wigen
- Jim Leighty
- Larry Andrews
- Glen Stockwell
- Eugene Knowles
- Cherrie Barnett

### **ADJOURNMENT**

**Motion** by Council Member Bingle, seconded by Council Member Cathcart, **to adjourn; carried unanimously.**

There being no further business to come before the City Council, the meeting adjourned at 8:19 p.m.

The salutation is on file in the Office of the City Clerk.

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**SPECIAL MEETING MINUTES****SPOKANE CITY COUNCIL**

**Meeting of Friday, April 18, 2025  
10:30 A.M.**

A special joint meeting of the Spokane City Council and Board of Spokane County Commissioners was held on Friday, April 18, 2025, at 10:30 a.m. in the Auditorium – Spokane Regional Health District, 1101 W. College Ave., Spokane, WA.

**Meeting Recording:** <https://www.youtube.com/watch?v=EUXOZrQQjn4>.

**Roll Call**

On roll call, Council President Wilkerson and Council Members Cathcart, Dillon, Navarrete, and Zappone were present. Council Member Klitzke arrived at 10:32 p.m. Council Member Bingle was absent.

The following Spokane County Commissioners were also present: Al French, Chris Jordan, Josh Kerns, Mary Kuney (Chair), and Amber Waldref.

The topics for the special joint meeting agenda are noted below. No legislative action was taken. No public testimony was taken, and discussion was limited to appropriate officials and staff.

**AGENDA**

1. Welcome and Introductions – Roundtable
2. Presentation from Sheriff & Chief on Drug Enforcement Efforts (Sheriff Knowles and Chief Hall)
3. Presentation from Spokane County Medical Examiner (Dr. Singh)
4. Update on Spokane County Opioid Abatement Council (Justin Johnson and Maggie Yates)

(Presentations are attached to these minutes for reference.)

**Executive Session**

At 12:12 p.m., the City Council and County Commissioners convened into an Executive Session to discuss pending and potential litigation under RCW 42.30.110 for 30 minutes. Present during Executive Session were the following: Board of County Commissioners, City Council Members, Spokane Mayor Lisa Brown, Chief Civil Deputy Attorney Matt Folsom, Attorney Devin Curda, City Attorney Mike Piccolo and Assistant City Attorney Elizabeth Schoedel, Chief Executive Officer Scott Simmons (County staff member), and City Administrator Alex Scott and Public Works Director Marlene Feist (both City staff members). At 12:42 p.m., a ten-minute extension was announced. At 12:50 p.m., the City Council and County Commissioners reconvened into open session to adjourn the meeting.

(Council Member Cathcart left the meeting following Executive Session and was not present during the motion of adjournment.)

**ADJOURNMENT**

**Motion** by Council Member Zappone, seconded by Council Member Dillon, **to adjourn** the meeting; **carried unanimously**.

The special meeting adjourned at 12:50 p.m.

The referenced presentations are on file in the Office of the City Clerk.

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**MINUTES OF SPOKANE CITY COUNCIL****Monday, April 21, 2025****AGENDA REVIEW SESSION**

The Agenda Review Session of the Spokane City Council held on the above date was called to order at 3:31 p.m. in the Council Chambers in the Lower Level of the Municipal Building, 808 West Spokane Falls Boulevard, Spokane, Washington. A recording of the meeting can be found at the following link: <https://vimeo.com/spokanecitycouncil>.

**Roll Call**

On roll call, Council President Wilkerson and Council Members Bingle, Cathcart, Dillon, Klitzke (appearing virtually), Navarrete, and Zappone were present.

City Administrator Alex Scott; Giacobbe Byrd, Director-City Council Office; City Council Policy Advisor Chris Wright; and City Clerk Terri Pfister were also present for the meeting.

There were no **Interviews of Nominees to Boards and Commissions**.

**BRIEFING ON AGENDA ITEMS**Final Agenda for April 21, 2025

There were no requests from Council for staff briefings on the April 21, 2025, Final Agenda.

Updated Draft Agenda for April 28, 2025

At request of Council Member Zappone, Engineering Services Director Dan Buller briefed City Council on the low bid (to be determined at bid opening) for Maxwell Avenue – Pettet to Walnut Pedestrian Bike Safety Project.

Draft Agenda for May 5, 2025

There were no requests from Council for staff briefings on the May 5, 2025, Draft Agenda.

**CONSIDERATION OF AMENDMENT AND DEFERRAL REQUESTS****April 21, 2025, Final Agenda**Final Reading Ordinance C36666 (Council Sponsors: Council Members Dillon, Cathcart, and Navarrete)

**Motion** by Council Member Dillon, seconded by Council Member Cathcart, **to suspend** the Council Rules for purposes of considering an amendment to Ordinance C36666 titled “Ban The Address” and expanding fair chance hiring practices; **carried 7-0**.

**Motion** by Council Member Dillon, seconded by Council Member Navarrete, **to adopt** proposed Dillon/Navarrete/Cathcart Proposed Amendment with proposed updates filed April 16, 2025, and included in agenda packet; **carried 7-0**.

**Motion** by Council Member Dillon, seconded by Council Member Cathcart, **to suspend** rule that would require an automatic one-week deferral; **carried 7-0**.

**Motion** by Council Member Bingle, seconded by Council Member Dillon, **to add** Final Reading Ordinance C36666 to the Legislative agenda without the one-week (deferral) requirement; **carried 7-0**.

Emergency Ordinances C36663, C36664, and C36665 (Council Sponsors: Council Members Cathcart and Dillon)

Following Council and staff discussion regarding the motion to defer Emergency Ordinances C36663 (City’s Unlimited Tax General Obligation Refunding Bonds, Series 2025), C36664 (City’s Limited Tax General Obligation Refunding Bonds, Series 2025), and C36665 (City’s Water and Wastewater System Revenue Refunding bonds, Series 2025), the following action was taken:

**Motion** by Council Member Bingle, seconded by Council Member Cathcart, **to defer** Emergency Ordinances C36663, C36664, and C36665, for three weeks, after which there was **unanimous consent of Council to withdraw the motion**.

**April 28, 2025, Updated Draft Agenda**Ordinance C33679

**Motion** by Council Member Cathcart, seconded by Council Member Bingle, to suspend the Council Rules for purposes of advancing Ordinance C33679 [reimplementation of the Proposition 1 language (relating to the prohibition of encampments)] to the April 28, 2025, Agenda as a final reading ordinance; **failed 3-4**.

**May 5, 2025, Draft Agenda**

There were no considerations of amendments or deferrals for the April 28, 2025, Draft Agenda.

**Action to Approve Agendas**

The City Council took the following action (pursuant to Council Rule 2.1.B):

**Motion** by Council Member Klitzke, seconded by Council Member Dillon, **to approve** the April 28, 2025, Updated Draft Agenda as next week's Final Agenda; **carried 7-0**.

**Council Recess/Executive Session**

The City Council recessed at 3:59 p.m. No Executive Session was held. The City Council reconvened at 6:03 p.m. for the Legislative Session.

**LEGISLATIVE SESSION****Land Acknowledgement**

Council President Wilkerson started the meeting off by reading the "Land Acknowledgement" (adopted by City Council on March 22, 2021, under Resolution 2021-0019) which appears on page 2 of the agenda.

(Council Members Bingle and Cathcart arrived shortly after the start meeting at 6:03 p.m., during the reading of the Land Acknowledgement.)

**Pledge of Allegiance**

The Pledge of Allegiance was led by Council President Wilkerson.

**Roll Call**

On roll call, Council President Wilkerson and Council Members Bingle, Cathcart, Dillon, Navarrete, and Zappone were present. Council Member Klitzke arrived at 6:15 and appeared virtually.

Giacobbe Byrd, Director-City Council Office; City Council Policy Advisor Chris Wright; and City Clerk Terri Pfister were also present for the meeting.

**Poetry at the Podium**

Kurtis provided a reading of "Midday Silence."

**Moment of Silence**

Council President Wilkerson called for a moment of silence in recognition of the world's loss of Pope Francis.

There were no **Proclamations or Salutations**.

**REPORTS FROM COMMUNITY ORGANIZATIONS****State of the Land Presentation**

DR Michel provided Upper Columbia United Tribes (UCUT) State of the Land Presentation.

There were no **Boards and Commission Appointments**.

**CONSENT AGENDA**

After public testimony and Council commentary, the following actions were taken:

**Upon 6-1 Voice Vote**, the City Council **approved** purchase from Enterprise Fleet Management (Renton, WA) of 5 Chevrolet Bolts (at the end of their lease) for the Parking Services Department (two of the units will be equipped with new license plate reader systems)—not to exceed \$200,000 (incl. installation, taxes, and fees). (OPR 2025-0286) (Council Sponsors: Council President Wilkerson and Council Member Zappone) (Relates to Special Budget Ordinance C36673)

**Upon 7-0 Voice Vote**, the City Council **approved** Staff Recommendations for the following items:

Purchase from various vendors of 22 new vehicles for the Spokane Police Department—not to exceed \$1,681,000 (incl. tax and commissioning). (OPR 2025-0285) (Council Sponsors: Council President Wilkerson and Council Member Zappone)

Purchase from Carahsoft Technology Corp (Reston, VA) of Magnet Forensics software and training for the Spokane Police Department—\$111,549.99. (OPR 2025-0211) (Council Sponsors: Council President Wilkerson and Council Member Zappone)

Purchase from Teel Technologies (Norwalk, CT) of Forensic Analytics Lima cellular network drive test scanners for the Spokane Police Department using the BJA Byrne Discretionary grant for police technology—\$91,560. (OPR 2025-0303) (Council Sponsors: Council President Wilkerson and Council Member Zappone)

Master Contract Amendment with Spokane Testing Solutions for professional medical services and drug screening services from January 1, 2025, through February 28, 2027—not to exceed \$200,000 (plus tax). (OPR 2022-0133) (Council Sponsor: Council Member Dillon)

Master Contract with Copiers Northwest, Inc. (Seattle, WA) for purchasing, leasing, service, software, maintenance and support for copier and printer purchases from April 1, 2025, through March 31, 2030—\$300,000 (incl. tax). (OPR 2025-0269) (Council Sponsor: Council Member Dillon)

Contract Renewal with Carahsoft, Inc. (Reston, VA) for Salesforce licenses and support for the City's Customer Relationship Management system from May 1, 2025, through April 30, 2026—\$133,760.70 (plus tax). (OPR 2019-0293 / RFP 4481-18) (Council Sponsors: Council Members Dillon and Cathcart)

Contract with Hyland Software, Inc. (Westlake, OH) for annual software maintenance and support for the OnBase document imaging system from April 1, 2025, through March 31, 2026—\$71,142.74 (plus tax). (OPR 2025-0305) (Council Sponsors: Council Members Dillon and Cathcart)

Contract Renewal 4 of 4 with Mitchell Humphrey & Company (St. Louis, MO) for annual maintenance and support of the City's financial management system from July 1, 2025, through June 30, 2026—\$99,905 (plus tax). (OPR 2021-0406) (Council Sponsors: Council Members Dillon and Cathcart)

Personal Services Agreement with Desimone Consulting, LLC (Puyallup, WA) for federal lobbying services from April 1, 2025, through March 31, 2026—\$80,000 (plus tax). (OPR 2025-0262 / RFP 6297-25) (Council Sponsor: Council Member Dillon)

Personal Services Agreement with Nicolas Reynaldo Chavez dba Northwest Behavioral Modification clinic (Yakima, WA) for domestic violence intervention treatment services from April 1, 2025, through April 30, 2026—\$500,000 (plus tax). (OPR 2025-0304 / RFP 6105-24) (Council Sponsors: Council President Wilkerson and Council Member Zappone)

Report of the Mayor of pending:

- a. Claims and payments of previously approved obligations, including those of Parks and Library, through April 11, 2025, total \$5,643,560.04 (Check Nos.: 610128 - 610283; Credit Card Nos.: 001391 - 001428; ACH Payment Nos.: 139599 - 139856), with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$5,400,039.30. (CPR 2025-0002)
- b. Payroll claims of previously approved obligations through April 12, 2025: \$10,013,685.42 (Check Nos.: 576233 - 576386). (CPR 2025-0003)

Minutes of City Council Meeting Minutes: March 31, 2025. (CPR 2025-0013)

## LEGISLATIVE AGENDA

### SPECIAL BUDGET ORDINANCES

#### **Special Budget Ordinance C36660 (Council Sponsors: Council Members Dillon and Cathcart)**

After an opportunity for public testimony and Council commentary, with no individuals requesting to speak, the following action was taken:

**Upon 7-0 Roll Call Vote**, the City Council **passed Special Budget Ordinance C36660**, amending Ordinance No. C36626 passed by the City Council December 9, 2024, and entitled in part "An Ordinance adopting a Biennial Budget for the City of Spokane," making appropriation adjustments for year 2025, and declaring and emergency. (This action arises from the award and acceptance of the USCM Innovation Grant funds.)

**Ayes:** Bingle, Cathcart, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** None

**Special Budget Ordinance C36661 (Council Sponsors: Council Members Dillon and Cathcart)**

After public testimony and Council commentary, the following action was taken:

**Upon 5-2 Roll Call Vote**, the City Council **passed Special Budget Ordinance C36661**, amending Ordinance No. C36626 passed by the City Council December 9, 2024, and entitled in part "An Ordinance adopting a Biennial Budget for the City of Spokane," making appropriation adjustments for year 2025, and declaring an emergency. (This action arises from the need to resolve gaps in the region's response to the opioid crisis.)

**Ayes:** Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** Bingle and Cathcart  
**Abstain:** None  
**Absent:** None

**Special Budget Ordinance C36672 (Council Sponsors: Council President Wilkerson and Council Member Zappone)**

After the opportunity for public testimony and Council commentary, with no individuals requesting to speak, the following action was taken:

**Upon 7-0 Roll Call Vote**, the City Council **passed Special Budget Ordinance C36672**, amending Ordinance No. C36626 passed by the City Council December 9, 2024, and entitled in part "An Ordinance adopting a Biennial Budget for the City of Spokane," making appropriation adjustments for year 2025, and declaring an emergency. (This action arises from amended grant award letters issued by AOC, reducing the awards to Municipal Court.)

**Ayes:** Bingle, Cathcart, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** None

**Special Budget Ordinance C36673 (Council Sponsors: Council President Wilkerson and Council Member Zappone) [Relates to OPR 2025-0286 (Purchase from Enterprise Fleet Management) under Consent Agenda]**

After the opportunity for public testimony and Council commentary, with no individuals requesting to speak, the following action was taken:

**Upon 6-1 Roll Call Vote**, the City Council **passed Special Budget Ordinance C36673**, amending Ordinance No. C36626 passed by the City Council December 9, 2024, and entitled in part "An Ordinance adopting a Biennial Budget for the City of Spokane," making appropriation adjustments for year 2025, and declaring an emergency. (This action arises from the opportunity to purchase and add equipment to vehicles and at the end of their lease term.)

**Ayes:** Bingle, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** Cathcart  
**Abstain:** None  
**Absent:** None

**EMERGENCY ORDINANCES****Emergency Ordinances C36663, C36664, and C36665 (Council Sponsors: Council Members Dillon and Cathcart) (All three taken together)**

After an opportunity for public testimony, with no individuals requesting to speak, and Council commentary, the following action was taken:

**Upon 7-0 Roll Call Vote**, the city Council **passed** the following Emergency Ordinances:

**ORD C36663** Of the City of Spokane, Washington, authorizing the sale, issuance and delivery of not to exceed \$58,700,000 of the City's Unlimited Tax General Obligation Refunding Bonds, Series 2025, to provide money to defease and/or refund all or a portion of the City's outstanding unlimited tax general obligation bonds, Series 2015; providing for the call, defeasance, payment and redemption of the refunded bonds; providing for the option of selling the bonds by competitive or negotiated sale; delegating authority to the designated representative to determine the manner of sale and terms of the bonds under the conditions set forth herein; authorizing the execution of an escrow agreement; designating a fiscal agent; pledging the City's full faith, credit and resources to the payment of the bonds; creating and adopting certain funds and accounts and providing for deposits therein; covenanting to comply with certain federal tax and securities laws; delegating certain actions in connection with the preliminary official statement and the official statement; declaring an emergency; and providing for other matters properly relating thereto.

**ORD C36664** Of the City of Spokane, Washington, authorizing the sale, issuance and delivery of not to exceed \$53,000,000 of the City's Limited Tax General Obligation Refunding Bonds, Series 2025, to provide money to defease and/or refund all or a portion of the City's outstanding limited tax general obligation bonds, Series 2015; providing for the call, defeasance, payment and redemption of the refunded bonds; providing for the option of selling the bonds by competitive or negotiated sale; delegating authority to the designated representative to determine the manner of sale and terms of the bonds under the conditions set forth herein; authorizing the execution of an escrow agreement; designating a fiscal agent; pledging the City's full faith, credit and resources to the payment of the bonds; creating and adopting certain funds and accounts and providing for deposits therein; covenanting to comply with certain federal tax and securities laws; delegating certain actions in connection with the preliminary official statement and the official statement; declaring an emergency; and providing for other matters properly relating thereto.

**ORD C36665** Of the City of Spokane, Washington, authorizing the sale, issuance and delivery of not to exceed \$112,000,000 of the City's Water and Wastewater System Revenue Refunding Bonds, Series 2025, to pay, defease, redeem and retire all or a portion of the City's outstanding Water and Wastewater System Revenue Bonds, Series 2014; providing for the defeasance, call, payment and redemption of the refunded bonds; providing for the option of selling the bonds by competitive or negotiated sale; authorizing the execution of an escrow agreement; delegating authority to the designated representative to determine the manner of sale and terms of the bonds under the conditions set forth herein; designating a fiscal agent; providing for the registration and authentication of the bonds; creating and adopting certain funds and accounts and providing for deposits therein; covenanting to comply with certain federal tax and securities laws; delegating certain actions in connection with the preliminary official statement and the official statement; declaring an emergency; and providing for other matters properly relating thereto.

## RESOLUTIONS

### **Resolution 2025-0024 (Council Sponsors: Council President Wilkerson and Council Member Cathcart)**

After an opportunity for public testimony and Council commentary, with no individuals requesting to speak, the following action was taken:

**Upon 7-0 Roll Call Vote**, the City Council **adopted Resolution 2025-0024** approving the Boards and Commissions Administrative Policy for the City of Spokane.

**Ayes:** Bingle, Cathcart, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** None

## FINAL READING ORDINANCES

### **Final Reading Ordinance C36650 (Council Sponsors: Council Members Dillon and Klitzke)**

After an opportunity for public testimony, with no individuals requesting to speak, and Council commentary, the following action was taken:

**Upon 7-0 Roll Call Vote**, the City Council **passed Final Reading Ordinance C36650** relating to Intergovernmental Purchase Contracts and Interlocal Purchase Agreements; amending Section 07.06.140; repealing Section 07.06.261 of the Spokane Municipal Code. (Deferred from March 31, 2025, Agenda, during the March 17, 2025, 3:30 p.m. Agenda Review Session) (As amended during the March 31, 2025, 3:30 p.m. Agenda Review Session.)

**Ayes:** Bingle, Cathcart, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** None

### **Final Reading Ordinance C36659 (Council Sponsors: Council President Wilkerson and Council Member Klitzke)**

After an opportunity for public testimony, with no individuals requesting to speak, and Council commentary, the following action was taken:

**Upon 7-0 Roll Call Vote**, the City Council **passed Final Reading Ordinance C36659** relating to designated truck routes; amending Section 12.08.020 of the Spokane Municipal Code.

**Ayes:** Bingle, Cathcart, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** None  
**Abstain:** None  
**Absent:** None

**Final Reading Ordinance C36666 (As amended during the 3:30 p.m. Agenda Review Session) (Council Sponsors: Council Members Dillon, Cathcart, and Navarrete)**

After public testimony and Council commentary, the following action was taken:

**Upon 6-1 Roll Call Vote**, the City Council **passed Final Reading Ordinance C36666, as amended**, titled "Ban The Address" and expanding fair chance hiring practices and amending sections 9.02.010 through 9.02.050 and sections 9.03.010 and 9.03.020 of the Spokane Municipal Code.

**Ayes:** Cathcart, Dillon, Klitzke, Navarrete, Wilkerson, and Zappone  
**Nos:** Bingle  
**Abstain:** None  
**Absent:** None

**FIRST READING ORDINANCES**

The following Ordinances were read for the first time, with further action deferred. Public testimony was received on the First Reading Ordinances.

**ORD C36670** Relating to regular adjustments of fees, charges and other assessments collected by the City of Spokane to ensure they reflect the actual cost of service delivery; and amending Section 04.02.010 of the Spokane Municipal Code. (Council Sponsors: Council Members Klitzke and Cathcart)

**ORD C36667** Relating to discrimination and affirming protection of LGBTQIA2S+ Communities in Spokane, amending Sections 18.01.020, 18.01.030, and 18.02.030 of Title 18 of the Spokane Municipal Code; creating a new section 03.07.340 in Chapter 03.07 of the Spokane Municipal Code; and establishing an effective date. (Deferred from the April 14, 2025, Agenda during the April 14, 2025, 3:30 p.m. Agenda Review Session) (As amended during the April 14, 2025, 3:30 p.m. Agenda Review Session) (Council Sponsors: Council Members Dillon, Navarrete, and Zappone)

There were no **Special Considerations**.

There were no **Hearings**.

[The City Clerk left the meeting at 7:29 p.m. (pursuant to Council Rule 2.2.A). Open Forum speaker information and motion of adjournment and adjournment time were provided by Council Director Giacobbe Byrd for the minutes.]

**OPEN FORUM**

The following individual(s) spoke during the Open Forum:

- Mirak Kazanjian
- Justin Haller
- Will Hulings
- Sunshine Wigen
- Glen R. Stockwell
- Eugene Knowles
- Wendy Fishburne
- Monica Tittle

**ADJOURNMENT**

**Motion** by Council Member Dillon, seconded by Council Member Klitzke, **to adjourn; carried unanimously.**

There being no further business to come before the City Council, the meeting adjourned at 7:45 p.m.

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**STANDING COMMITTEE MINUTES**  
**City of Spokane**  
**Public Infrastructure, Environment & Sustainability Committee**  
**City Council Chambers**  
**April 21, 2025**

**Call to Order:** 12:04 PM

Recording of the meeting may be viewed here: <https://vimeo.com/1077379959>

**Attendance**

Committee Members Present: Kitty Klitzke, Jonathan Bingle, Michael Cathcart, Zack Zappone, Lili Navarrete  
Paul Dillon arrived at 12:29 PM, Betsy Wilkerson joined online at 12:50 PM

**Discussion Items**

1. MONTHLY DIRECTOR'S REPORT - MARLENE FEIST (10 minutes)  
    ◇ No action taken, Presentation Only
2. MONAGHAN STATUE RELOCATION & STREET SAFETY PROJECT - MARLENE FEIST (10 minutes)  
    ◇ No action taken, Presentation Only
3. CONTRACT WITH WASHINGTON DOL REGARDING TRANSPORTATION BENEFIT DIST - JON SNYDER (5 minutes)  
    ◇ No action taken, Presentation Only
4. 4490 - SBO FOR DEPARTMENT OF ECOLOGY CARBON CAPTURE STUDY GRANT - CHRIS AVERYT (5 minutes)  
    ◇ No action taken, Presentation Only
5. 4490 SOLE SOURCE RESOLUTION AND CONTRACT FOR NERC/FERC COMPLIANCE - CHRIS AVERYT (5 minutes)  
    ◇ No action taken, Presentation Only
6. PLAY STREETS & NEIGHBORHOOD BLOCK PARTY PROGRAM ORDINANCE - JON SNYDER (5 minutes)  
    ◇ No action taken, Presentation Only
7. 0520 - NO TURN ON RED RESOLUTION - RIVERSIDE NEIGHBORHOOD - JON SNYDER (5 minutes)  
    ◇ No action taken, Presentation Only
8. 0370 - LOW BID AWARD HIGHWAY 195 MEADOWLANE INTERSECTION UPGRADE 2023105 - DAN BULLER (5 minutes)  
    ◇ No action taken, Presentation Only
9. 4250 - SIDEWALK CONDITION ASSESSMENT DATA COLLECTION - LORENA CROUCHER (10 minutes)  
    ◇ No action taken, Presentation Only
10. 4250 - 6-YEAR STREET PROGRAM (2026-2031) ANNUAL UPDATE - KEVIN PICANCO (10 minutes)  
    ◇ No action taken, Presentation Only
11. 0650 CLIMATE PLANNING ENGAGEMENT UPDATE - MAREN MURPHY (10 minutes)  
    ◇ No action taken, Presentation Only
12. CONSERVATION MASTER PLAN ANNUAL REPORT - KRISTEN ZIMMER (15 minutes)  
    ◇ No action taken, Presentation Only
13. GREEN TOPS, COOL STOPS - BEA BUDKE, MARK MCKEE, EWU STUDENTS (10 minutes)  
    ◇ No action taken, Presentation Only
14. BOARD, COMMISSION, AND STAFF UPDATES - (10 minutes)  
    ◇ No action taken, Presentation Only

**Consent Items**

1. 1100 - STREETS EMULSIFIED ASPHALT (STREETS)
2. 1100 - STREETS FOG SEAL (STREETS)

3. 1100 - ICE KICKER PURCHASE AMENDMENT (STREETS)
4. 0370 - LOW BID AWARD - SPRAGUE/ALKI/BROADWAY GRIND AND OVERLAY (ENGINEERING SERVICES)
5. 0370 - LOW BID AWARD - FRANCIS AND ASSEMBLY WATER TRANSMISSION MAIN (ENGINEERING SERVICES)
6. 0370 - EYE CLINIC SIDEWALK VAULT INFILL (ENGINEERING SERVICES)
7. 0370 - LOW BID AWARD - CSO TANK REHABILITATION PROJECT (ENGINEERING SERVICES)
8. 0370 - LOW BID AWARD - 2025 LOCAL STREET GRIND AND OVERLAY 2025044 (ENGINEERING SERVICES)
9. 0370 - LOW BID AWARD - 2025 LOCAL STREET CHIP SEAL 2025043 (ENGINEERING SERVICES)
10. 0370 - LOW BID AWARD - FREYA STREET - 21ST TO 13TH DISTRIBUTION MAIN (ENGINEERING SERVICES)
11. 0370 - ADMINISTRATIVE RESERVE INCREASE INLAND ASPHALT MARKET MONROE G&O (ENGINEERING SERVICES)
12. 4100 UTILITY CONCRETE REPAIR SERVICES (WATER & HYDROELECTRIC SERVICES)
13. 4250 – AMENDMENT TO UTILITY PIPE REHABILITATION PROGRAM (INTEGRATED CAPITAL MANAGEMENT)
14. 4320 RPWRF BUILDING EXTERIOR REHAB & IMPROVEMENTS (WASTEWATER MANAGEMENT)
15. 4320 RPWRF CONSENT SERPENTIX BELT NORTH REPLACEMENT PROJECT (WASTEWATER MANAGEMENT)
16. 4490 BUILDING ADDITION AT THE WASTE TO ENERGY FACILITY (SOLID WASTE DISPOSAL)
17. 4490 VALUE BLANKET RENEWAL FOR THE PURCHASE OF ANHYDROUS AMMONIA (SOLID WASTE DISPOSAL)
18. 4490 VALUE BLANKET RENEWAL FOR FEEDER AND GRATE PARTS (SOLID WASTE DISPOSAL)
19. 4490 CONTRACT FOR HIGH VOLTAGE TECHNICAL AND MAINTENANCE SERVICES (SOLID WASTE DISPOSAL)
20. 4490 VALUE BLANKET FOR REPLACEMENT COMPRESSOR PARTS (SOLID WASTE DISPOSAL)
21. 5100- PURCHASE OF DUMP TRUCK FOR WATER (FLEET SERVICES)
22. 5100- PURCHASE OF DUMP TRUCK FOR WATER (2 OF 2) (FLEET SERVICES)

**Executive Session**

None.

**Adjournment**

The meeting adjourned at 2:03 PM

# Hearing Notices

**BUILDING OFFICIAL HEARING NOTICE**

Notice is hereby given that the Building Official has caused proper notice to be served upon the persons responsible for 1302 W Boone Avenue, PARCEL NO: 35182.2909 LEGAL DESCRIPTION: BINGAMANS ADD PT OF L10 B13 S100FT INC VAC STP S OF& ADJ TOL10 in compliance with the Spokane Municipal Code stating that an administrative show cause hearing on this matter will be held before the Building Official on May 13, 2025, at 1:30 p.m. These hearings are held at 808 W Spokane Falls Blvd. Spokane. WA 99201, in the Council Briefing Room, Lower Level, City Hall. Remote participation is also available via Microsoft Teams, and remote participation information for this hearing will be posted on the city website as well on each agenda, which can be found under the substandard building topic here:

<https://my.spokanecity.org/neighborhoods/code-enforcement/topics/>

Notice is hereby given that attention has been directed to anyone who knows the present address or whereabouts of the owner or to any new owner or person in the position of responsibility over this property to contact the City of Spokane

regarding plans to correct deficiencies and avoid potential outcomes of the show cause hearing, which may include a demolition or receivership order. Not hearing further on this matter the said administrative show cause hearing will proceed. For more information on this hearing, including information regarding participation in the remote hearing, please contact:

Jennifer Loparco  
Code Enforcement, City of Spokane  
808 West Spokane Falls Blvd.  
Spokane, WA 99201-3333  
509-625-6300  
jloparco@spokanecity.org

**AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION:** The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Spokane City Council Chamber in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) at the City Cable 5 Production Booth located on the First Floor of the Municipal Building, directly above the Chase Gallery or through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Risk Management at 509.625.6221, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or [mlovmaster@spokanecity.org](mailto:mlovmaster@spokanecity.org). Persons who are deaf or hard of hearing may contact Risk Management through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

Publish: April 23 and 30, 2025

## General Notices

In the Superior Court of the State of Washington for the County of Spokane

City of Spokane, a municipal corporation, Plaintiff, v. Eric S. Johnson, property owner of 528 E. Nebraska Avenue, Spokane, Washington; and Ariana Y. Sullivan, occupant of 528 E. Nebraska Avenue, Spokane, Washington; and Juventino Soria, occupant of 528 E. Nebraska Avenue, Spokane, Washington; and State of Washington, a lien holder, Defendants, No. 25-2-01203-32

The State of Washington to the said JUVENTINO SORIA:

You are hereby summoned to appear within sixty days after the date of the first publication of this summons, to wit, within sixty days after the 9<sup>th</sup> day of April, 2025, and defend the above entitled action in the above entitled court, and answer the complaint of the plaintiff City of Spokane, and serve a copy of your answer upon the undersigned attorney for plaintiff City of Spokane, at his office below stated; and in case of your failure so to do, judgment will be rendered against you according to the demand of the complaint, which has been filed with the clerk of said court.

The object of the action is for the court to find the property identified below to be a nuisance under state and local law; to authorize the City to vacate and secure said property and abate said nuisance at defendants' expense; and/or to appoint a receiver over said property with authority to sell the property free and clear of all interests. Said property is known as 528 E. Nebraska Avenue, Spokane, Washington, Parcel Number 36322.2405.

Matthew J. Cozza, WSBA #54110  
Assistant City Attorney  
Office of the City Attorney  
808 W. Spokane Falls Blvd.  
Spokane, WA 99201-3326  
Attorney for City of Spokane

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In the Superior Court of the State of Washington for the County of Spokane

City of Spokane, a municipal corporation, Plaintiff, v. JESSICA BELBIN and JOHN BELBIN, individually and the marital community comprised thereof; and SAVAAD ALEX; and MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.; and INLAND RESTORATION, INC., D/B/A SERVPRO OF NORTHWEST; and AMERICAN EXPRESS NATIONAL BANK; and STATE OF WASHINGTON; and ASSOCIATED CREDIT SERVICE, INC.; and PERFORMANCE RESTORATION, INC., Defendants, No. 25-2-01699-32.

The State of Washington to the said JOHN BELBIN:

You are hereby summoned to appear within sixty days after the date of the first publication of this summons, to wit, within sixty days after the 23rd day of April, 2025, and defend the above entitled action in the above entitled court,

and answer the complaint of the plaintiff City of Spokane, and serve a copy of your answer upon the undersigned attorney for plaintiff City of Spokane, at the office below stated; and in case of your failure so to do, judgment will be rendered against you according to the demand of the complaint, which has been filed with the clerk of said court.

The object of the action is for the court to find the property identified below to be a nuisance under state and local law; to authorize the City to vacate and secure said property and abate said nuisance at defendants' expense; and/or to appoint a receiver over said property with authority to sell the property free and clear of all interests. Said property is known as 5817 W. Houston Ave., Spokane, WA 99208, Parcel Number 26273.1412.

Matthew J. Cozza, WSBA #54110  
Assistant City Attorney  
Office of the City Attorney  
808 W. Spokane Falls Blvd.  
Spokane, WA 99201-3326  
Attorney for City of Spokane

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In the Superior Court of the State of Washington for the County of Spokane

City of Spokane, a municipal corporation, Plaintiff, v. Frank P. Wood; and Spokane County, a political subdivision of the State of Washington, Defendants, No. 25-2-01990-32.

The State of Washington to the said Frank P. Wood:

You are hereby summoned to appear within sixty days after the date of the first publication of this summons, to wit, within sixty days after the 30th day of April, 2025, and defend the above entitled action in the above entitled court, and answer the complaint of the plaintiff City of Spokane, and serve a copy of your answer upon the undersigned attorney for plaintiff City of Spokane, at the office below stated; and in case of your failure so to do, judgment will be rendered against you according to the demand of the complaint, which has been filed with the clerk of said court.

The object of the action is for the court to find the property identified below to be a nuisance under state and local law; to authorize the City to vacate and secure said property and abate said nuisance at defendants' expense; and/or to appoint a receiver over said property with authority to sell the property free and clear of all interests. Said property is known as at 4915 N. Daisy Pl., Spokane, WA 99205, Parcel Number 26354.1607.

Matthew J. Cozza, WSBA #54110  
Assistant City Attorney  
Office of the City Attorney  
808 W. Spokane Falls Blvd.  
Spokane, WA 99201-3326  
Attorney for City of Spokane

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#### NOTICE OF INTENT TO AWARD SOLE SOURCE

The City of Spokane, Police Department, intends to establish a sole source contract with **Leads Online, formerly Forensic Technology, Inc./7975 114<sup>th</sup> Ave., North, Suite 2500, Largo, FL 33773-5028** to provide the following:

#### **Integrated Ballistic Identification System (IBIS) Acquisition and ClearCase Solution**

Firms who believe they can compete for this requirement are required to submit via email a brief statement of their intent to compete. The statement and any other questions regarding this sole source should be directed to Michelle Loucks, Procurement Specialist at: [dloucks@spokanepolice.org](mailto:dloucks@spokanepolice.org) by Monday, May 12, 2025 by 1:00pm.

The City of Spokane does not guarantee that firms responding to this notice will be rendered a request to tender an offer for this procurement. In addition, the City of Spokane does not guarantee that any solicitation will occur for this procurement, but reserves the right to solicit proposals.

Firms who have not already done so, should register at [www.mrscrosters.com](http://www.mrscrosters.com).

Dated this 21<sup>st</sup> day of April, 2025

Michelle Loucks  
Procurement Specialist

Publish: April 30 and May 7, 2025

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# Ordinances

**These ordinances are published in this issue of the *Official Gazette* pursuant to passage by the Spokane City Council. It should be noted that these ordinances may be subject to veto by the Mayor. If an ordinance is vetoed by the Mayor, the Mayoral veto will be published in a subsequent issue of the *Official Gazette*.**

## ORDINANCE NO. C36650

An ordinance relating to Intergovernmental Purchase Contracts and Interlocal Purchase Agreements; amending Section 07.06.140; repealing Section 07.06.261 of the Spokane Municipal Code.

**WHEREAS**, the Director of Purchasing and Contracts is authorized and encouraged by the City Council under SMC 07.06.140 to enter into joint intergovernmental purchasing agreements that secure favorable procurements for the City; and

**WHEREAS**, SMC 07.06.261 authorizes the City Administrator to sign intergovernmental/interlocal purchasing agreements; and

**WHEREAS**, this proposed ordinance seeks to combine these two sections, update the correct title of the Director of Purchasing and Contracts, and clarify that the City Administrator's designee such as the Director of Purchasing and Contracts is authorized to enter into intergovernmental purchasing agreements.

**NOW, THEREFORE**, the City of Spokane does ordain:

**Section 1.** That Section 07.06.140 of the Spokane Municipal Code is amended to read as follows:

### **Section 07.06.140 Intergovernmental Purchase Contracts – Interlocal Purchase Agreements**

- A. The ~~((Contracts and Purchasing Director))~~ Director of Purchasing and Contracts is encouraged to enter into joint or pooled purchase contracts with the state of Washington and other governmental units.
- B. The City Council may authorize the purchase of goods, services or public works without public bidding from a contract available through:
  1. the Washington State Purchasing Cooperative; or
  2. another governmental unit whenever the ~~((Contracts and Purchasing Director))~~ Director of Purchasing and Contracts and using department have shown that the procurement meets the City's requirements and represents the most favorable procurement for the City considering price and other evaluation factors.
  3. Individual or blanket purchases made via interlocal or cooperative purchase agreements shall be subject to City Council approval to the extent otherwise required under this Chapter.
- C. The City Administrator or their designee, in a representative capacity for the Mayor, may execute interlocal purchase agreements with other agencies and entities and join cooperative purchasing programs without individual Council approval of each agreement.
- D. The Clerk is authorized to attest such signatures.

**Section 2.** That Section 07.06.261 (Interlocal Purchase Agreements) of the Spokane Municipal Code is repealed.

**Passed by City Council April 21, 2025**

**Delivered to Mayor April 23, 2025**

## ORDINANCE NO. C36659

An ordinance relating to designated truck routes; amending Section 12.08.020 of the Spokane Municipal Code.

**NOW, THEREFORE**, the City of Spokane does ordain:

**Section 1.** That Section 12.08.020 of Chapter 12.08 of the Spokane Municipal Code is amended to read as follows:

### **Section 12.08.020 Truck Routes Designated**

The driver of every:

- A. truck carrying an over-legal load under a state or county permit, and

- B. truck and trailer or truck and semitrailer combination used in intercity or interstate hauling must operate over any of the following streets exclusively while in the ((City)) city and must take the most direct route between such truck routes and destination points:
- ~~(1. Altamont Street between Mallon Avenue and Desmet Avenue.~~
  - ~~2. Ash Street via the Maple Street Bridge; Maple Street, Walnut Place, Cedar Street, and High Drive between Francis Avenue and 29th Avenue, southbound.~~
  - ~~3. Assembly Street between the junction of Nine Mile Road and Francis Avenue and Northwest Boulevard.~~
  - ~~4. Bernard Street northbound from First Avenue eastbound to Sprague Avenue.~~
  - ~~5. Boone Avenue between Regal Street and Greene Street.~~
  - ~~6. Broadway Avenue via Springfield Avenue between Freya Street and the east City limits.~~
  - ~~7. Browne Street between Spokane Falls Boulevard and SR-90, southbound.~~
  - ~~8. Buckeye Avenue via North Foothills Drive and Euclid Avenue between Washington Street and Market Street.~~
  - ~~9. Cedar Street via High Drive between Walnut Place and 29th Avenue.~~
  - ~~10. Crestline Street between Trent Avenue and Mallon Avenue.~~
  - ~~11. Desmet Avenue between Altamont Street and Nelson Street.~~
  - ~~12. Division Street (SR-2, SR-195, and SR-395) between the north City limits and SR-90.~~
  - ~~13. Euclid Avenue via Buckeye Avenue and North Foothills Drive between Washington Street and Market Street.~~
  - ~~14. Fort George Wright Drive between Government Way and T.J. Meenach Drive.~~
  - ~~15. Francis Avenue from the junction of Nine Mile Road and Assembly Street to the east City limits.~~
  - ~~16. Freya Street and Freya Way via Greene Street and Market Street (and Haven Street southbound) between Thor Place and the north City limits; and via Thor Place, Thor Street, Ray Place, and Ray Street between Greene Street and 29th Avenue; and between Wellesley Avenue and Francis Avenue.~~
  - ~~17. Government Way between Fort George Wright Drive and Sunset Boulevard within the City limits.~~
  - ~~18. Grand Boulevard via McClellan Street and 8th Avenue from High Drive to Washington Street, northbound; and via 9th Avenue from Stevens Street to High Drive, southbound.~~
  - ~~19. Greene Street via Market Street (and Haven Street southbound) between Freya Way and the north City limits; and via Freya Way, Freya Street, Thor Place, Thor Street, Ray Place, and Ray Street between Market Street and 29th Avenue; and via Ralph Street between Boone Avenue and Trent Avenue; and from Mission Avenue to Boone Avenue, southbound.~~
  - ~~20. Hatch Road from the junction of 44th Avenue and Scott Street to 57th Avenue.~~
  - ~~21. Haven Street (coupled with Market Street) from Columbia Avenue to Lacrosse Avenue, southbound.~~
  - ~~22. High Drive via Cedar Street, Walnut Place, Walnut Street, and Maple Street between the north City limits and 29th Avenue; and between Grand Boulevard and the junction of Scott Street and 43rd Avenue.~~
  - ~~23. Indian Trail Road between the north City limits and Francis Avenue.~~
  - ~~24. The James E. Keefe Bridge between SR-90 and Trent Avenue.~~
  - ~~25. Lincoln Road between Division Street and the east City limits.~~
  - ~~26. Lincoln Street (via Main Avenue) between SR-90 and the Monroe Street Bridge, northbound.~~
  - ~~27. Main Avenue from Lincoln Street northbound to the Monroe Street Bridge.~~
  - ~~28. Mallon Avenue between Crestline Street and Stone Street.~~
  - ~~29. Maple Street between the Maple Street Bridge and Francis Avenue, northbound; and between the Maple Street Bridge and Walnut Place, southbound.~~
  - ~~30. Market Street (and Haven Street southbound) via Greene Street, Freya Way, Freya Street, Thor Place, Thor Street, Ray Place, and Ray Street between the north City limits and 29th Avenue.~~
  - ~~31. Maxwell Avenue via Mission Avenue, and Trent Avenue and Trent Road between Ash Street and the east City limits.~~
  - ~~32. McClellan Street northbound via 8th Avenue from Grand Boulevard to Washington Street.~~
  - ~~33. T.J. Meenach Drive and Bridge between Fort George Wright Drive and Northwest Boulevard.~~
  - ~~34. Mission Avenue via Trent Avenue and Trent Road from Maxwell Avenue to the east City limits; and via Maxwell Avenue from Ash Street to Trent Avenue.~~
  - ~~35. Monroe Street between the north City limits and the Monroe Street Bridge; and between the Monroe Street Bridge and SR-90, southbound (coupled with Lincoln Street and Main Avenue northbound).~~
  - ~~36. Nelson Street via Regal Street between Trent Avenue and Mission Avenue.~~
  - ~~37. The Newport Highway (SR-2 and SR-195) between Division Street and the north City limits.~~
  - ~~38. Nine Mile Road between the north City limits and the junction of Assembly Street and Francis Avenue.~~
  - ~~39. North Foothills Drive via Euclid Avenue from Buckeye Avenue to Market Street; and via Buckeye Avenue from Washington Street to Euclid Avenue.~~
  - ~~40. Northwest Boulevard between Assembly Street and Monroe Street.~~
  - ~~41. The Palouse Highway between Regal Street and the south City limits.~~
  - ~~42. Ralph Street via Greene Street between Boone Avenue and Trent Avenue.~~
  - ~~43. Ray Street and Ray Place between Thor Street and 29th Avenue; and via Thor Street, Thor Place, Freya Street, Freya Way, Greene Street, and Market Street (and Haven Street southbound) between the north City limits and 29th Avenue.~~
  - ~~44. Regal Street between 29th Avenue and the Palouse Highway; and via Nelson Street from Trent Avenue to Mission Avenue.~~
  - ~~45. Scott Street between 43rd Avenue and Hatch Road.~~

46. ~~Spokane Falls Boulevard between Division Street and Browne Street, westbound.~~  
 47. ~~Sprague Avenue between Bernard Street and the east City limits and between Bernard Street and Maple Street, westbound.~~  
 48. ~~Springfield Avenue via Broadway Avenue between Freya Street and the east City limits.~~  
 49. ~~SR-90 between the west City limits and the east City limits.~~  
 50. ~~SR-195 between SR-90 and the south City limits.~~  
 51. ~~Stevens Street via 9th Avenue between the Washington Street Bridge and Grand Boulevard, southbound.~~  
 52. ~~Sunset Boulevard via Second Avenue from Maple Street to the west City limits westbound; and via Third Avenue from the west City limits to Maple Street eastbound.~~  
 53. ~~Thor Place and Thor Street via Ray Place, and Ray Street between Freya Street and 29th Avenue; and via Freya Street, Freya Way, Greene Street, and Market Street (and Haven Street southbound) between the north City limits and Ray Place.~~  
 54. ~~Trent Avenue and Trent Road between Division Street and the east City limits.~~  
 55. ~~Walnut Place and Walnut Street between the Maple Street Bridge and Cedar Street.~~  
 56. ~~Washington Street via McClellan Street and 8th Avenue from Grand Boulevard to the Washington Street Bridge, northbound; and between the Washington Street Bridge and Buckeye Avenue.~~  
 57. ~~Wellesley Avenue between Assembly Street and Havana Street.~~  
 58. ~~First Avenue via Bernard Street from Maple Street to Sprague Avenue, eastbound.~~  
 59. ~~Second Avenue between Freya Street and Sunset Boulevard, westbound.~~  
 60. ~~Third Avenue between Sunset Boulevard and the east City limits, eastbound.~~  
 61. ~~Eighth Avenue westbound via McClellan Street from Grand Boulevard to Washington Street, northbound.~~  
 62. ~~Ninth Avenue eastbound between Stevens Street and Grand Boulevard, southbound.~~  
 63. ~~29th Avenue between High Drive and the east City limits.~~  
 64. ~~43rd Avenue between High Drive and Scott Street.~~  
 65. ~~57th Avenue between Hatch Road and the east City limits.))~~

Street	Direction
21 <sup>st</sup> Avenue	from west City limits to Technology Boulevard
29th Avenue	between High Drive and the east City limits
43rd Avenue	between High Drive and Scott Street
57th Avenue	between Hatch Road and the east City limits
Altamont Street	between Mallon Avenue and Desmet Avenue
Ash Street	via the Maple Street Bridge; Maple Street, Walnut Place, Cedar Street, and High Drive between Francis Avenue and 29th Avenue, southbound
Assembly Street	between the junction of Nine Mile Road and Francis Avenue and Northwest Boulevard
Bernard Street	northbound from First Avenue eastbound to Sprague Avenue
Boone Avenue	between Regal Street and Greene Street
Broadway Avenue	via Springfield Avenue between Freya Street and the east City limits
Browne Street	between Spokane Falls Boulevard and I-90, southbound
Buckeye Avenue	via North Foothills Drive and Euclid Avenue between Washington Street and Market Street
Cedar Street	via High Drive between Walnut Place and 29th Avenue
Crestline Street	between Trent Avenue and Mallon Avenue
Deer Heights Road	from 12 <sup>th</sup> Avenue to 21 <sup>st</sup> Avenue
Desmet Avenue	between Altamont Street and Nelson Street
Division Street (U.S. 2, U.S.195, and U.S. 395)	between the north City limits and I-90
Eighth Avenue westbound	via McClellan Street from Grand Boulevard to Washington Street, northbound
Electric Avenue	via 53 <sup>rd</sup> Avenue from Hayford Road to Geiger Boulevard
Euclid Avenue	via Buckeye Avenue and North Foothills Drive between Washington Street and Market Street



First Avenue	via Bernard Street from Maple Street to Sprague Avenue, eastbound
Flint Road	from City limits to Airport Drive
Francis Avenue	from the junction of Nine Mile Road and Assembly Street to the east City limits
Freya Street and Freya Way	via Greene Street and Market Street (and Haven Street southbound) between Thor Place and Wellesley Avenue; and via Thor Place, Thor Street, Ray Place, and Ray Street between Greene Street and 29th Avenue
Geiger Boulevard	From west City limits to Sunset Boulevard
Government Way	between Whistalks Ways and Sunset Boulevard within the City limits
Grand Boulevard	via McClellan Street and 8th Avenue from High Drive to Washington Street, northbound; and via 9th Avenue from Stevens Street to High Drive, southbound
Greene Street	via Market Street (and Haven Street southbound) between Freya Way and the north City limits; and via Freya Way, Freya Street, Thor Place, Thor Street, Ray Place, and Ray Street between Market Street and 29th Avenue; and via Ralph Street between Boone Avenue and Trent Avenue; and from Mission Avenue to Boone Avenue, southbound
Hatch Road	from the junction of 44th Avenue and Scott Street to 57th Avenue
Haven Street (coupled with Market Street)	from Wellesley Avenue to Lacrosse Avenue, southbound
Hayford Road	from Electric Avenue to McFarlane Road
High Drive	via Cedar Street, Walnut Place, Walnut Street, and Maple Street between the north City limits and 29th Avenue; and between Grand Boulevard and the junction of Scott Street and 43rd Avenue
I-90	between the west City limits and the east City limits
Indian Trail Road	between the north City limits and Francis Avenue
James E. Keefe Bridge	between I-90 and Trent Avenue
Lincoln Road	between Division Street and the east City limits
Lincoln Street (via Main Avenue)	between I-90 and the Monroe Street Bridge, northbound
Main Avenue	from Lincoln Street northbound to the Monroe Street Bridge
Mallon Avenue	between Crestline Street and Stone Street
Maple Street	between the Maple Street Bridge and Francis Avenue, northbound; and between the Maple Street Bridge and Walnut Place, southbound
Market Street (and Haven Street southbound)	via Greene Street, Freya Way, Freya Street, Thor Place, Thor Street, Ray Place, and Ray Street between Wellesley Avenue and 29th Avenue
Martin Luther King Jr Boulevard	from Division Street to Trent Avenue
Maxwell Avenue	via Mission Avenue, and Trent Avenue and Trent Road between Ash Street and the east City limits
McClellan Street	northbound via 8th Avenue from Grand Boulevard to Washington Street
Mission Avenue	via Trent Avenue and Trent Road from Maxwell Avenue to the east City limits; and via Maxwell Avenue from Ash Street to Trent Avenue
Monroe Street	between the north City limits and the Monroe Street Bridge; and between the Monroe Street Bridge and I-90, southbound (coupled with Lincoln Street and Main Avenue northbound)

Nelson Street	via Regal Street between Trent Avenue and Mission Avenue
Newport Highway (U.S. 2 and U.S. 195)	between Division Street and the north City limits
Nine Mile Road	between the north City limits and the junction of Assembly Street and Francis Avenue
Ninth Avenue eastbound	between Stevens Street and Grand Boulevard, southbound
North Foothills Drive	via Euclid Avenue from Buckeye Avenue to Market Street; and via Buckeye Avenue from Washington Street to Euclid Avenue
Northwest Boulevard	between Assembly Street and Monroe Street
Palouse Highway	between Regal Street and the south City limits
Ralph Street	via Greene Street between Boone Avenue and Trent Avenue
Ray Street and Ray Place	between Thor Street and 29th Avenue; and via Thor Street, Thor Place, Freya Street, Freya Way, Greene Street, and Market Street (and Haven Street southbound) between the north City limits and 29th Avenue
Regal Street	between 29th Avenue and the Palouse Highway; and via Nelson Street from Trent Avenue to Mission Avenue
Scott Street	between 43rd Avenue and Hatch Road
Second Avenue	between Freya Street and Sunset Boulevard, westbound
Spokane Falls Boulevard	between Division Street and Browne Street, westbound
Sprague Avenue	between Bernard Street and the east City limits and between Bernard Street and Maple Street, westbound
Springfield Avenue	via Broadway Avenue between Freya Street and the east City limits
Stevens Street	via 9th Avenue between the Washington Street Bridge and Grand Boulevard, southbound
Sunset Boulevard	via Second Avenue from Maple Street to the west City limits westbound; and via Third Avenue from the west City limits to Maple Street eastbound
T.J. Meenach Drive and Bridge	between Whistalks Way and Northwest Boulevard
Third Avenue	between Sunset Boulevard and the east City limits, eastbound
Thor Place and Thor Street	via Ray Place, and Ray Street between Freya Street and 29th Avenue; and via Freya Street, Freya Way, Greene Street, and Market Street (and Haven Street southbound) between the north City limits and Ray Place
Trent Avenue and Trent Road	from Hamilton Street to the east City limits
U.S. 2	from Deer Heights Road to I-90
U.S. 195	between I-90 and the south City limits
U.S. 395	from city limits to Wellesley
Walnut Place and Walnut Street	between the Maple Street Bridge and Cedar Street
Washington Street	via McClellan Street and 8th Avenue from Grand Boulevard to the Washington Street Bridge, northbound; and between the Washington Street Bridge and Buckeye Avenue
Wellesley Avenue	between Assembly Street and Havana Street
Whistalks Way	between Government Way and T.J. Meenach Drive

**ORDINANCE NO C36660**

AN ORDINANCE AMENDING ORDINANCE NO. C36626, PASSED BY THE CITY COUNCIL ON DECEMBER 9, 2024, AND ENTITLED IN PART "AN ORDINANCE ADOPTING A BIENNIAL BUDGET FOR THE CITY OF SPOKANE", MAKING APPROPRIATION ADJUSTMENTS FOR YEAR 2025, AND DECLARING AN EMERGENCY.

**WHEREAS**, subsequent to the adoption of the biennial budget Ordinance No. C36626, as above entitled in part, and which passed the City Council December 9, 2024, it is necessary to make changes in the appropriations of the Miscellaneous Community Development Grants Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

**WHEREAS**, this ordinance has been on file in the City Clerk's Office for five days;

**NOW, THEREFORE**, the City Council of Spokane does ordain:

**Section 1.** That in the budget of the Miscellaneous Community Development Grants Fund, and the budget annexed thereto with reference to the Fund, the following changes be made:

- 1) Increase revenue by \$10,000.
  - A) Of the increased revenue, \$10,000 is provided solely for grant revenue from the United States Conference of Mayors (USCM).
- 2) Increase appropriation by \$10,000.
  - A) Of the increased appropriation, \$10,000 is provided solely for contractual services.

**Section 2.** It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from the award and acceptance of the USCM Innovation Grant funds, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage.

**Passed by City Council April 21, 2025**  
**Delivered to Mayor April 23, 2025**

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**ORDINANCE NO C36661**

AN ORDINANCE AMENDING ORDINANCE NO. C36626, PASSED BY THE CITY COUNCIL ON DECEMBER 9, 2024, AND ENTITLED IN PART "AN ORDINANCE ADOPTING A BIENNIAL BUDGET FOR THE CITY OF SPOKANE", MAKING APPROPRIATION ADJUSTMENTS FOR YEAR 2025, AND DECLARING AN EMERGENCY.

**WHEREAS**, subsequent to the adoption of the biennial budget Ordinance No. C36626, as above entitled in part, and which passed the City Council December 9, 2024, it is necessary to make changes in the appropriations of the Opioid Response Fund and the General Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

**WHEREAS**, this ordinance has been on file in the City Clerk's Office for five days;

**NOW, THEREFORE**, the City Council of Spokane does ordain:

**Section 1.** That in the budget of the Opioid Response Fund, and the budget annexed thereto with reference to the Fund, the following changes be made:

- 1) Increase appropriation by \$1,489,388.
  - A) Of the increased appropriation, \$1,350,000 is provided solely for contractual services.
  - B) Of the increased appropriation, \$139,388 is provided solely for an operating transfer-out to the General Fund.

**Section 2.** That in the budget of the General Fund, and the budget annexed thereto with reference to the Fund, the following changes be made:

- 1) Increase revenue by \$139,388.
  - A) Of the increased revenue, \$139,388 is provided solely for an operating transfer-in from the Opioid Response Fund to the Mayor's Office.
- 1) Increase appropriation by \$139,388.
  - A) Of the increased appropriation, \$139,388 is provided solely for project employee wages in the Mayor's Office.

**Section 3.** It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from the need to resolve gaps in the region's response to

the opioid crisis, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage.

**Passed by City Council April 21, 2025**

**Delivered to Mayor April 23, 2025**

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CITY OF SPOKANE, WASHINGTON  
UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, 2025

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**ORDINANCE NO. C36663**

AN ORDINANCE OF THE CITY OF SPOKANE, WASHINGTON, AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF NOT TO EXCEED \$58,700,000 OF THE CITY'S UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, SERIES 2025, TO PROVIDE MONEY TO DEFEASE AND/OR REFUND ALL OR A PORTION OF THE CITY'S OUTSTANDING UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2015; PROVIDING FOR THE CALL, DEFEASANCE, PAYMENT AND REDEMPTION OF THE REFUNDED BONDS; PROVIDING FOR THE OPTION OF SELLING THE BONDS BY COMPETITIVE OR NEGOTIATED SALE; DELEGATING AUTHORITY TO THE DESIGNATED REPRESENTATIVE TO DETERMINE THE MANNER OF SALE AND TERMS OF THE BONDS UNDER THE CONDITIONS SET FORTH HEREIN; AUTHORIZING THE EXECUTION OF AN ESCROW AGREEMENT; DESIGNATING A FISCAL AGENT; PLEDGING THE CITY'S FULL FAITH, CREDIT AND RESOURCES TO THE PAYMENT OF THE BONDS; CREATING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR DEPOSITS THEREIN; COVENANTING TO COMPLY WITH CERTAIN FEDERAL TAX AND SECURITIES LAWS; DELEGATING CERTAIN ACTIONS IN CONNECTION WITH THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT; DECLARING AN EMERGENCY; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

Passed: April 21, 2025

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Prepared by:  
KUTAK ROCK LLP  
Spokane, Washington

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### ORDINANCE NO. C36663

AN ORDINANCE OF THE CITY OF SPOKANE, WASHINGTON AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF NOT TO EXCEED \$58,700,000 OF THE CITY'S UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, SERIES 2025, TO PROVIDE MONEY TO DEFEASE AND/OR REFUND ALL OR A PORTION OF THE CITY'S OUTSTANDING UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2015; PROVIDING FOR THE CALL, DEFEASANCE, PAYMENT AND REDEMPTION OF THE REFUNDED BONDS; PROVIDING FOR THE OPTION OF SELLING THE BONDS BY COMPETITIVE OR NEGOTIATED SALE; DELEGATING AUTHORITY TO THE DESIGNATED REPRESENTATIVE TO DETERMINE THE MANNER OF SALE AND TERMS OF THE BONDS UNDER THE CONDITIONS SET FORTH HEREIN; AUTHORIZING THE EXECUTION OF AN ESCROW AGREEMENT; DESIGNATING A FISCAL AGENT; PLEDGING THE CITY'S FULL FAITH, CREDIT AND RESOURCES TO THE PAYMENT OF THE BONDS; CREATING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR DEPOSITS THEREIN; COVENANTING TO COMPLY WITH CERTAIN FEDERAL TAX AND SECURITIES LAWS; DELEGATING CERTAIN ACTIONS IN CONNECTION WITH THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT; DECLARING AN EMERGENCY; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

**WHEREAS**, the City of Spokane, Washington (the "**City**") is a municipal corporation and first-class charter city duly organized and existing under the laws of the State of Washington (the "**State**") and the Charter of the City; and

**WHEREAS**, the City is authorized and empowered by chapters 35.22, 39.36, 39.46 and 39.53 RCW to sell, issue and deliver its unlimited tax general obligation refunding bonds to refund all or a portion of its outstanding unlimited tax general obligation bonds; and

**WHEREAS**, the City now has outstanding its Unlimited Tax General Obligation Bonds, Series 2015, issued on January 27, 2015, pursuant to Ordinance No. C35207, passed by the City Council of the City (the "**Council**") on December 15, 2014 (the "**2015 Bond Ordinance**"), in the aggregate principal amount of \$60,070,000 (the "**2015 Bonds**"), which remain outstanding as follows:

Outstanding 2015 Bonds			
Years (December 1)	Amounts	Interest Rates	CUSIP Nos.
2025	\$1,295,000	3.00%	849067 S38
2026	1,615,000	4.00	849067 S46
2027	1,970,000	4.00	849067 S53
2028	5,770,000	4.00	849067 S61
2029	6,315,000	4.00	849067 S79
2030	6,895,000	4.00	849067 S87
2031	7,505,000	4.00	849067 S95
2032	8,160,000	3.00	849067 T29
2033	8,770,000	4.00	849067 T37
2034	9,500,000	4.00	849067 T45

; and

**WHEREAS**, the 2015 Bonds maturing on and after December 1, 2025 are callable for redemption at any time on or after December 1, 2024, at a price of par plus accrued interest to the date of redemption; and

**WHEREAS**, after due consideration, the Council has determined it will be financially advantageous to the City and result in a savings to the City's taxpayers to pay, defease, redeem and/or retire all or a portion of the outstanding

2015 Bonds maturing on and after December 1, 2025 (as more specifically defined herein, the “**Refunded Bonds**”) the Refunded Bonds through the issuance of Unlimited Tax General Obligation Refunding Bonds, Series 2025 (the “**Bonds**”); and

**WHEREAS**, the Bonds will not mature later than the Refunded Bonds would have matured; and

**WHEREAS**, the annual debt service requirements of the Bonds will not exceed the annual debt service requirements of the Refunded Bonds; and

**WHEREAS**, the Council wishes to delegate authority to the Designated Representative (as hereinafter defined) to approve the final principal amount of the Bonds, the date of the Bonds, denominations, the interest rates, the number of series, the series designation, the tax status of each series, payment dates, redemption provisions, minimum savings and maturity dates of the Bonds under such terms and conditions as are approved by this ordinance; and

**WHEREAS**, the Council is desirous of taking all reasonable actions to enable it to refund the Refunded Bonds in order to obtain maximum savings for the taxpayers of the City; and

**WHEREAS**, the Council has determined it to be in the best interest of the City to sell the Bonds at competitive sale or negotiated sale;

**NOW, THEREFORE, THE CITY OF SPOKANE DOES HEREBY FURTHER FIND, DETERMINE AND ORDAIN as follows:**

### **Section 1: Definitions**

As used in this Ordinance, the following terms have the meanings provided in this Section 1.

**Approved Bid** means the winning bid submitted for a series of the Bonds if such series is sold by competitive sale, as selected by the Designated Representative.

**Bond Fund** means the City’s “General Obligation Debt Service Fund” maintained pursuant to Section 9 of this Ordinance.

**Bond Purchase Contract** means the contract between the City and the Underwriter pertaining to the sale and delivery of the Bonds, if the Bonds are sold by negotiated sale (including a private placement), as more fully described in Section 4 of this Ordinance.

**Bond Register** means the registration records maintained by the Registrar on which shall appear the names and addresses of the Registered Owners.

**Bonds** means the bonds herein authorized, designated as “City of Spokane Unlimited Tax General Obligation Refunding Bonds, Series 2025,” or such other designation as the Designated Representative shall determine.

**Chief Financial Officer** means the duly qualified, appointed and acting Chief Financial Officer of the City or any other officer who succeeds to the duties now delegated to that office.

**City** means the City of Spokane, a municipal corporation and first-class charter city duly organized and existing under the laws of the State of Washington and the Charter of the City.

**City Clerk** means the Clerk of the City or other officer of the City who is the custodian of the records of the proceedings of the Council or her successor in functions, if any.

**Code** means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations promulgated thereunder.

**Council** means the City Council as the general legislative authority of the City, as the same shall be duly and regularly constituted from time to time.

**Debt Service Account** means the City’s “UTGO 2025 Debt Service Account” referred to in Section 9 of this Ordinance.

**Designated Representative** means the Chief Financial Officer or the Director of Management and Budget.

**Director of Management and Budget** means the duly qualified, appointed and acting Director of Management and Budget of the City or any other officer who succeeds to the duties now delegated to that office.

**DTC** means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, which will act as securities depository for the Bonds.

**Escrow Account** means the City's "Unlimited Tax General Obligation Bonds, Series 2015 Escrow Account" which may be created by the Refunding Trustee to accomplish the defeasance and/or refunding of the Refunded Bonds.

**Escrow Agreement** means the agreement of that name by and between the City and the Refunding Trustee, which may be executed by the Designated Representative, if deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds.

**Good Faith Deposit** has the meaning ascribed thereto in Section 6 hereof.

**Government Obligations** means those obligations now or hereafter defined as such in Chapter 39.53 RCW.

**Letter of Representations** means the Blanket Issuer Letter of Representations from the City to DTC.

**Mayor** means the Mayor of the City or her successor in functions, if any.

**Municipal Advisor** means Northwest Municipal Advisors, Bellevue, Washington, the City's municipal advisor with respect to the issuance of the Bonds.

**Official Notice of Sale** means, if the Bonds are sold by competitive sale, the notice of bond sale to be submitted to potential bidders for the Bonds and authorized to be given in Section 4 of this Ordinance.

**Ordinance** means this Ordinance adopted by the Council on April 21, 2025, authorizing the sale, issuance and delivery of the Bonds.

**Outstanding** means, when used with reference to the Bonds, as of any particular date, all Bonds that have been issued, executed, authenticated and delivered except: (A) Bonds canceled because of payment or redemption prior to their stated dates of maturity; and (B) any Bond (or portion thereof) deemed to have been paid pursuant to Section 19 of this Ordinance.

**Participants** means those broker-dealers, banks and other financial institutions from time to time for which DTC holds the Bonds as securities depository.

**Redemption Date** means the date on which the Refunded Bonds will be redeemed, as selected by the Designated Representative.

**Refunded Bonds** means all or a portion of the 2015 Bonds maturing on and after December 1, 2025, as selected by the Designated Representative.

**Refunding Trustee** has the meaning ascribed thereto in Section 11 hereof.

**Registered Owner** means the person named as the registered owner of a Bond on the Bond Register.

**Registrar** means the Washington State Fiscal Agent, acting in the capacity as registrar, authenticating agent, paying agent and transfer agent of the Bonds, or its successors in functions, as now or hereafter designated.

**Serial Bonds** means any Bonds other than Term Bonds.

**Term Bonds** means the Bonds specifically designated as such in the Official Statement.

**Treasurer** means the Treasurer of the City, and any successor treasurer of the City in accordance with applicable law.

**True Interest Cost** means the yield that, when discounting all future principal and interest payments to the delivery date of the Bonds, produces a present value equal to the principal amount of the Bonds, less any Bond insurance policy premium, less the successful bidder's discount, plus any original issue premium, less any original issue discount, plus accrued interest.

**Underwriter** means the firm submitting the Approved Bid for the Bonds, or if it is determined that a negotiated sale (including a private placement) is in the best interest of the City, the underwriting firm or bank entering into the Bond Purchase Contract.

**2015 Bond Ordinance** means Ordinance No. C35207, passed by the Council on December 15, 2014.



**2015 Bonds** means the Unlimited Tax General Obligation Bonds, Series 2015, of the City issued January 27, 2015, and authorized by the 2015 Bond Ordinance.

## **Section 2: Interpretation**

For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires:

- A. Internal References.* All references in this Ordinance to designated “Sections” and other subdivisions are to the designated sections and other subdivisions of this Ordinance. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Ordinance as a whole and not to any particular section or other subdivision.
- B. Persons.* Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public boards, as well as natural persons.
- C. Headings.* Any headings preceding the texts of the several sections of this Ordinance and the table of contents, shall be solely for convenience of reference and shall not constitute a part of this Ordinance, nor shall they affect its meaning, construction or effect.
- D. Writing Requirement.* Every “notice,” “certificate,” “consent” or similar action hereunder by the City shall, unless the form thereof is specifically provided, be in writing signed by an authorized representative of the City.
- E. Time.* In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”
- F. Redemption.* Words importing the redemption or redeeming of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its stated maturity or the purchase of such Bond.
- G. Payment Terms.* References to the payment of the Bonds shall be deemed to include references to the payment of interest thereon.
- H. Gender.* Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words imparting the singular number shall include the plural numbers and vice versa, unless the context shall otherwise dictate.

## **Section 3: Purpose of the Bonds**

The Bonds are being issued to provide money to pay, defease, redeem and/or retire the Refunded Bonds and to pay certain expenses incurred in connection with the issuance of the Bonds and the defeasance and/or refunding of the Refunded Bonds, all as set forth more specifically herein.

## **Section 4: Authorization of the Bonds**

- A. General Terms.* Unlimited tax general obligation refunding bonds of the City, designated “City of Spokane Unlimited Tax General Obligation Refunding Bonds, Series 2025,” are hereby authorized to be sold, issued and delivered pursuant to chapters 35.22, 39.36, 39.46 and 39.53 RCW, in the event that an Approved Bid for the Bonds is accepted, or a Bond Purchase Contract is executed if the Bonds are sold by negotiated sale (including a private placement), as provided in this Section 4. The Bonds shall be issued in the aggregate principal amount of not to exceed \$58,700,000; shall be dated as of their date of delivery; shall be issued in fully registered form; shall be in the denomination of \$5,000 each, or any integral multiple thereof within a single maturity; and shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification. The Bonds shall be in substantially the form set forth in Exhibit “A” attached hereto and by this reference incorporated herein.
- B. Competitive Sale.* The Designated Representative is authorized to cause the Official Notice of Sale for the Bonds to be prepared and published, and provide for such other matters pertaining to the competitive sale as deemed necessary or desirable. The Official Notice of Sale shall establish:
  - 1. that the True Interest Cost of the Bonds shall not exceed 4.00 percent;
  - 2. the date or dates of the Bonds, which shall be no later than one year from the date of this Ordinance;
  - 3. the date or dates upon which the Bonds shall mature;
  - 4. the principal amount of the Bonds maturing on each maturity date concluding no later than December 1, 2034;
  - 5. the date on which interest shall first be payable for each Bond, which date shall be no later than June 1, 2026;
  - 6. the yield and price for each maturity of the Bonds, which price shall be not less than 95 percent nor more than 140 percent of the principal amount of the Bonds;

7. the optional and mandatory redemption provisions pertaining to the Bonds, provided the first date on which the Bonds may be optionally redeemed at par is not later than 10.5 years after the date of the Bonds; and
8. the net present value savings due to the defeasance and/or refunding of the Refunded Bonds, which shall be not less than 1.00 percent of the par amount of the Refunded Bonds.

The Designated Representative is hereby authorized to accept the Approved Bid for the Bonds, which Approved Bid must state the rate or rates of interest the Bonds shall bear and any premium or discount the Bonds shall bear.

- C. *Findings.* The Council hereby finds that the determinations made in this Ordinance are the determinations set forth in RCW 39.46.040; and as such, the Council has fully and properly authorized the sale, issuance and delivery of the Bonds.
- D. *Negotiated Sale.* In the event the Designated Representative determines that it is in the best interest of the City and its taxpayers to sell the Bonds by negotiated sale (including a private placement), the Designated Representative, upon the approval of the Mayor, is hereby authorized to select a bank for placement, or an underwriter, and to enter into a Bond Purchase Contract as provided in this Section 4. The Bond Purchase Contract shall establish the following:
1. the True Interest Cost of the Bonds, which shall not exceed 4.00 percent;
  2. the date or dates of the Bonds, which shall be no later than one year from the date of this Ordinance;
  3. the date or dates upon which the Bonds shall mature;
  4. the principal amount of the Bonds maturing on each maturity date concluding no later than December 1, 2034;
  5. the date on which interest shall first be payable for each Bond, which date shall be no later than June 1, 2026;
  6. the yield and price for each maturity of the Bonds, which price shall be not less than 95 percent nor more than 140 percent of the principal amount of the Bonds;
  7. the optional and mandatory redemption provisions pertaining to the Bonds, provided the first date on which the Bonds may be optionally redeemed at par is not later than 10.5 years after the date of the Bonds; and
  8. the net present value savings due to the defeasance and/or refunding of the Refunded Bonds, which shall be not less than 1.00 percent of the par amount of the Refunded Bonds.

The Designated Representative is hereby authorized to approve additions, deletions or alterations to the Bond Purchase Contract or any other document or certificate related thereto so long as such additions, deletions or alterations do not substantially alter the intent and substance of this Ordinance.

- E. *Negotiable Instruments.* The Bonds shall be negotiable instruments to the extent provided by chapter 62A.3 RCW.

### **Section 5: Redemption Prior to Maturity**

- A. *Redemption.* The Bonds shall be subject to redemption at such time and in such amounts as provided in the Official Notice of Sale and the Approved Bid, or, if the Bonds are sold by negotiated sale (including a private placement), in the Bond Purchase Contract.
- B. *Partial Redemption.* In accordance with the preceding paragraph, portions of the principal amount of any Bond, in installments of \$5,000 or any integral multiple of \$5,000 within a maturity, may also be redeemed. If less than all the principal amount of any Bond is redeemed, upon surrender of such Bond at the designated corporate trust office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal amount thereof, a new Bond or Bonds, at the option of the Registered Owner, with like maturity and interest rate, in any denomination authorized by this Ordinance.
- C. *Notice of Redemption.* Except as set forth in subsection D below, and unless waived by the Registered Owner of any Bond to be redeemed, notice of any such redemption shall be sent by the Registrar by first-class mail, postage prepaid, not less than 20 nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. The requirements of this subsection shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether it is actually received by the Registered Owner of any Bond to be redeemed. The redemption of the Bonds may be contingent or subject to such conditions as may be specified in the written notice, and if funds for the redemption are not irrevocably deposited with the Registrar or otherwise placed in escrow and in trust prior to the giving of notice of redemption, the notice shall be specifically subject to the deposit of funds by the City. The Designated Representative is hereby authorized to agree to redemption provision they deem to be in the best interest of the City.

Any notice given pursuant to this subsection may be rescinded by written notice given by the City to the Registrar on or prior to the date specified for redemption. The Registrar shall give notice of such rescission as soon thereafter as practicable, and to the same Registered Owners, as notice of such redemption was given pursuant to this subsection

- D. *Special Notice of Redemption to DTC.* For so long as DTC is the securities depository for the Bonds, the Registrar shall send redemption and defeasance notices to DTC in the manner required by the Letter of Representations.
- E. *Continuing Disclosure Undertaking.* Except in the case of a private placement, for so long as Section 24 of this Ordinance remains in effect, each redemption notice shall also be provided to EMMA by the City in the manner and timeframe specified in the Continuing Disclosure Undertaking; provided, neither any defect in such notice nor any failure to give all or any portion of such notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in subsection C above.
- F. *Effect of Redemption.* When so called for redemption, the Bonds shall cease to accrue interest on the specified redemption date, provided money for redemption is on deposit at the place of payment at that time, and shall not be deemed to be Outstanding as of such redemption date.
- G. *Voluntary Redemption Notice.* In addition to the notice required by subsection C above, further notice may be given by the Registrar as set out below, but neither any defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in subsection C hereof.
1. Each further notice of redemption given hereunder may contain the following information: (a) the redemption date; (b) the redemption price; (c) if less than all Bonds Outstanding are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (d) notification that, on the redemption date, the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after such date; (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated corporate trust office of the Registrar; (f) the CUSIP numbers, if any, of all Bonds being redeemed; (g) the date of issue of the Bonds as originally issued; (h) the rate of interest borne by each Bond being redeemed; (i) the maturity date of each Bond being redeemed; and (j) any other descriptive information needed to identify accurately the Bonds being redeemed.
  2. Each further notice of redemption may be sent at least 20 days before the redemption date by registered or certified mail or overnight delivery service to: (a) all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds, such depositories now being DTC; and (b) one or more national information services that disseminate notices of redemption of obligations such as the Bonds.
  3. Each such further notice may be published one time in *The Bond Buyer* in New York, New York, or, if such publication is impractical or unlikely to reach a substantial number of the Registered Owners, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least 20 days prior to the date fixed for redemption.
- H. *Open Market Purchase and Cancellation.* The City hereby reserves the right and option to purchase any or all of the Bonds on the open market at any time and at any price. To the extent the City partially redeems Term Bonds, pursuant to this Ordinance, the City may, at its discretion, reduce the amount of any mandatory sinking fund deposit or deposits by an aggregate principal amount equal to the principal amount of the Term Bonds so redeemed. All Bonds purchased or redeemed under this Section shall be canceled.

## Section 6: Sale of the Bonds

- A. *Competitive Sale Authorized.* The Bonds may be sold by competitive sale. In any such competitive sale, the Bonds will be awarded to the bidder whose bid will result in the lowest True Interest Cost to the City. In the event that two or more bidders offer bids at the same lowest True Interest Cost, the City will award the Bonds to the bidder submitting the bid resulting in the highest net present value savings to the City. The Underwriter must pay accrued interest, if any, computed on a 360-day year and 30-day month basis, from the date of the Bonds to the date of delivery.
1. *Notice of Sale.* The City hereby authorizes the Designated Representative, with the assistance of the Municipal Advisor, if the Bonds are sold by competitive sale, to cause the Official Notice of Sale to be disseminated to prospective purchasers of the Bonds in such manner as it deems to be in the best interest of the City.
  2. *Good Faith Deposit.* Each bid must be unconditional and the successful bidder shall, within three hours of the award of the Bonds, make a good faith deposit (the "**Good Faith Deposit**") by federal wire or by a certified or bank cashier's check in immediately available funds payable to the City in an amount set forth in the Official Notice of Sale, which amount shall not be less than 0.5 percent of the principal amount of the Bonds. The Good Faith Deposit of the successful bidder will become the property of the City and will be credited to the purchase price of the Bonds at the time of delivery of the Bonds. No interest will be paid by the City on a bidder's Good Faith Deposit. If the purchase price is not paid in full upon tender of the Bonds, the successful bidder shall have no right to the Bonds or to the recovery of the Good Faith Deposit, or to any allowance or credit by reason of the Good Faith Deposit, unless it appears the Bonds would not be validly issued if delivered to the Underwriter in the form and manner proposed. However, in the event of such nonpayment, the City reserves any and all rights granted by law to recover the agreed purchase price of the Bonds, and, in addition, any damages suffered by the City.

3. *Opening and Award of Bids.* If the Bonds are sold pursuant to the provisions of this Section 6.A, bids will be opened by the City no later than 9:00 a.m. Pacific Time, in the offices of the Designated Representative, on the date set forth in the Official Notice of Sale. The Designated Representative is hereby authorized and directed to conduct the competitive sale of the Bonds in accordance with the Official Notice of Sale. The City reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.
- B. *Negotiated Sale Authorized.* The Bonds may be sold by negotiated sale (including a private placement) if it is determined by the Designated Representative, upon approval from the Mayor, that such method of sale is in the best interests of the City. If the Bonds are sold at negotiated sale or private placement, the terms of such sale must comply with Section 4 of this Ordinance.
- C. *Other Related Matters.* The Designated Representative is authorized and directed to take such other actions to publicize or facilitate the sale of the Bonds as may be deemed desirable or necessary including, but not limited to, securing a rating on the Bonds from one or more of the established nationally recognized rating services.

### **Section 7: Place, Manner and Medium of Payment**

- A. *Payment Medium.* The principal of and interest on the Bonds are payable in lawful money of the United States of America to the Registered Owners thereof.
- B. *Payment of Interest.* Payment of each installment of interest shall be made to the Registered Owner whose name appears on the Bond Register at the close of business on the fifteenth day of the calendar month preceding the interest payment date. Each installment of interest shall be paid by check or draft of the Registrar mailed to such Registered Owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. Interest installments may be paid by wire transfer to a Registered Owner within the United States of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by the Registered Owner.
- C. *Payment of Principal.* Principal of each Bond shall be payable to the Registered Owner, upon presentation and surrender of the Bonds on or after the date of maturity or prior redemption, at the designated corporate trust office of the Registrar. Upon the payment of the Bonds at maturity, or upon payment of the redemption price of any Bond being redeemed, each check or other transfer of money issued for such purpose shall bear the CUSIP number, if any, and identify by issue and maturity the Bonds being paid or redeemed with the proceeds of such check or other transfer.
- D. *Interest on Delinquent Amounts of the Bonds.* If any Bond is not redeemed when properly presented at its maturity or redemption date, the City shall pay interest on that Bond at the same rate provided in the Bond from and after its maturity or redemption date until the principal of and interest on that Bond is paid in full or until sufficient money for its payment in full is on deposit in the Debt Service Account and the Bond has been called for payment by giving notice to the Registered Owner of that unpaid Bond.
- E. *Ownership of Bonds.* The City and the Registrar may deem and treat the Registered Owner of each Bond as the absolute owner of such Bond for the purpose of receiving payments of principal and interest due on such Bond and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.
- F. *Unclaimed Money.* The Treasurer shall submit a written request to the Registrar that the Registrar return to the Treasurer all money previously remitted to the Registrar for the payment of the Bonds that has not been distributed by the Registrar as of one year after the final maturity or prior redemption of all of the Bonds. The Treasurer shall deposit such money into a separate account to be held solely for the benefit of the Registered Owners of Bonds which have not been presented for payment, and which shall be used solely for paying the principal of such Bonds and the interest which had accrued thereon to the date of maturity or prior redemption. Interest earnings on the money in such account may be deposited into the Debt Service Account to pay the principal of and interest on any Bonds that are Outstanding.

### **Section 8: Pledge of Full Faith, Credit and Resources of the City**

The full faith, credit and resources of the City are hereby irrevocably pledged for the punctual and full payment of the principal of and interest on the Bonds.

The City hereby irrevocably covenants that, for as long as any of the Bonds are Outstanding, it will make annual levies of *ad valorem* taxes without limitation as to rate or amount upon all the property within the City subject to taxation which, together with other money legally available therefor, will be sufficient in amount to pay the principal of and interest on the Bonds as the same shall become due.

### Section 9: The Bond Fund

- A. *Bond Fund & Debt Service Account.* The Treasurer currently maintains a fund to be used for the payment of debt service on all general obligation bonds, designated as the "General Obligation Debt Service Fund" (the "**Bond Fund**"). Within the Bond Fund, there has heretofore been created and shall continue to be maintained, a subsidiary account separate and distinct from all other accounts of the City, designated the "UTGO 2025 Debt Service Account" (the "**Debt Service Account**") or such other designation conforming to accounting practices, for the purpose of paying the principal of, premium, if any, and interest on the Bonds when due.
- B. *Deposits to the Debt Service Account.* Accrued interest received from the sale of the Bonds, if any, shall be deposited into the Debt Service Account. All or a portion of original issue premium, if any, received from the sale of the Bonds may be deposited into the Debt Service Account. Tax receipts levied for the purpose of paying principal of and interest on the Bonds and, as from time to time directed by the Council, other City money legally available for payment of the Bonds will be deposited to the Debt Service Account to the extent necessary, and no later than the date such funds are required, to pay the principal of, premium, if any, and interest on the Bonds. The Treasurer is hereby authorized and directed to pay to the Registrar, in its capacity as the City's paying agent, all payments of principal and interest due on the Bonds in sufficient time for such payments to be made.
- C. *Investment of Money in the Debt Service Account.* Money in the Debt Service Account may be invested as permitted by law, which investments shall mature prior to the date on which such money shall be needed for required interest or principal payments. All interest earned and income derived by virtue of such investments shall remain in the Debt Service Account and be used to meet the required deposits therein.

### Section 10: The Refunding Plan

- A. *Designation of the Refunded Bonds.* The City is desirous of defeasing, paying, redeeming and/or retiring the Refunded Bonds. The Designated Representative is authorized to designate all or a portion of the following outstanding 2015 Bonds as the "Refunded Bonds":

Outstanding 2015 Bonds			
Years (December 1)	Amounts	Interest Rates	CUSIP Nos.
2025	\$1,295,000	3.00%	849067 S38
2026	1,615,000	4.00	849067 S46
2027	1,970,000	4.00	849067 S53
2028	5,770,000	4.00	849067 S61
2029	6,315,000	4.00	849067 S79
2030	6,895,000	4.00	849067 S87
2031	7,505,000	4.00	849067 S95
2032	8,160,000	3.00	849067 T29
2033	8,770,000	4.00	849067 T37
2034	9,500,000	4.00	849067 T45

- B. *Application of Bond Proceeds.* The net proceeds of the Bonds (exclusive of any amounts that may be designated by the Designated Representative in a closing certificate to be allocated to pay costs of issuance of the Bonds and exclusive of amounts paid to an Underwriter as a fee or an Underwriter's discount)(the "**Net Bond Proceeds**"), together with other available funds of the City in the amount (if any) specified by the Designated Representative, shall be held by the City and used at the direction of the Designated Representative to pay the costs of, or to reimburse the City for the costs of, redeeming the Refunded Bonds and/or may be placed into the Escrow Account pursuant to the terms of an Escrow Agreement to effect a defeasance of the Refunded Bonds.
- C. *Notice of Redemption.* The Refunding Trustee is hereby directed to give notice of the call and redemption of the Refunded Bonds in substantially the form set forth as Attachment II to the Form of Escrow Agreement attached hereto as Exhibit "B" and in the manner required by the 2015 Bond Ordinance.
- D. *Modification of Refunding Plan.* The Designated Representative is hereby authorized, upon advice from the City's Municipal Advisor, to modify the refunding plan if such modification is determined to be in the City's best interest.

### Section 11: The Refunding Trustee; Escrow Agreement

The City hereby authorizes the Designated Representative to select a financial institution to act as the Refunding Trustee with respect to the Refunded Bonds (the "**Refunding Trustee**"). In order to carry out the purposes of this Ordinance, if deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Designated Representative is authorized and directed to execute and deliver to the Refunding Trustee an Escrow Agreement substantially in the form marked Exhibit "B" attached hereto and by this reference incorporated herein. If utilized, the Escrow Agreement, shall set forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the defeasance and/or refunding of the Refunded Bonds as provided herein, and shall set forth the payment of the fees, compensation and expenses of the Refunding Trustee.

### Section 12: Creation of the Escrow Account & Government Obligations

- A. *Creation of the Escrow Account.* If deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Refunding Trustee is authorized and directed to establish a special account for the City designated the "Unlimited Tax General Obligation Bonds, Series 2015 Escrow Account," or such other designation conforming to accounting principles and banking practices.
- B. *Deposits into the Escrow Account.* If deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Net Bond Proceeds, together with other available funds of the City in the amount (if any) specified by the Designated Representative, may be deposited into the Escrow Account and may be held as cash or used to acquire Government Obligations, as more specifically provided in the Escrow Agreement. Such funds shall be irrevocably deposited into the Escrow Account. Any funds to be deposited into the Escrow Account shall be held by the Refunding Trustee in trust. All funds credited to the Escrow Account shall be deemed so credited to and held in the Escrow Account notwithstanding the fact that such funds are held by the Refunding Trustee in trust for the owners of the Refunded Bonds.
- C. *Use of Money in the Escrow Account.* If deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Refunding Trustee, on behalf of the City, may be authorized and directed to use the Net Bond Proceeds, together with other legally available money of the City, to purchase Government Obligations in the amounts, of the type, bearing interest and maturing in such amounts as are necessary to make the payments described in this Ordinance and in the Escrow Agreement. The investment income from and maturing principal of the Government Obligations and money to be deposited into the Escrow Account, if any, shall be transmitted to the Washington State Fiscal Agent, as Registrar for the City, for the sole purpose of paying the principal of and interest on the Refunded Bonds. Any money remaining on deposit in the Escrow Account created hereunder after the payment in full of the Refunded Bonds and the costs of issuing the Bonds, shall be transferred by the Refunding Trustee to the City and deposited into the Bond Fund.
- D. *Government Obligations.*
1. *Government Obligations.* If the purchase of Government Obligations is deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Government Obligations shall be payable in such amounts and at such times that, together with other legally available money of the City, will be sufficient to provide for the payment of: (a) the interest on the Refunded Bonds as such becomes due on and before the Redemption Date or maturity of the Refunded Bonds; and (b) the price of redemption of the Refunded Bonds on the Redemption Date or the maturity value of the Refunded Bonds that are defeased to maturity.
  2. *Sufficiency of the Government Obligations.* If the purchase of Government Obligations is deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, prior to the delivery of the Bonds, the City shall receive an opinion of a nationally recognized firm of independent certified public accountants or from a nationally recognized financial advisor, stating, in substance, that the money and Government Obligations to be deposited with the Refunding Trustee for the payment of the Refunded Bonds will discharge and satisfy the City's obligations under the 2015 Ordinance to make payments on the Refunded Bonds. Such opinion will not be required in the event the City deposits sufficient funds at closing to provide for all debt service payments, without taking into account interest earnings thereon.

### Section 13: Irrevocable Call

- A. *Refunded Bonds.*
1. *Irrevocable Call for Redemption.* In accordance with Section 4 of the 2015 Bond Ordinance, the City hereby calls the Refunded Bonds for redemption on the Redemption Date. Such call for redemption shall be irrevocable upon the delivery of the Bonds to the Underwriter.
  2. *Irrevocable Pledge of Proceeds of the Bonds.* The City hereby irrevocably pledges the Net Bond Proceeds, together with other available funds of the City in the amount (if any) specified by the Designated Representative, Government Obligations (if any) and any amounts on deposit in the Escrow Account (if utilized), to pay the interest on the Refunded Bonds, up to and including the Redemption Date, and to redeem and retire the Refunded Bonds on such date at the price of 100 percent of the principal amount thereof plus accrued interest to

the Redemption Date. Such amounts are hereby irrevocably pledged to be set aside to effect such payment, redemption and retirement.

- B. Findings Regarding the Defeasance and/or Refunding of the Refunded Bonds.* The Council hereby finds that, as of the date the Bonds are issued and the Net Bond Proceeds are utilized as set forth herein: (1) no further payments need to be made into the Bond Fund for the payment of the principal of and interest on the Refunded Bonds; (2) the Refunded Bonds and the interest accrued thereon shall cease to be entitled to any lien, benefit or security of the 2015 Bond Ordinance, except the right to receive the funds so set aside and pledged; and (3) the Refunded Bonds and the interest accruing thereon shall no longer be deemed to be Outstanding under the 2015 Bond Ordinance. The Council hereby further finds and determines that the issuance and sale of the Bonds will benefit the City by affecting a savings to the City's taxpayers. In making such finding and determination, the Council has given consideration to the interest that will be payable on the Bonds through the maturity of the Bonds, the costs of issuance of the Bonds and the net present value savings due to the defeasance and/or refunding of the Refunded Bonds

#### **Section 14: Execution and Authentication of the Bonds**

- A. Execution of the Bonds.* The City shall cause definitive Bonds to be prepared, executed, and delivered. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor, shall be attested by the manual or facsimile signature of the City Clerk, and shall have the seal of the City impressed, imprinted or otherwise reproduced thereon.
- B. Authentication of the Bonds.* The executed Bonds shall be delivered to the Registrar for authentication. The Bonds shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification. Only those Bonds that bear a Certificate of Authentication substantially in the form set forth in Exhibit "A" attached hereto and manually executed by an authorized representative of the Registrar shall be valid or obligatory for any purpose or entitled to the benefits of this Ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Ordinance.
- C. Validity of Signatures.* In case any of the officers who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the City before the Bonds so signed or attested shall have been authenticated or delivered by the Registrar, or issued by the City, such Bond may nevertheless be authenticated, delivered and issued, and, upon such authentication, delivery and issue, shall be as binding upon the City as though those who signed and attested the same had continued to be such officers of the City. Any Bond may also be signed and attested on behalf of the City by such persons as at the actual date of execution of such Bond shall be the proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

#### **Section 15: The Registrar**

- A. Registrar Appointed.* The Treasurer has designated the Washington State Fiscal Agent as the City's legally designated fiscal agent with respect to the Bonds. The Council hereby confirms such designation with respect to the Bonds and appoints the Washington State Fiscal Agent as Registrar, authenticating agent, paying agent and transfer agent with respect to the Bonds, subject to the terms and conditions of this Section.
- B. Delegated Duties.* The Registrar is hereby authorized and directed, on behalf of the City, to authenticate and deliver Bonds initially issued or transferred or exchanged in accordance with the provisions of the Bonds and this Ordinance and to carry out all of the Registrar's powers and duties under this Ordinance and the Agreement for Fiscal Agency Services between the Washington State Finance Committee and the Registrar (as the same may be amended or readopted from time to time).
- C. Bond Register.* The Bonds shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, at its designated corporate trust office the Bond Register which shall at all times be open to inspection by the City. The City hereby specifies and adopts the system of registration for the Bonds approved by the Washington State Finance Committee.
- D. Fees and Costs.* The City shall pay to the Registrar from time to time reasonable compensation for all services rendered under this Ordinance, together with reasonable expenses, charges, fees of counsel, accountants and consultants and other disbursements, including those of its attorneys, agents and employees, incurred in good faith in and about the performance of their powers and duties under this Ordinance. The administrative fees provided for in this subsection may be paid from the Debt Service Account.
- E. Representations.* The Registrar shall be responsible for its representations contained in the Registrar's Certificate of Authentication on the Bonds.



- F. *Ownership Rights.* The Registrar may become the Registered Owner of the Bonds with the same rights it would have if it were not the Registrar, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners of the Bonds.
- G. *Cancellation of Surrendered Bonds.* Bonds surrendered to the Registrar for payment, redemption, transfer or exchange, as well as Bonds surrendered by the City for cancellation, shall be canceled immediately by the Registrar and returned to the City. Such Bonds thereafter shall be destroyed.

#### **Section 16: Book-Entry System Authorized**

- A. The Bonds shall be initially issued in the form of a separate, single-certificated, fully registered Bond for each maturity set forth in the Official Notice of Sale, or, if the Bonds are sold by negotiated sale (including a private placement), the Bond Purchase Contract, as provided for in Section 4 of this Ordinance, in the aggregate principal amount of such maturity. Upon initial issuance, the ownership of each Bond may be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the securities depository for the Bonds. Except as provided in subsection D of this Section, all of the Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.
- B. With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, neither the City nor the Registrar shall have any responsibility or obligation to any Participant or to any person on behalf of which a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Registrar shall have no responsibility or obligation with respect to: (1) the accuracy of the records of DTC, Cede & Co., or any Participant with respect to any ownership interest in the Bonds; (2) the delivery to any Participant or any other person, other than a Registered Owner, of any notice with respect to the Bonds; or (3) the payment to any Participant or any other person, other than a Registered Owner, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City and the Registrar may treat and consider the Registered Owner of each Bond as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and the interest on the Bonds as provided for in the Official Notice of Sale, or, if the Bonds are sold by negotiated sale (including a private placement), Bond Purchase Contract, and as further provided in Sections 4 and 5 of this Ordinance and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sums so paid. No person other than a Registered Owner shall receive a certificated Bond evidencing the obligation of the City to make payments of principal, premium, if any, and interest pursuant to this Ordinance. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to the transfer and payment of the Bonds, the phrase "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.
- C. The City heretofore has delivered the Letter of Representations to the Registrar and DTC. The delivery of the Letter of Representations shall not in any way limit the provisions of subsection B of this Section or in any other way impose upon the City any obligation whatsoever with respect to persons having interests in the Bonds other than the Registered Owner. The Registrar shall take all action necessary to comply with, at all times, any and all representations of the City in the Letter of Representations with respect to the Registrar.
- D. 1. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and to the Registrar, and discharging its responsibilities with respect thereto under applicable law.
2. The City, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the City determines that: (a) DTC is unable to discharge its responsibilities with respect to the Bonds; or (b) a continuation of the requirement that all of the Bonds be registered in the Bond Register in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Bonds.
3. Upon termination of the services of DTC with respect to the Bonds pursuant to subsection D(2)(b) of this Section, or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to subsection D(1) or subsection D(2)(a) of this Section, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found that, in the opinion of the City, is willing and able to undertake such functions upon reasonable and customary terms, the City shall deliver certificated Bonds at the expense of the City, as described in this Ordinance, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the names that the Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance. In the event the Bonds are transferred by the City to fully registered form, the Bonds shall be payable by the Registrar. Thereafter, the principal of the Bonds shall be payable upon due presentment and surrender thereof at the designated corporate trust office of the Registrar; interest shall be paid by check or draft of the Registrar mailed to such Registered Owner on the due date at the address appearing on

the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. Interest installments may be paid by wire transfer to a Registered Owner within the United States of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by the Registered Owner, and the Bonds shall be transferable as provided in this Ordinance.

- E. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations.
- F. If the Bonds are privately placed with a bank, the City may determine not to comply with this Section if the Designated Representative deems it to be in the best interest of the City.

#### **Section 17: Transfer and Exchange of the Bonds**

- A. *Transfer of Bonds.* Each Bond shall be transferable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, upon due completion of the assignment form appearing thereon and upon surrender of such Bond at the designated corporate trust office of the Registrar for cancellation and issuance of a new Bond registered in the name of the transferee, in exchange therefor.
- B. *Exchange of Bonds.* Each Bond shall be exchangeable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, for one or more new Bonds, upon surrender of such Bond at the designated corporate trust office of the Registrar for cancellation.
- C. *Authentication and Delivery of New Bonds.* Whenever a Bond shall be surrendered for transfer or exchange, the Registrar shall authenticate and deliver to the transferee or exchangee, in exchange therefor, a new fully registered Bond or Bonds of any authorized denomination or denominations, of the same maturity and interest rate as, and for the aggregate principal amount of, the Bond being surrendered. Notwithstanding the foregoing sentence, the Registrar is not required to transfer or exchange any Bond during the 15 days preceding any principal or interest payment date.
- D. *Payment of Fees and Costs.* The Registrar shall require the payment by the Registered Owner requesting such transfer or exchange of any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

#### **Section 18: Mutilated, Lost, Stolen or Destroyed Bonds**

- A. *Issuance of Substitute Bonds.* If any Bond shall become mutilated, lost, stolen or destroyed, the affected Registered Owner shall be entitled to the issuance of a substitute Bond only as follows:
  - 1. in the case of a lost, stolen or destroyed Bond, the Registered Owner shall: (a) provide notice of the loss, theft or destruction to the City and the Registrar within a reasonable time after the Registered Owner receives notice of the loss, theft or destruction; (b) request the issuance of a substitute Bond; (c) provide evidence, satisfactory to the City and the Registrar, of the ownership and the loss, theft or destruction of the affected Bond; and (d) file in the offices of the City and the Registrar a written affidavit specifically alleging on oath that such Registered Owner is the proper owner, payee or legal representative of such owner or payee of the Bond that has been lost, stolen or destroyed, giving the date the Bond was issued and the number, principal amount and series of such Bond, and stating that the Bond has been lost, stolen or destroyed, and has not been paid and has not been received by such Registered Owner;
  - 2. in the case of a mutilated Bond, the Registered Owner shall surrender the Bond to the Registrar for cancellation; and
  - 3. in all cases, the Registered Owner shall provide indemnity against any and all claims arising out of or otherwise related to the issuance of substitute Bonds pursuant to this Section satisfactory to the City and the Registrar.

Upon compliance with the foregoing, a new Bond of like tenor and denomination, bearing the same number as the mutilated, lost, stolen or destroyed Bond, and with the word "DUPLICATE" stamped or printed plainly on its face, shall be executed by the City, authenticated by the Registrar and delivered to the Registered Owner, all at the expense of the Registered Owner to whom the substitute Bond is delivered. Notwithstanding the foregoing, the Registrar shall not be required to authenticate and deliver any substitute Bond for a Bond that has matured or is about to mature or that has been called for redemption and, in any such case, the principal or redemption price and interest then due or becoming due shall be paid by the Registrar in accordance with the terms of the mutilated, destroyed, lost or stolen Bonds without substitution therefor.

- B. *Notation on the Bond Register.* Upon the issuance and authentication of any substitute Bond under the provisions of this Section, the Registrar shall enter upon the Bond Register a notation that the original Bond was canceled and a substitute Bond was issued.

- C. *Rights of Registered Owners of Substitute Bonds.* Every substitute Bond issued pursuant to this Section shall constitute an additional contractual obligation of the City and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued hereunder unless the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by a bona fide purchaser for value without notice. In the event the Bond alleged to have been destroyed, lost or stolen shall be enforceable by anyone, the City may recover the substitute Bond from the Registered Owner to whom it was issued or from anyone taking under the Registered Owner except a bona fide purchaser for value without notice.
- D. *Exclusive Rights.* All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or of investment or other securities without their surrender.

### **Section 19: Defeasance of the Bonds**

In the event that money and/or "government obligations" (as defined from time to time in RCW 39.53.010), maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in such amounts as are sufficient, together with any resulting cash balances, to redeem and retire part or all of the Bonds in accordance with their terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Debt Service Account or any account therein for the payment of the principal of and interest on the certain Bonds so provided for, and such Bonds and interest accrued thereon shall no longer be deemed to be Outstanding hereunder.

If the principal or redemption price of any Bonds becoming due, either at maturity or by call for redemption or otherwise, together with all interest accruing thereon to the due date, has been paid or provision therefor has been made in accordance with this Section, all interest on such Bonds shall cease to accrue on the due date and all liability of the City with respect to such Bonds shall cease as of the date the principal, redemption price, if any, and interest is so provided for, except as hereinafter provided. Thereafter, the Registered Owners of such Bonds shall be restricted exclusively to the money so deposited for any claim of whatsoever nature with respect to such Bonds, and the Registrar shall hold such money in trust for such Registered Owners uninvested and without interest.

### **Section 20: Tax Covenants**

- A. *Compliance With the Code.* The City covenants to comply with each requirement of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, the City covenants to comply with the provisions of the Tax Compliance Certificate executed by the City on the date of initial issuance and delivery of the Bonds, as such Tax Compliance Certificate may be amended from time to time.
- B. *Necessary Payments.* The City covenants to make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Code.
- C. *Survival of Tax Covenants.* Notwithstanding any other provision of this Ordinance to the contrary, so long as necessary in order to maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes, the covenants contained in this Section shall survive the payment of the Bonds and the interest thereon, including any payment or defeasance thereof pursuant to Section 19 of this Ordinance.
- D. *Remedies.* Notwithstanding any other provision of this Ordinance to the contrary: (1) upon the City's failure to observe or refusal to comply with the above covenants, the Registered Owners, or any trustee acting on their behalf, shall be entitled to the rights and remedies provided to the Registered Owners under this Ordinance; and (2) neither the holders or Registered Owners of bonds of any series other than Bonds, nor a trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Registered Owners under this Ordinance based upon the City's failure to observe, or refusal to comply with, the above covenants.

### **Section 21: Amendments to the Ordinance**

- A. *Amendments Not Requiring Registered Owner Consent.* The Council from time to time, and at any time, may adopt an ordinance or ordinances supplemental hereto, which ordinance or ordinances thereafter shall become a part of this Ordinance, for any one or more of all the following purposes: (1) to add to or delete from the covenants and agreements of the City in this Ordinance, or to surrender any right or power reserved to the City herein, provided such additions or deletions shall not adversely affect, in any material respect, the interests of the Registered Owners of any Bond; and (2) to cure, correct or supplement any ambiguous or defective provision contained in this Ordinance, provided such supplemental ordinance shall not adversely affect, in any material respect, the interests of the Registered Owners of the Bonds. Any such supplemental ordinance may be adopted without the consent of the Registered Owners of any Bonds at any time Outstanding, notwithstanding any of the provisions of subsection B of this Section.

- B. Amendments Requiring Registered Owner Consent.* With the consent of the Registered Owners of not less than 50 percent in aggregate principal amount of the Bonds at the time Outstanding, the Council may adopt an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to, or changing in any manner, or eliminating any of the provisions of this Ordinance or of any supplemental ordinance; provided, however, that no such supplemental ordinance shall: (1) extend the fixed maturity of any Bond, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or alter the redemption provisions pertaining thereto, without the consent of the Registered Owner of each Bond so affected; or (2) reduce the aforesaid percentage of Registered Owners required to approve any such supplemental ordinance, without the consent of the Registered Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of Registered Owners consent under this subsection B to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.
- C. Effect of Supplemental Ordinances.* Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City under this Ordinance and all Registered Owners of Bonds Outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendments, and all terms and conditions of any such supplemental ordinance shall be deemed to be part of the terms and conditions of this Ordinance for any and all purposes.
- D. Notations; Replacement Bonds.* Bonds executed and delivered after the execution of any supplemental ordinance adopted pursuant to the provisions of this Section may have a notation as to any matter provided for in such supplemental ordinance, and if such supplemental ordinance shall so provide, new Bonds so modified as to conform in the opinion of the Council to any modification of this Ordinance contained in any such supplemental ordinance, may be prepared and delivered without cost to the Registered Owners of any affected Bonds then Outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

## **Section 22: Sale and Delivery of the Bonds and Taking of Other Actions Authorized**

The Council hereby authorizes and directs each of the Mayor, the Chief Financial Officer, the Director of Management and Budget, the City Clerk, the Treasurer, the Municipal Advisor and Kutak Rock LLP, bond counsel, to execute and deliver the Bonds to the Underwriter, or in the case of a private placement with a bank, to the bank, and for the proper application and use of the proceeds of the sale thereof, including:

- A. preparing the final official statement regarding the Bonds, if the Bonds are publicly offered; and
- B. executing such certificates and receipts as may be necessary to properly document the issuance of the Bonds.

In addition, the Mayor, the Chief Financial Officer, the Director of Management and Budget, the City Clerk, the Treasurer, the Municipal Advisor and Kutak Rock LLP, bond counsel, are hereby authorized by the Council to execute and deliver such other certificates, agreements and documents, and to take such other actions on behalf of the City as may be reasonable and necessary:

- A. to facilitate the issuance and sale of the Bonds;
- B. to meet all provisions of the Code in order to maintain tax-exempt status of the Bonds; and
- C. in connection with any matters related thereto, until the final maturity date of the Bonds or redemption, whichever occur first.

## **Section 23: The Preliminary Official Statement**

If the Bonds are publicly offered, the Council hereby delegates authority to the Designated Representative to determine all acts to be undertaken by the City's officers, employees and agents with respect to the preparation and distribution of the preliminary official statement regarding the Bonds, if the Bonds are publicly offered, including any action taken to deem such preliminary official statement final as of its date except for the omission of information dependent upon the pricing of the issue and the completion of the underwriting agreement, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates and other terms of the Bonds dependent on the foregoing matters. The City agrees to cooperate with the Underwriter to deliver or cause to be delivered, within seven business days from the date of the sale date of the Bonds and in sufficient time to accompany any confirmation that requests payment from any customer of the Underwriter, copies of a final official statement in sufficient quantity to comply with the rules of the Municipal Securities Rulemaking Board and paragraph (b) (4) of Securities and Exchange Commission Rule 15c2-12.

## **Section 24: Continuing Disclosure Undertaking**

The City covenants to execute and deliver at the time of issuance of the Bonds a Continuing Disclosure Undertaking in substantially the form set forth in Exhibit "C" attached hereto and by this reference incorporated herein.

The Designated Representative is authorized and directed to execute and deliver a Continuing Disclosure Undertaking upon the sale, issuance and delivery of the Bonds with such terms and provisions as such officer shall deem appropriate and in the best interest of the City, upon consultation with the City's bond counsel. The City hereby reserves the right to comply with this Section by meeting its annual disclosure requirements through any system approved by the SEC. All required filings shall be made in an electronic format as prescribed by the MSRB.

### **Section 25: Contract and Severability of Provisions**

The covenants contained in this Ordinance and in the Bonds shall constitute a contract between the City and the Registered Owner of each and every Bond. Any action by the Registered Owner of any Bond shall bind all future Registered Owners of the same Bond in respect of anything done or suffered by the City or the Registrar in pursuance thereof. All the covenants, promises and agreements in this Ordinance contained by or on behalf of the City, or by or on behalf of the Registrar, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

If any one or more of the covenants or agreements provided in this Ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction on final appeal (if any appeal be taken) to be contrary to law, then such covenant or agreement shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Ordinance and shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds.

Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon or give to any person other than the City, the Registrar and the Registered Owners and the holders from time to time of the Bonds any rights, remedies or claims under or by reason of this Ordinance or any covenant, condition or stipulation thereof; and all of the covenants, stipulations, promises and agreements in this Ordinance contained by or on behalf of the City shall be for the sole and exclusive benefit of the City, the Registrar and the Registered Owners and the holders from time to time of the Bonds.

### **Section 26: No Personal Recourse**

No recourse shall be had for any claim based on this Ordinance or the Bonds against any Council member, officer or employee, past, present or future, of the City or of any successor body as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

### **Section 27: Ratification**

All actions not inconsistent with the provisions of this Ordinance heretofore taken by the Council and the City's employees with respect to the adoption of this Ordinance, the defeasance and/or refunding of the Refunded Bonds and the issuance, sale and delivery of the Bonds, are hereby in all respects ratified, approved and confirmed.

### **Section 28: Repealer**

All ordinances or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

### **Section 29: Effective Date**

The Council hereby finds and determines that the issuance and sale of the Bonds at this time will benefit the City by allowing the City to take advantage of current interest rates for tax-exempt bonds. In making such finding and determination, the Council has given consideration to the interest that will be payable on the Bonds through the maturity of the Bonds, the costs of issuance of the Bonds and the net present value savings due to the defeasance and/or refunding of the Refunded Bonds. In order to take advantage of current interest rates and maximum savings to the City's taxpayers, it is essential to accept the Bond Purchase Contract or accept the Approved Bid at a competitive sale, as applicable, as quickly as possible. Based upon said facts, an emergency and urgency is declared and found to exist as necessary for the immediate support of City government and its existing public institutions. Based upon said emergency and urgency, this ordinance shall become effective immediately upon its passage.

**Note:** Attachments are on file in the City Clerk's office.

**Passed by City Council April 21, 2025**

**Delivered to Mayor April 23, 2025**

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CITY OF SPOKANE, WASHINGTON  
LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, 2025

**ORDINANCE NO. C36664**

AN ORDINANCE OF THE CITY OF SPOKANE, WASHINGTON, AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF NOT TO EXCEED \$53,000,000 OF THE CITY'S LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, SERIES 2025, TO PROVIDE MONEY TO DEFEASE AND/OR REFUND ALL OR A PORTION OF THE CITY'S OUTSTANDING LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015; PROVIDING FOR THE CALL, DEFEASANCE, PAYMENT AND REDEMPTION OF THE REFUNDED BONDS; PROVIDING FOR THE OPTION OF SELLING THE BONDS BY COMPETITIVE OR NEGOTIATED SALE; DELEGATING AUTHORITY TO THE DESIGNATED REPRESENTATIVE TO DETERMINE THE MANNER OF SALE AND TERMS OF THE BONDS UNDER THE CONDITIONS SET FORTH HEREIN; AUTHORIZING THE EXECUTION OF AN ESCROW AGREEMENT; DESIGNATING A FISCAL AGENT; PLEDGING THE CITY'S FULL FAITH, CREDIT AND RESOURCES TO THE PAYMENT OF THE BONDS; CREATING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR DEPOSITS THEREIN; COVENANTING TO COMPLY WITH CERTAIN FEDERAL TAX AND SECURITIES LAWS; DELEGATING CERTAIN ACTIONS IN CONNECTION WITH THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT; DECLARING AN EMERGENCY; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

Passed: April 21, 2025

Prepared by:  
KUTAK ROCK LLP  
Spokane, Washington

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**WHEREAS**, the City of Spokane, Washington (the "City") is a municipal corporation and first-class charter city duly organized and existing under the laws of the State of Washington (the "State") and the Charter of the City; and

**WHEREAS**, the City is authorized and empowered by chapters 35.22, 39.36, 39.46 and 39.53 RCW to sell, issue and deliver its limited tax general obligation refunding bonds to refund all or a portion of its outstanding limited tax general obligation bonds; and

**WHEREAS**, the City now has outstanding its Limited Tax General Obligation Refunding Bonds, Series 2015, issued on February 11, 2015, pursuant to Ordinance No. C35219, passed by the City Council of the City (the "Council") on January 12, 2015 (the "2015 Bond Ordinance"), in the original aggregate principal amount of \$48,305,000 (the "2015 Bonds"), which remain outstanding as follows:

Outstanding 2015 Bonds			
Years (December 1)	Amounts	Interest Rates	CUSIP Nos.
2027	\$4,050,000	3.000%	849067 T52
2028	4,530,000	3.500	849067 T60
2029	5,055,000	4.000	849067 T78
2030	5,640,000	4.000	849067 T86
2031	6,265,000	4.000	849067 T94
2032	6,935,000	3.000	849067 U27
2033	7,570,000	3.125	849067 U35
2034	8,260,000	3.100	849067 U43

; and

**WHEREAS**, the 2015 Bonds maturing on and after December 1, 2027 are callable for redemption at any time on or after December 1, 2024, at a price of par plus accrued interest to the date of redemption; and

**WHEREAS**, after due consideration, the Council has determined it will be financially advantageous to the City and result in a savings to the City's taxpayers to pay, defease, redeem and/or retire the all or portion of the outstanding 2015 Bonds maturing on and after December 1, 2027 (as more specifically defined herein, the "Refunded Bonds") through the issuance of Limited Tax General Obligation Refunding Bonds, Series 2025 (the "Bonds"); and

**WHEREAS**, the Bonds will not mature later than the Refunded Bonds would have matured; and

**WHEREAS**, the annual debt service requirements of the Bonds will not exceed the annual debt service requirements of the Refunded Bonds; and

**WHEREAS**, the Council wishes to delegate authority to the Designated Representative (as hereinafter defined) to approve the final principal amount of the Bonds, the date of the Bonds, denominations, the interest rates, the number of series, the series designation, the tax status of each series, payment dates, redemption provisions, minimum savings and maturity dates of the Bonds under such terms and conditions as are approved by this ordinance; and

**WHEREAS**, the Council is desirous of taking all reasonable actions to enable it to refund the Refunded Bonds in order to obtain maximum savings for the taxpayers of the City; and

**WHEREAS**, the Council has determined it to be in the best interest of the City to sell the Bonds at competitive sale or negotiated sale;

**NOW, THEREFORE**, THE CITY OF SPOKANE DOES HEREBY FURTHER FIND, DETERMINE AND ORDAIN as follows:

### **Section 1: Definitions**

As used in this Ordinance, the following terms have the meanings provided in this Section 1.

**Approved Bid** means the winning bid submitted for a series of the Bonds if such series is sold by competitive sale, as selected by the Designated Representative.

**Bond Fund** means the City's "General Obligation Debt Service Fund" maintained pursuant to Section 9 of this Ordinance.

**Bond Purchase Contract** means the contract between the City and the Underwriter pertaining to the sale and delivery of the Bonds, if the Bonds are sold by negotiated sale (including a private placement), as more fully described in Section 4 of this Ordinance.

**Bond Register** means the registration records maintained by the Registrar on which shall appear the names and addresses of the Registered Owners.

**Bonds** means the bonds herein authorized, designated as "City of Spokane Limited Tax General Obligation Refunding Bonds, Series 2025," or such other designation as the Designated Representative shall determine.

**Chief Financial Officer** means the duly qualified, appointed and acting Chief Financial Officer of the City or any other officer who succeeds to the duties now delegated to that office.

**City** means the City of Spokane, a municipal corporation and first-class charter city duly organized and existing under the laws of the State of Washington and the Charter of the City.

**City Clerk** means the Clerk of the City or other officer of the City who is the custodian of the records of the proceedings of the Council or her successor in functions, if any.

**Code** means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations promulgated thereunder.

**Council** means the City Council as the general legislative authority of the City, as the same shall be duly and regularly constituted from time to time.

**Debt Service Account** means the City's "LTGO 2025 Debt Service Account" referred to in Section 9 of this Ordinance.

**Designated Representative** means the Chief Financial Officer or the Director of Management and Budget.

**Director of Management and Budget** means the duly qualified, appointed and acting Director of Management and Budget of the City or any other officer who succeeds to the duties now delegated to that office.

**DTC** means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, which will act as securities depository for the Bonds.

**Escrow Account** means the City's "Limited Tax General Obligation Refunding Bonds, Series 2015 Escrow Account" which may be created by the Refunding Trustee to accomplish the defeasance and/or refunding of the Refunded Bonds.

**Escrow Agreement** means the agreement of that name by and between the City and the Refunding Trustee, which may be executed by the Designated Representative, if deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds.



**Good Faith Deposit** has the meaning ascribed thereto in Section 6 hereof.

**Government Obligations** means those obligations now or hereafter defined as such in Chapter 39.53 RCW.

**Letter of Representations** means the Blanket Issuer Letter of Representations from the City to DTC.

**Mayor** means the Mayor of the City or her successor in functions, if any.

**Municipal Advisor** means Northwest Municipal Advisors, Bellevue, Washington, the City's municipal advisor with respect to the issuance of the Bonds.

**Official Notice of Sale** means, if the Bonds are sold by competitive sale, the notice of bond sale to be submitted to potential bidders for the Bonds and authorized to be given in Section 4 of this Ordinance.

**Ordinance** means this Ordinance adopted by the Council on April 21, 2025, authorizing the sale, issuance and delivery of the Bonds.

**Outstanding** means, when used with reference to the Bonds, as of any particular date, all Bonds that have been issued, executed, authenticated and delivered except: (A) Bonds canceled because of payment or redemption prior to their stated dates of maturity; and (B) any Bond (or portion thereof) deemed to have been paid pursuant to Section 19 of this Ordinance.

**Participants** means those broker-dealers, banks and other financial institutions from time to time for which DTC holds the Bonds as securities depository.

**Redemption Date** means the date on which the Refunded Bonds will be redeemed, as selected by the Designated Representative.

**Refunded Bonds** means all or a portion of the 2015 Bonds maturing on and after December 1, 2027, as selected by the Designated Representative.

**Refunding Trustee** has the meaning ascribed thereto in Section 11 hereof.

**Registered Owner** means the person named as the registered owner of a Bond on the Bond Register.

**Registrar** means the Washington State Fiscal Agent, acting in the capacity as registrar, authenticating agent, paying agent and transfer agent of the Bonds, or its successors in functions, as now or hereafter designated.

**Serial Bonds** means any Bonds other than Term Bonds.

**Term Bonds** means the Bonds specifically designated as such in the Official Statement.

**Treasurer** means the Treasurer of the City, and any successor treasurer of the City in accordance with applicable law.

**True Interest Cost** means the yield that, when discounting all future principal and interest payments to the delivery date of the Bonds, produces a present value equal to the principal amount of the Bonds, less any Bond insurance policy premium, less the successful bidder's discount, plus any original issue premium, less any original issue discount, plus accrued interest.

**Underwriter** means the firm submitting the Approved Bid for the Bonds, or if it is determined that a negotiated sale (including a private placement) is in the best interest of the City, the underwriting firm or bank entering into the Bond Purchase Contract.

**2015 Bond Ordinance** means Ordinance No. C35219, passed by the Council on January 12, 2015.

**2015 Bonds** means the Limited Tax General Obligation Refunding Bonds, Series 2015, of the City issued February 11, 2015, and authorized by the 2015 Bond Ordinance.

## **Section 2: Interpretation**

For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires:

- A **Internal References.** All references in this Ordinance to designated "Sections" and other subdivisions are to the designated sections and other subdivisions of this Ordinance. The words "herein," "hereof," "hereto," "hereby," "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular section or other subdivision.

- B *Persons.* Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public boards, as well as natural persons.
- C *Headings.* Any headings preceding the texts of the several sections of this Ordinance and the table of contents, shall be solely for convenience of reference and shall not constitute a part of this Ordinance, nor shall they affect its meaning, construction or effect.
- D *Writing Requirement.* Every “notice,” “certificate,” “consent” or similar action hereunder by the City shall, unless the form thereof is specifically provided, be in writing signed by an authorized representative of the City.
- E *Time.* In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”
- F *Redemption.* Words importing the redemption or redeeming of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its stated maturity or the purchase of such Bond.
- G *Payment Terms.* References to the payment of the Bonds shall be deemed to include references to the payment of interest thereon.
- H *Gender.* Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words imparting the singular number shall include the plural numbers and vice versa, unless the context shall otherwise dictate.

### **Section 3: Purpose of the Bonds**

The Bonds are being issued to provide money to pay, defease, redeem and/or retire the Refunded Bonds and to pay certain expenses incurred in connection with the issuance of the Bonds and the defeasance and/or refunding of the Refunded Bonds, all as set forth more specifically herein.

### **Section 4: Authorization of the Bonds**

- A *General Terms.* Limited tax general obligation refunding bonds of the City, designated “City of Spokane Limited Tax General Obligation Refunding Bonds, Series 2025,” are hereby authorized to be sold, issued and delivered pursuant to chapters 35.22, 39.36, 39.46 and 39.53 RCW, in the event that an Approved Bid for the Bonds is accepted, or a Bond Purchase Contract is executed if the Bonds are sold by negotiated sale (including a private placement), as provided in this Section 4. The Bonds shall be issued in the aggregate principal amount of not to exceed \$53,000,000; shall be issued in fully registered form; shall be in the denomination of \$5,000 each, or any integral multiple thereof within a single maturity; and shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification. The Bonds shall be in substantially the form set forth in Exhibit “A” attached hereto and by this reference incorporated herein.
- B *Competitive Sale.* The Designated Representative is authorized to cause the Official Notice of Sale for the Bonds to be prepared and published, and provide for such other matters pertaining to the competitive sale as deemed necessary or desirable. The Official Notice of Sale shall establish:
  - 1. that the True Interest Cost of the Bonds shall not exceed 4.00 percent;
  - 2. the date or dates of the Bonds, which shall be no later than one year from the date of this Ordinance;
  - 3. the date or dates upon which the Bonds shall mature;
  - 4. the principal amount of the Bonds maturing on each maturity date concluding no later than December 1, 2034;
  - 5. the date on which interest shall first be payable for each Bond, which date shall be no later than June 1, 2026;
  - 6. the yield and price for each maturity of the Bonds, which price shall be not less than 95 percent nor more than 140 percent of the principal amount of the Bonds;
  - 7. the optional and mandatory redemption provisions pertaining to the Bonds, provided the first date on which the Bonds may be optionally redeemed at par is not later than 10.5 years after the date of the Bonds; and
  - 8. the net present value savings due to the defeasance and/or refunding of the Refunded Bonds, which shall be not less than 1.00 percent of the par amount of the Refunded Bonds.

The Designated Representative is hereby authorized to accept the Approved Bid for the Bonds, which Approved Bid must state the rate or rates of interest the Bonds shall bear and any premium or discount the Bonds shall bear.

- C *Findings.* The Council hereby finds that the determinations made in this Ordinance are the determinations set forth in RCW 39.46.040; and as such, the Council has fully and properly authorized the sale, issuance and delivery of the Bonds
- D *Negotiated Sale.* In the event the Designated Representative determines that it is in the best interest of the City and its taxpayers to sell the Bonds by negotiated sale (including a private placement), the Designated Representative, upon the approval of the Mayor, is hereby authorized to select a bank for placement, or an underwriter, and to enter into a Bond Purchase Contract as provided in this Section 4. The Bond Purchase Contract shall establish the following
  - 1. the True Interest Cost of the Bonds, which shall not exceed 4.00 percent;

2. the date or dates of the Bonds, which shall be no later than one year from the date of this Ordinance;
3. the date or dates upon which the Bonds shall mature;
4. the principal amount of the Bonds maturing on each maturity date concluding no later than December 1, 2034;
5. the date on which interest shall first be payable for each Bond, which date shall be no later than June 1, 2026;
6. the yield and price for each maturity of the Bonds, which price shall be not less than 95 percent nor more than 140 percent of the principal amount of the Bonds;
7. the optional and mandatory redemption provisions pertaining to the Bonds, provided the first date on which the Bonds may be optionally redeemed at par is not later than 10.5 years after the date of the Bonds; and
8. the net present value savings due to the defeasance and/or refunding of the Refunded Bonds, which shall be not less than 1.00 percent of the par amount of the Refunded Bonds.

The Designated Representative is hereby authorized to approve additions, deletions or alterations to the Bond Purchase Contract or any other document or certificate related thereto so long as such additions, deletions or alterations do not substantially alter the intent and substance of this Ordinance.

E *Negotiable Instruments.* The Bonds shall be negotiable instruments to the extent provided by chapter 62A.3 RCW.

### **Section 5: Redemption Prior to Maturity**

- A. *Redemption.* The Bonds shall be subject to redemption at such time and in such amounts as provided in the Official Notice of Sale and the Approved Bid, or, if the Bonds are sold by negotiated sale (including a private placement), in the Bond Purchase Contract.
- B. *Partial Redemption.* In accordance with the preceding paragraph, portions of the principal amount of any Bond, in installments of \$5,000 or any integral multiple of \$5,000 within a maturity, may also be redeemed. If less than all the principal amount of any Bond is redeemed, upon surrender of such Bond at the designated corporate trust office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal amount thereof, a new Bond or Bonds, at the option of the Registered Owner, with like maturity and interest rate, in any denomination authorized by this Ordinance.
- C. *Notice of Redemption.* Except as set forth in subsection D below, and unless waived by the Registered Owner of any Bond to be redeemed, notice of any such redemption shall be sent by the Registrar by first-class mail, postage prepaid, not less than 20 nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. The requirements of this subsection shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether it is actually received by the Registered Owner of any Bond to be redeemed. The redemption of the Bonds may be contingent or subject to such conditions as may be specified in the written notice, and if funds for the redemption are not irrevocably deposited with the Registrar or otherwise placed in escrow and in trust prior to the giving of notice of redemption, the notice shall be specifically subject to the deposit of funds by the City. The Designated Representative is hereby authorized to agree to redemption provision they deem to be in the best interest of the City.

Any notice given pursuant to this subsection may be rescinded by written notice given by the City to the Registrar on or prior to the date specified for redemption. The Registrar shall give notice of such rescission as soon thereafter as practicable, and to the same Registered Owners, as notice of such redemption was given pursuant to this subsection

- D. *Special Notice of Redemption to DTC.* For so long as DTC is the securities depository for the Bonds, the Registrar shall send redemption and defeasance notices to DTC in the manner required by the Letter of Representations.
- E. *Continuing Disclosure Undertaking.* Except in the case of a private placement, for so long as Section 24 of this Ordinance remains in effect, each redemption notice shall also be provided to EMMA by the City in the manner and timeframe specified in the Continuing Disclosure Undertaking; provided, neither any defect in such notice nor any failure to give all or any portion of such notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in subsection C above.
- F. *Effect of Redemption.* When so called for redemption, the Bonds shall cease to accrue interest on the specified redemption date, provided money for redemption is on deposit at the place of payment at that time, and shall not be deemed to be Outstanding as of such redemption date.
- G. *Voluntary Redemption Notice.* In addition to the notice required by subsection C above, further notice may be given by the Registrar as set out below, but neither any defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in subsection C hereof.
  1. Each further notice of redemption given hereunder may contain the following information: (a) the redemption date; (b) the redemption price; (c) if less than all Bonds Outstanding are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (d) notification that, on the redemption date, the redemption price will become due and payable upon each such Bond or portion

**Note:** For the remainder of ORD C36664, other Ordinances, Job Opportunities, and Notices for Bids, see Volume 115, Issue 18, Part II of the *Official Gazette*.



# Official Gazette

## City of Spokane, Washington

Statement of City Business, including a Summary of the Proceedings of the City Council

Volume 115

**APRIL 30, 2025**

Issue 18 Part II of II



### MAYOR AND CITY COUNCIL

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COUNCIL PRESIDENT BETSY WILKERSON

COUNCIL MEMBERS:

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# Ordinances Cont.

**These ordinances are published in this issue of the *Official Gazette* pursuant to passage by the Spokane City Council. It should be noted that these ordinances may be subject to veto by the Mayor. If an ordinance is vetoed by the Mayor, the Mayoral veto will be published in a subsequent issue of the *Official Gazette*.**

thereof called for redemption, and that interest thereon shall cease to accrue from and after such date; (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated corporate trust office of the Registrar; (f) the CUSIP numbers, if any, of all Bonds being redeemed; (g) the date of issue of the Bonds as originally issued; (h) the rate of interest borne by each Bond being redeemed; (i) the maturity date of each Bond being redeemed; and (j) any other descriptive information needed to identify accurately the Bonds being redeemed.

2. Each further notice of redemption may be sent at least 20 days before the redemption date by registered or certified mail or overnight delivery service to: (a) all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds, such depositories now being DTC; and (b) one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

3. Each such further notice may be published one time in The Bond Buyer in New York, New York, or, if such publication is impractical or unlikely to reach a substantial number of the Registered Owners, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least 20 days prior to the date fixed for redemption.

- H. **Open Market Purchase and Cancellation.** The City hereby reserves the right and option to purchase any or all of the Bonds on the open market at any time and at any price. To the extent the City partially redeems Term Bonds, pursuant to this Ordinance, the City may, at its discretion, reduce the amount of any mandatory sinking fund deposit or deposits by an aggregate principal amount equal to the principal amount of the Term Bonds so redeemed. All Bonds purchased or redeemed under this Section 5 shall be canceled.

## Section 6: Sale of the Bonds

- A. **Competitive Sale Authorized.** The Bonds may be sold by competitive sale. In any such competitive sale, the Bonds will be awarded to the bidder whose bid will result in the lowest True Interest Cost to the City. In the event that two or more bidders offer bids at the same lowest True Interest Cost, the City will award the Bonds to the bidder submitting the bid resulting in the highest net present value savings to the City. The Underwriter must pay accrued interest, if any, computed on a 360-day year and 30-day month basis, from the date of the Bonds to the date of delivery.
1. **Notice of Sale.** The City hereby authorizes the Designated Representative, with the assistance of the Municipal Advisor, if the Bonds are sold by competitive sale, to cause the Official Notice of Sale to be disseminated to prospective purchasers of the Bonds in such manner as it deems to be in the best interest of the City.
  2. **Good Faith Deposit.** Each bid must be unconditional and the successful bidder shall, within three hours of the award of the Bonds, make a good faith deposit (the "Good Faith Deposit") by federal wire or by a certified or bank cashier's check in immediately available funds payable to the City in an amount set forth in the Official Notice of Sale, which amount shall not be less than 0.5 percent of the principal amount of the Bonds. The Good Faith Deposit of the successful bidder will become the property of the City and will be credited to the purchase price of the Bonds at the time of delivery of the Bonds. No interest will be paid by the City on a bidder's Good Faith Deposit. If the purchase price is not paid in full upon tender of the Bonds, the successful bidder shall have no right to the Bonds or to the recovery of the Good Faith Deposit, or to any allowance or credit by reason of the Good Faith Deposit, unless it appears the Bonds would not be validly issued if delivered to the Underwriter in the form and manner proposed. However, in the event of such nonpayment, the City reserves any and all rights granted by law to recover the agreed purchase price of the Bonds, and, in addition, any damages suffered by the City.
  3. **Opening and Award of Bids.** If the Bonds are sold pursuant to the provisions of this Section 6.A, bids will be opened by the City no later than 9:00 a.m. Pacific Time, in the offices of the Designated Representative, on the date set forth in the Official Notice of Sale. The Designated Representative is hereby authorized and directed to conduct the competitive sale of the Bonds in accordance with the Official Notice of Sale. The City reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

- B. *Negotiated Sale Authorized.* The Bonds may be sold by negotiated sale (including a private placement) if it is determined by the Designated Representative, upon approval from the Mayor, that such method of sale is in the best interests of the City. If the Bonds are sold at negotiated sale or private placement, the terms of such sale must comply with Section 4 of this Ordinance.
- C. *Other Related Matters.* The Designated Representative is authorized and directed to take such other actions to publicize or facilitate the sale of the Bonds as may be deemed desirable or necessary including, but not limited to, securing a rating on the Bonds from one or more of the established nationally recognized rating services.

### **Section 7: Place, Manner and Medium of Payment**

- A. *Payment Medium.* The principal of and interest on the Bonds are payable in lawful money of the United States of America to the Registered Owners thereof.
- B. *Payment of Interest.* Payment of each installment of interest shall be made to the Registered Owner whose name appears on the Bond Register at the close of business on the fifteenth day of the calendar month preceding the interest payment date. Each installment of interest shall be paid by check or draft of the Registrar mailed to such Registered Owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. Interest installments may be paid by wire transfer to a Registered Owner within the United States of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by the Registered Owner.
- C. *Payment of Principal.* Principal of each Bond shall be payable to the Registered Owner, upon presentation and surrender of the Bonds on or after the date of maturity or prior redemption, at the designated corporate trust office of the Registrar. Upon the payment of the Bonds at maturity, or upon payment of the redemption price of any Bond being redeemed, each check or other transfer of money issued for such purpose shall bear the CUSIP number, if any, and identify by issue and maturity the Bonds being paid or redeemed with the proceeds of such check or other transfer.
- D. *Interest on Delinquent Amounts of the Bonds.* If any Bond is not redeemed when properly presented at its maturity or redemption date, the City shall pay interest on that Bond at the same rate provided in the Bond from and after its maturity or redemption date until the principal of and interest on that Bond is paid in full or until sufficient money for its payment in full is on deposit in the Debt Service Account and the Bond has been called for payment by giving notice to the Registered Owner of that unpaid Bond.
- E. *Ownership of Bonds.* The City and the Registrar may deem and treat the Registered Owner of each Bond as the absolute owner of such Bond for the purpose of receiving payments of principal and interest due on such Bond and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.
- F. *Unclaimed Money.* The Treasurer shall submit a written request to the Registrar that the Registrar return to the Treasurer all money previously remitted to the Registrar for the payment of the Bonds that has not been distributed by the Registrar as of one year after the final maturity or prior redemption of all of the Bonds. The Treasurer shall deposit such money into a separate account to be held solely for the benefit of the Registered Owners of Bonds which have not been presented for payment, and which shall be used solely for paying the principal of such Bonds and the interest which had accrued thereon to the date of maturity or prior redemption. Interest earnings on the money in such account may be deposited into the Debt Service Account to pay the principal of and interest on any Bonds that are Outstanding.

### **Section 8: Pledge of Full Faith, Credit and Resources of the City**

The Bonds are limited tax general obligations of the City and, as such, the full faith, credit and resources of the City are hereby pledged for their payment, within the appropriate constitutional and statutory limitations pertaining to non-voted general obligations. The Bonds are issued within the applicable debt limitations of the City.

The officers now or hereafter charged by law with the duty of levying taxes for the payment of the Bonds and the interest thereon shall, in the manner provided by law, make annual tax levies upon all of the taxable property within the City sufficient, together with other legally available money, to meet the annual payments of principal and interest on the Bonds as they become due, complying at all times with the constitutional and statutory tax limitations pertaining to non-voted general obligations.

### **Section 9: The Bond Fund**

- A. *Bond Fund & Debt Service Account.* The Treasurer currently maintains a fund to be used for the payment of debt service on all general obligation bonds, designated as the "General Obligation Debt Service Fund" (the "Bond Fund"). Within the Bond Fund, there has heretofore been created and shall continue to be maintained, a subsidiary account separate and distinct from all other accounts of the City, designated the "LTGO 2025 Debt Service



Account" (the "Debt Service Account") or such other designation conforming to accounting practices, for the purpose of paying the principal of, premium, if any, and interest on the Bonds when due.

- B. Deposits to the Debt Service Account.** Accrued interest received from the sale of the Bonds, if any, shall be deposited into the Debt Service Account. All or a portion of original issue premium, if any, received from the sale of the Bonds may be deposited into the Debt Service Account. Tax receipts levied for the purpose of paying principal of and interest on the Bonds and, as from time to time directed by the Council, other City money legally available for payment of the Bonds will be deposited to the Debt Service Account to the extent necessary, and no later than the date such funds are required, to pay the principal of, premium, if any, and interest on the Bonds. The Treasurer is hereby authorized and directed to pay to the Registrar, in its capacity as the City's paying agent, all payments of principal and interest due on the Bonds in sufficient time for such payments to be made.
- C. Investment of Money in the Debt Service Account.** Money in the Debt Service Account may be invested as permitted by law, which investments shall mature prior to the date on which such money shall be needed for required interest or principal payments. All interest earned and income derived by virtue of such investments shall remain in the Debt Service Account and be used to meet the required deposits therein.

### Section 10: The Refunding Plan

- A. Designation of the Refunded Bonds.** The City is desirous of defeasing, paying, redeeming and/or retiring the Refunded Bonds. The Designated Representative is authorized to designate all or a portion of the following outstanding 2015 Bonds as the "Refunded Bonds":

Outstanding 2015 Bonds			
Years (December 1)	Amounts	Interest Rates	CUSIP Nos.
2027	\$4,050,000	3.000%	849067 T52
2028	4,530,000	3.500	849067 T60
2029	5,055,000	4.000	849067 T78
2030	5,640,000	4.000	849067 T86
2031	6,265,000	4.000	849067 T94
2032	6,935,000	3.000	849067 U27
2033	7,570,000	3.125	849067 U35
2034	8,260,000	3.100	849067 U43

- B. Application of Bond Proceeds.** The net proceeds of the Bonds (exclusive of any amounts that may be designated by the Designated Representative in a closing certificate to be allocated to pay costs of issuance of the Bonds and exclusive of amounts paid to an Underwriter as a fee or an Underwriter's discount)(the "Net Bond Proceeds"), together with other available funds of the City in the amount (if any) specified by the Designated Representative, shall be held by the City and used at the direction of the Designated Representative to pay the costs of, or to reimburse the City for the costs of, redeeming the Refunded Bonds and/or may be placed into the Escrow Account pursuant to the terms of an Escrow Agreement to effect a defeasance of the Refunded Bonds.
- C. Notice of Redemption.** The Refunding Trustee is hereby directed to give notice of the call and redemption of the Refunded Bonds in substantially the form set forth as Attachment II to the Form of Escrow Agreement attached hereto as Exhibit "B" and in the manner required by the 2015 Bond Ordinance.
- D. Modification of Refunding Plan.** The Designated Representative is hereby authorized, upon advice from the City's Municipal Advisor, to modify the refunding plan if such modification is determined to be in the City's best interest.

### Section 11: The Refunding Trustee; Escrow Agreement

The City hereby authorizes the Designated Representative to select a financial institution to act as the Refunding Trustee with respect to the Refunded Bonds (the "Refunding Trustee"). In order to carry out the purposes of this Ordinance, if deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Designated Representative is authorized and directed to execute and deliver to the Refunding Trustee an Escrow Agreement substantially in the form marked Exhibit "B" attached hereto and by this reference incorporated herein. If utilized, the Escrow Agreement, shall set forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the defeasance and/or refunding of the Refunded Bonds as provided herein, and shall set forth the payment of the fees, compensation and expenses of the Refunding Trustee.



**Section 12: Creation of the Escrow Account & Government Obligations**

- A. *Creation of the Escrow Account.* If deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Refunding Trustee is authorized and directed to establish a special account for the City designated the "Limited Tax General Obligation Refunding Bonds, Series 2015 Escrow Account," or such other designation conforming to accounting principles and banking practices.
- B. *Deposits into the Escrow Account.* If deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Net Bond Proceeds, together with other available funds of the City in the amount (if any) specified by the Designated Representative, may be deposited into the Escrow Account and may be held as cash or used to acquire Government Obligations, as more specifically provided in the Escrow Agreement. Such funds shall be irrevocably deposited into the Escrow Account. Any funds to be deposited into the Escrow Account shall be held by the Refunding Trustee in trust. All funds credited to the Escrow Account shall be deemed so credited to and held in the Escrow Account notwithstanding the fact that such funds are held by the Refunding Trustee in trust for the owners of the Refunded Bonds.
- C. *Use of Money in the Escrow Account.* If deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Refunding Trustee, on behalf of the City, may be authorized and directed to use the Net Bond Proceeds, together with other legally available money of the City, to purchase Government Obligations in the amounts, of the type, bearing interest and maturing in such amounts as are necessary to make the payments described in this Ordinance and in the Escrow Agreement. The investment income from and maturing principal of the Government Obligations and money to be deposited into the Escrow Account, if any, shall be transmitted to the Washington State Fiscal Agent, as Registrar for the City, for the sole purpose of paying the principal of and interest on the Refunded Bonds. Any money remaining on deposit in the Escrow Account created hereunder after the payment in full of the Refunded Bonds and the costs of issuing the Bonds, shall be transferred by the Refunding Trustee to the City and deposited into the Bond Fund.
- D. *Government Obligations.*
1. *Government Obligations.* If the purchase of Government Obligations is deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, the Government Obligations shall be payable in such amounts and at such times that, together with other legally available money of the City, will be sufficient to provide for the payment of: (a) the interest on the Refunded Bonds as such becomes due on and before the Redemption Date or maturity of the Refunded Bonds; and (b) the price of redemption of the Refunded Bonds on the Redemption Date or the maturity value of the Refunded Bonds that are defeased to maturity.
  2. *Sufficiency of the Government Obligations.* If the purchase of Government Obligations is deemed necessary by the Designated Representative to affect the defeasance and/or refunding of the Refunded Bonds, prior to the delivery of the Bonds, the City shall receive an opinion of a nationally recognized firm of independent certified public accountants or from a nationally recognized financial advisor, stating, in substance, that the money and Government Obligations to be deposited with the Refunding Trustee for the payment of the Refunded Bonds will discharge and satisfy the City's obligations under the 2015 Ordinance to make payments on the Refunded Bonds. Such opinion will not be required in the event the City deposits sufficient funds at closing to provide for all debt service payments, without taking into account interest earnings thereon.

**Section 13: Irrevocable Call**

- A. *Refunded Bonds.*
1. *Irrevocable Call for Redemption.* In accordance with Section 5 of the 2015 Bond Ordinance, the City hereby calls the Refunded Bonds for redemption on the Redemption Date. Such call for redemption shall be irrevocable upon the delivery of the Bonds to the Underwriter.
  2. *Irrevocable Pledge of Proceeds of the Bonds.* The City hereby irrevocably pledges the Net Bond Proceeds, together with other available funds of the City in the amount (if any) specified by the Designated Representative, Government Obligations (if any) and any amounts on deposit in the Escrow Account (if utilized), to pay the interest on the Refunded Bonds, up to and including the Redemption Date, and to redeem and retire the Refunded Bonds on such date at the price of 100 percent of the principal amount thereof plus accrued interest to the Redemption Date. Such amounts are hereby irrevocably pledged to be set aside to effect such payment, redemption and retirement.
- B. *Findings Regarding the Defeasance and/or Refunding of the Refunded Bonds.* The Council hereby finds that, as of the date the Bonds are issued and the Net Bond Proceeds are utilized as set forth herein: (1) no further payments need to be made into the Bond Fund for the payment of the principal of and interest on the Refunded Bonds; (2) the Refunded Bonds and the interest accrued thereon shall cease to be entitled to any lien, benefit or security of the 2015 Bond Ordinance, except the right to receive the funds so set aside and pledged; and (3) the Refunded Bonds and the interest accruing thereon shall no longer be deemed to be Outstanding under the 2015 Bond Ordinance. The Council hereby further finds and determines that the issuance and sale of the Bonds will benefit the City by affecting a savings to the City's taxpayers. In making such finding and determination, the Council has given consideration to the interest that will be payable on the Bonds through the maturity of the Bonds, the costs of issuance of the Bonds and the net present value savings due to the defeasance and/or refunding of the Refunded Bonds.

#### **Section 14: Execution and Authentication of the Bonds**

- A. *Execution of the Bonds.* The City shall cause definitive Bonds to be prepared, executed, and delivered. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor, shall be attested by the manual or facsimile signature of the City Clerk, and shall have the seal of the City impressed, imprinted or otherwise reproduced thereon.
- B. *Authentication of the Bonds.* The executed Bonds shall be delivered to the Registrar for authentication. The Bonds shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification. Only those Bonds that bear a Certificate of Authentication substantially in the form set forth in Exhibit "A" attached hereto and manually executed by an authorized representative of the Registrar shall be valid or obligatory for any purpose or entitled to the benefits of this Ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Ordinance.
- C. *Validity of Signatures.* In case any of the officers who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the City before the Bonds so signed or attested shall have been authenticated or delivered by the Registrar, or issued by the City, such Bond may nevertheless be authenticated, delivered and issued, and, upon such authentication, delivery and issue, shall be as binding upon the City as though those who signed and attested the same had continued to be such officers of the City. Any Bond may also be signed and attested on behalf of the City by such persons as at the actual date of execution of such Bond shall be the proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

#### **Section 15: The Registrar**

- A. *Registrar Appointed.* The Treasurer has designated the Washington State Fiscal Agent as the City's legally designated fiscal agent with respect to the Bonds. The Council hereby confirms such designation with respect to the Bonds and appoints the Washington State Fiscal Agent as Registrar, authenticating agent, paying agent and transfer agent with respect to the Bonds, subject to the terms and conditions of this Section.
- B. *Delegated Duties.* The Registrar is hereby authorized and directed, on behalf of the City, to authenticate and deliver Bonds initially issued or transferred or exchanged in accordance with the provisions of the Bonds and this Ordinance and to carry out all of the Registrar's powers and duties under this Ordinance and the Agreement for Fiscal Agency Services between the Washington State Finance Committee and the Registrar (as the same may be amended or readopted from time to time).
- C. *Bond Register.* The Bonds shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, at its designated corporate trust office the Bond Register which shall at all times be open to inspection by the City. The City hereby specifies and adopts the system of registration for the Bonds approved by the Washington State Finance Committee.
- D. *Fees and Costs.* The City shall pay to the Registrar from time to time reasonable compensation for all services rendered under this Ordinance, together with reasonable expenses, charges, fees of counsel, accountants and consultants and other disbursements, including those of its attorneys, agents and employees, incurred in good faith in and about the performance of their powers and duties under this Ordinance. The administrative fees provided for in this subsection may be paid from the Debt Service Account.
- E. *Representations.* The Registrar shall be responsible for its representations contained in the Registrar's Certificate of Authentication on the Bonds.
- F. *Ownership Rights.* The Registrar may become the Registered Owner of the Bonds with the same rights it would have if it were not the Registrar, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners of the Bonds.
- G. *Cancellation of Surrendered Bonds.* Bonds surrendered to the Registrar for payment, redemption, transfer or exchange, as well as Bonds surrendered by the City for cancellation, shall be canceled immediately by the Registrar and returned to the City. Such Bonds thereafter shall be destroyed.

#### **Section 16: Book-Entry System Authorized**

- A. The Bonds shall be initially issued in the form of a separate, single-certificated, fully registered Bond for each maturity set forth in the Official Notice of Sale, or, if the Bonds are sold by negotiated sale (including a private placement), the Bond Purchase Contract, as provided for in Section 4 of this Ordinance, in the aggregate principal amount of such maturity. Upon initial issuance, the ownership of each Bond may be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the securities depository for the Bonds. Except as provided in subsection D of this Section, all of the Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

- B. With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, neither the City nor the Registrar shall have any responsibility or obligation to any Participant or to any person on behalf of which a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Registrar shall have no responsibility or obligation with respect to: (1) the accuracy of the records of DTC, Cede & Co., or any Participant with respect to any ownership interest in the Bonds; (2) the delivery to any Participant or any other person, other than a Registered Owner, of any notice with respect to the Bonds; or (3) the payment to any Participant or any other person, other than a Registered Owner, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City and the Registrar may treat and consider the Registered Owner of each Bond as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and the interest on the Bonds as provided for in the Official Notice of Sale, or, if the Bonds are sold by negotiated sale (including a private placement), Bond Purchase Contract, and as further provided in Sections 4 and 5 of this Ordinance and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sums so paid. No person other than a Registered Owner shall receive a certificated Bond evidencing the obligation of the City to make payments of principal, premium, if any, and interest pursuant to this Ordinance. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to the transfer and payment of the Bonds, the phrase "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.
- C. The City heretofore has delivered the Letter of Representations to the Registrar and DTC. The delivery of the Letter of Representations shall not in any way limit the provisions of subsection B of this Section or in any other way impose upon the City any obligation whatsoever with respect to persons having interests in the Bonds other than the Registered Owner. The Registrar shall take all action necessary to comply with, at all times, any and all representations of the City in the Letter of Representations with respect to the Registrar.
- D. 1. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and to the Registrar, and discharging its responsibilities with respect thereto under applicable law.
2. The City, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the City determines that: (a) DTC is unable to discharge its responsibilities with respect to the Bonds; or (b) a continuation of the requirement that all of the Bonds be registered in the Bond Register in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Bonds.
3. Upon termination of the services of DTC with respect to the Bonds pursuant to subsection D(2)(b) of this Section, or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to subsection D(1) or subsection D(2)(a) of this Section, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found that, in the opinion of the City, is willing and able to undertake such functions upon reasonable and customary terms, the City shall deliver certificated Bonds at the expense of the City, as described in this Ordinance, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the names that the Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance. In the event the Bonds are transferred by the City to fully registered form, the Bonds shall be payable by the Registrar. Thereafter, the principal of the Bonds shall be payable upon due presentment and surrender thereof at the designated corporate trust office of the Registrar; interest shall be paid by check or draft of the Registrar mailed to such Registered Owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. Interest installments may be paid by wire transfer to a Registered Owner within the United States of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by the Registered Owner, and the Bonds shall be transferable as provided in this Ordinance.
- E. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations.
- F. If the Bonds are privately placed with a bank, the City may determine not to comply with this Section if the Designated Representative deems it to be in the best interest of the City.

### **Section 17: Transfer and Exchange of the Bonds**

- A. *Transfer of Bonds.* Each Bond shall be transferable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, upon due completion of the assignment form appearing thereon and upon surrender of such Bond at the designated corporate trust office of the Registrar for cancellation and issuance of a new Bond registered in the name of the transferee, in exchange therefor.

- B. *Exchange of Bonds.* Each Bond shall be exchangeable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, for one or more new Bonds, upon surrender of such Bond at the designated corporate trust office of the Registrar for cancellation.
- C. *Authentication and Delivery of New Bonds.* Whenever a Bond shall be surrendered for transfer or exchange, the Registrar shall authenticate and deliver to the transferee or exchangee, in exchange therefor, a new fully registered Bond or Bonds of any authorized denomination or denominations, of the same maturity and interest rate as, and for the aggregate principal amount of, the Bond being surrendered. Notwithstanding the foregoing sentence, the Registrar is not required to transfer or exchange any Bond during the 15 days preceding any principal or interest payment date.
- D. *Payment of Fees and Costs.* The Registrar shall require the payment by the Registered Owner requesting such transfer or exchange of any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

### **Section 18: Mutilated, Lost, Stolen or Destroyed Bonds**

- A. *Issuance of Substitute Bonds.* If any Bond shall become mutilated, lost, stolen or destroyed, the affected Registered Owner shall be entitled to the issuance of a substitute Bond only as follows:
  - 1. in the case of a lost, stolen or destroyed Bond, the Registered Owner shall: (a) provide notice of the loss, theft or destruction to the City and the Registrar within a reasonable time after the Registered Owner receives notice of the loss, theft or destruction; (b) request the issuance of a substitute Bond; (c) provide evidence, satisfactory to the City and the Registrar, of the ownership and the loss, theft or destruction of the affected Bond; and (d) file in the offices of the City and the Registrar a written affidavit specifically alleging on oath that such Registered Owner is the proper owner, payee or legal representative of such owner or payee of the Bond that has been lost, stolen or destroyed, giving the date the Bond was issued and the number, principal amount and series of such Bond, and stating that the Bond has been lost, stolen or destroyed, and has not been paid and has not been received by such Registered Owner;
  - 2. in the case of a mutilated Bond, the Registered Owner shall surrender the Bond to the Registrar for cancellation; and
  - 3. in all cases, the Registered Owner shall provide indemnity against any and all claims arising out of or otherwise related to the issuance of substitute Bonds pursuant to this Section satisfactory to the City and the Registrar.

Upon compliance with the foregoing, a new Bond of like tenor and denomination, bearing the same number as the mutilated, lost, stolen or destroyed Bond, and with the word "DUPLICATE" stamped or printed plainly on its face, shall be executed by the City, authenticated by the Registrar and delivered to the Registered Owner, all at the expense of the Registered Owner to whom the substitute Bond is delivered. Notwithstanding the foregoing, the Registrar shall not be required to authenticate and deliver any substitute Bond for a Bond that has matured or is about to mature or that has been called for redemption and, in any such case, the principal or redemption price and interest then due or becoming due shall be paid by the Registrar in accordance with the terms of the mutilated, destroyed, lost or stolen Bonds without substitution therefor.

- B. *Notation on the Bond Register.* Upon the issuance and authentication of any substitute Bond under the provisions of this Section, the Registrar shall enter upon the Bond Register a notation that the original Bond was canceled and a substitute Bond was issued.
- C. *Rights of Registered Owners of Substitute Bonds.* Every substitute Bond issued pursuant to this Section shall constitute an additional contractual obligation of the City and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued hereunder unless the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by a bona fide purchaser for value without notice. In the event the Bond alleged to have been destroyed, lost or stolen shall be enforceable by anyone, the City may recover the substitute Bond from the Registered Owner to whom it was issued or from anyone taking under the Registered Owner except a bona fide purchaser for value without notice.
- D. *Exclusive Rights.* All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or of investment or other securities without their surrender.

### **Section 19: Defeasance of the Bonds**

In the event that money and/or "government obligations" (as defined from time to time in RCW 39.53.010), maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in such amounts as are sufficient, together with any resulting cash balances, to redeem and retire part or all of the Bonds in accordance with their terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Debt Service Account or any account therein for the payment of the principal of and interest on the certain Bonds so provided for, and such Bonds and interest accrued thereon shall no longer be deemed to be Outstanding hereunder.

If the principal or redemption price of any Bonds becoming due, either at maturity or by call for redemption or otherwise, together with all interest accruing thereon to the due date, has been paid or provision therefor has been made in accordance with this Section, all interest on such Bonds shall cease to accrue on the due date and all liability of the City with respect to such Bonds shall cease as of the date the principal, redemption price, if any, and interest is so provided for, except as hereinafter provided. Thereafter, the Registered Owners of such Bonds shall be restricted exclusively to the money so deposited for any claim of whatsoever nature with respect to such Bonds, and the Registrar shall hold such money in trust for such Registered Owners uninvested and without interest.

## **Section 20: Tax Covenants**

- A. *Compliance With the Code.* The City covenants to comply with each requirement of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, the City covenants to comply with the provisions of the Tax Compliance Certificate executed by the City on the date of initial issuance and delivery of the Bonds, as such Tax Compliance Certificate may be amended from time to time.
- B. *Necessary Payments.* The City covenants to make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Code.
- C. *Survival of Tax Covenants.* Notwithstanding any other provision of this Ordinance to the contrary, so long as necessary in order to maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes, the covenants contained in this Section shall survive the payment of the Bonds and the interest thereon, including any payment or defeasance thereof pursuant to Section 19 of this Ordinance.
- D. *Remedies.* Notwithstanding any other provision of this Ordinance to the contrary: (1) upon the City's failure to observe or refusal to comply with the above covenants, the Registered Owners, or any trustee acting on their behalf, shall be entitled to the rights and remedies provided to the Registered Owners under this Ordinance; and (2) neither the holders or Registered Owners of bonds of any series other than Bonds, nor a trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Registered Owners under this Ordinance based upon the City's failure to observe, or refusal to comply with, the above covenants.

## **Section 21: Amendments to the Ordinance**

- A. *Amendments Not Requiring Registered Owner Consent.* The Council from time to time, and at any time, may adopt an ordinance or ordinances supplemental hereto, which ordinance or ordinances thereafter shall become a part of this Ordinance, for any one or more of all the following purposes: (1) to add to or delete from the covenants and agreements of the City in this Ordinance, or to surrender any right or power reserved to the City herein, provided such additions or deletions shall not adversely affect, in any material respect, the interests of the Registered Owners of any Bond; and (2) to cure, correct or supplement any ambiguous or defective provision contained in this Ordinance, provided such supplemental ordinance shall not adversely affect, in any material respect, the interests of the Registered Owners of the Bonds. Any such supplemental ordinance may be adopted without the consent of the Registered Owners of any Bonds at any time Outstanding, notwithstanding any of the provisions of subsection B of this Section.
- B. *Amendments Requiring Registered Owner Consent.* With the consent of the Registered Owners of not less than 50 percent in aggregate principal amount of the Bonds at the time Outstanding, the Council may adopt an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to, or changing in any manner, or eliminating any of the provisions of this Ordinance or of any supplemental ordinance; provided, however, that no such supplemental ordinance shall: (1) extend the fixed maturity of any Bond, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or alter the redemption provisions pertaining thereto, without the consent of the Registered Owner of each Bond so affected; or (2) reduce the aforesaid percentage of Registered Owners required to approve any such supplemental ordinance, without the consent of the Registered Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of Registered Owners consent under this subsection B to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.
- C. *Effect of Supplemental Ordinances.* Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City under this Ordinance and all Registered Owners of Bonds Outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendments, and all terms and conditions of any such supplemental ordinance shall be deemed to be part of the terms and conditions of this Ordinance for any and all purposes.
- D. *Notations; Replacement Bonds.* Bonds executed and delivered after the execution of any supplemental ordinance adopted pursuant to the provisions of this Section may have a notation as to any matter provided for in such supplemental ordinance, and if such supplemental ordinance shall so provide, new Bonds so modified as to conform in the opinion of the Council to any modification of this Ordinance contained in any such supplemental ordinance,

may be prepared and delivered without cost to the Registered Owners of any affected Bonds then Outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

## **Section 22: Sale and Delivery of the Bonds and Taking of Other Actions Authorized**

The Council hereby authorizes and directs each of the Mayor, the Chief Financial Officer, the Director of Management and Budget, the City Clerk, the Treasurer, the Municipal Advisor and Kutak Rock LLP, bond counsel, to execute and deliver the Bonds to the Underwriter, or in the case of a private placement with a bank, to the bank, and for the proper application and use of the proceeds of the sale thereof, including:

- A. preparing the final official statement regarding the Bonds, if the Bonds are publicly offered; and
- B. executing such certificates and receipts as may be necessary to properly document the issuance of the Bonds.

In addition, the Mayor, the Chief Financial Officer, the Director of Management and Budget, the City Clerk, the Treasurer, the Municipal Advisor and Kutak Rock LLP, bond counsel, are hereby authorized by the Council to execute and deliver such other certificates, agreements and documents, and to take such other actions on behalf of the City as may be reasonable and necessary:

- A. to facilitate the issuance and sale of the Bonds;
- B. to meet all provisions of the Code in order to maintain tax-exempt status of the Bonds; and
- C. in connection with any matters related thereto, until the final maturity date of the Bonds or redemption, whichever occur first.

## **Section 23: The Preliminary Official Statement**

If the Bonds are publicly offered, the Council hereby delegates authority to the Designated Representative to determine all acts to be undertaken by the City's officers, employees and agents with respect to the preparation and distribution of the preliminary official statement regarding the Bonds, if the Bonds are publicly offered, including any action taken to deem such preliminary official statement final as of its date except for the omission of information dependent upon the pricing of the issue and the completion of the underwriting agreement, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates and other terms of the Bonds dependent on the foregoing matters. The City agrees to cooperate with the Underwriter to deliver or cause to be delivered, within seven business days from the date of the sale date of the Bonds and in sufficient time to accompany any confirmation that requests payment from any customer of the Underwriter, copies of a final official statement in sufficient quantity to comply with the rules of the Municipal Securities Rulemaking Board and paragraph (b) (4) of Securities and Exchange Commission Rule 15c2-12.

## **Section 24: Continuing Disclosure Undertaking**

The City covenants to execute and deliver at the time of issuance of the Bonds a Continuing Disclosure Undertaking in substantially the form set forth in Exhibit "C" attached hereto and by this reference incorporated herein. The Designated Representative is authorized and directed to execute and deliver a Continuing Disclosure Undertaking upon the sale, issuance and delivery of the Bonds with such terms and provisions as such officer shall deem appropriate and in the best interest of the City, upon consultation with the City's bond counsel. The City hereby reserves the right to comply with this Section by meeting its annual disclosure requirements through any system approved by the SEC. All required filings shall be made in an electronic format as prescribed by the MSRB.

## **Section 25: Contract and Severability of Provisions**

The covenants contained in this Ordinance and in the Bonds shall constitute a contract between the City and the Registered Owner of each and every Bond. Any action by the Registered Owner of any Bond shall bind all future Registered Owners of the same Bond in respect of anything done or suffered by the City or the Registrar in pursuance thereof. All the covenants, promises and agreements in this Ordinance contained by or on behalf of the City, or by or on behalf of the Registrar, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

If any one or more of the covenants or agreements provided in this Ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction on final appeal (if any appeal be taken) to be contrary to law, then such covenant or agreement shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Ordinance and shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds.

Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon or give to any person other than the City, the Registrar and the Registered Owners and the holders from time to time of the Bonds any rights, remedies or claims under or by reason of this Ordinance or any covenant, condition or stipulation thereof; and all

of the covenants, stipulations, promises and agreements in this Ordinance contained by or on behalf of the City shall be for the sole and exclusive benefit of the City, the Registrar and the Registered Owners and the holders from time to time of the Bonds.

#### **Section 26: No Personal Recourse**

No recourse shall be had for any claim based on this Ordinance or the Bonds against any Council member, officer or employee, past, present or future, of the City or of any successor body as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

#### **Section 27: Ratification**

All actions not inconsistent with the provisions of this Ordinance heretofore taken by the Council and the City's employees with respect to the adoption of this Ordinance, the defeasance and/or refunding of the Refunded Bonds and the issuance, sale and delivery of the Bonds, are hereby in all respects ratified, approved and confirmed.

#### **Section 28: Repealer**

All ordinances or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

#### **Section 29: Effective Date**

The Council hereby finds and determines that the issuance and sale of the Bonds at this time will benefit the City by allowing the City to take advantage of current interest rates for tax-exempt bonds. In making such finding and determination, the Council has given consideration to the interest that will be payable on the Bonds through the maturity of the Bonds, the costs of issuance of the Bonds and the net present value savings due to the defeasance and/or refunding of the Refunded Bonds. In order to take advantage of current interest rates and maximum savings to the City's taxpayers, it is essential to accept the Bond Purchase Contract or accept the Approved Bid at a competitive sale, as applicable, as quickly as possible. Based upon said facts, an emergency and urgency is declared and found to exist as necessary for the immediate support of City government and its existing public institutions. Based upon said emergency and urgency, this ordinance shall become effective immediately upon its passage.

**Note:** Attachments are on file in the City Clerk's office.

**Passed by City Council April 21, 2025**

**Delivered to Mayor April 23, 2025**

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CITY OF SPOKANE  
WATER AND WASTEWATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2025

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#### **ORDINANCE NO. C36665**

AN ORDINANCE OF THE CITY OF SPOKANE, WASHINGTON, AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF NOT TO EXCEED \$112,000,000 OF THE CITY'S WATER AND WASTEWATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2025, TO PAY, DEFEASE, REDEEM AND RETIRE ALL OR A PORTION OF THE CITY'S OUTSTANDING WATER AND WASTEWATER SYSTEM REVENUE BONDS, SERIES 2014; PROVIDING FOR THE DEFEASANCE, CALL, PAYMENT AND REDEMPTION OF THE REFUNDED BONDS; PROVIDING FOR THE OPTION OF SELLING THE BONDS BY COMPETITIVE OR NEGOTIATED SALE; AUTHORIZING THE EXECUTION OF AN ESCROW AGREEMENT; DELEGATING AUTHORITY TO THE DESIGNATED REPRESENTATIVE TO DETERMINE THE MANNER OF SALE AND TERMS OF THE BONDS UNDER THE CONDITIONS SET FORTH HEREIN; DESIGNATING A FISCAL AGENT; PROVIDING FOR THE REGISTRATION AND AUTHENTICATION OF THE BONDS; CREATING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR DEPOSITS THEREIN; COVENANTING TO COMPLY WITH CERTAIN FEDERAL TAX AND SECURITIES LAWS; DELEGATING CERTAIN ACTIONS IN CONNECTION WITH THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT; DECLARING AN EMERGENCY; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

Passed: April 21, 2025

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Prepared by:  
Kutak Rock LLP  
Spokane, Washington

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## ORDINANCE NO. C36665

AN ORDINANCE OF THE CITY OF SPOKANE, WASHINGTON, AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF NOT TO EXCEED \$112,000,000 OF THE CITY'S WATER AND WASTEWATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2025 TO PAY, DEFEASE, REDEEM AND RETIRE ALL OR A PORTION OF THE CITY'S OUTSTANDING WATER AND WASTEWATER SYSTEM REVENUE BONDS, SERIES 2014; PROVIDING FOR THE DEFEASANCE, CALL, PAYMENT AND REDEMPTION OF THE REFUNDED BONDS; PROVIDING FOR THE OPTION OF SELLING THE BONDS BY COMPETITIVE OR NEGOTIATED SALE; DELEGATING AUTHORITY TO THE DESIGNATED REPRESENTATIVE TO DETERMINE THE MANNER OF SALE AND TERMS OF THE BONDS UNDER THE CONDITIONS SET FORTH HEREIN; AUTHORIZING THE EXECUTION OF AN ESCROW AGREEMENT; DESIGNATING A FISCAL AGENT; PROVIDING FOR THE REGISTRATION AND AUTHENTICATION OF THE BONDS; CREATING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR DEPOSITS THEREIN; COVENANTING TO COMPLY WITH CERTAIN FEDERAL TAX AND SECURITIES LAWS; DELEGATING CERTAIN ACTIONS IN CONNECTION WITH THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT; DECLARING AN EMERGENCY; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

**WHEREAS**, the City of Spokane, Washington (the "City") is a municipal corporation and first-class charter city duly organized and existing under the laws of the State of Washington (the "State") and the Charter of the City; and



**WHEREAS**, the City now owns and operates a combined system of water supply and distribution system and wastewater treatment and disposal (the “System”); and

**WHEREAS**, the City is authorized and empowered by chapters 35.41, 39.46 and 39.53 RCW to issue revenue refunding bonds to redeem or retire the Refunded Bonds (as hereinafter defined);

**WHEREAS**, the City now has outstanding its Water and Wastewater System Revenue Bonds, Series 2014 (Green Bonds), issued on December 2, 2014, pursuant to Ordinance No. C35170, passed by the City Council of the City (the “Council”) on October 27, 2014 (the “2014 Bond Ordinance”), in the original aggregate principal amount of \$181,225,000 (the “2014 Bonds”), which remain outstanding as follows:

Outstanding 2014 Bonds			
Years (December 1)	Amounts	Interest Rates	CUSIP Nos.
2025	\$ 9,185,000	5.00%	849103 AL0
2026	9,645,000	3.00	849103 AM8
2027	9,935,000	3.15	849103 AN6
2028	10,250,000	4.50	849103 AP1
2029	10,710,000	4.50	849103 AQ9
2030	11,190,000	4.00	849103 AR7
2031	11,640,000	4.00	849103 AS5
2032	12,105,000	4.00	849103 AT3
2033	12,590,000	3.75	849103 AU0
2034	13,060,000	3.75	849103 AV8

; and

**WHEREAS**, the Council wishes to delegate authority to the Designated Representative (as hereinafter defined) to approve the final principal amount of the Bonds, the date of the Bonds, denominations, the interest rates, the number of series, the series designation, the tax status of each series, payment dates, redemption provisions, minimum savings and maturity dates of the Bonds under such terms and conditions as are approved by this Ordinance; and

**WHEREAS**, the Council is desirous of taking all reasonable actions to enable it to defease and/or refund the Refunded Bonds in order to obtain maximum savings for the ratepayers of the City; and

**WHEREAS**, the Council has determined it to be in the best interest of the City to sell the Bonds at competitive sale or negotiated sale;

**NOW, THEREFORE**, THE CITY OF SPOKANE DOES HEREBY FURTHER FIND, DETERMINE AND ORDAIN as follows:

### Section 1: Definitions

As used in this Ordinance, the following terms have the meanings provided in this Section 1.

**Accreted Value** means (1) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in the ordinance authorizing their issuance as the amount representing the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (2) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of discounted principal that has accreted since the date of issue. In any case, the Accreted Value shall be determined in accordance with the provisions of the ordinance authorizing the issuance of Balloon Maturity Bonds.

**Annual Debt Service** means, the sum of (1) the interest accruing on all Parity Bonds during any calendar year, assuming that all Parity Bonds are retired as scheduled, plus (2) the principal amount (including principal due as sinking fund installment payments) allocable to all Parity Bonds then outstanding, minus (3) any federal subsidy legally available to pay the principal of or interest on Parity Bonds in the year of calculation. Annual Debt Service shall be net of any principal and/or interest funded out of Bond proceeds. Annual Debt Service shall include reimbursement obligations to providers of Credit Facilities to the extent authorized by ordinance. Annual Debt Service shall exclude the payments required to be made with respect to revenue bond anticipation notes to the extent that the ordinance authorizing their issuance provides that the bond anticipation notes will be funded with the proceeds of Future Parity Bonds.

**Approved Bid** means the winning bid submitted for a series of the Bonds if such series is sold by competitive sale, as selected by the Designated Representative.

**Average Annual Debt Service** shall mean the average amount of the Annual Debt Service which will become due on the Parity Bonds for the period from the date of such calculation until the final maturity date of such Parity Bonds then Outstanding.

**Balloon Maturity Bonds** means any evidences of indebtedness of the City payable from Revenue of the System which are so designated in the ordinance or resolution pursuant to which such indebtedness is incurred.

**Base Period** means any consecutive 12-month period selected by the City out of the 36-month period next preceding the date of issuance of an additional series of Future Parity Bonds.

**Bond Counsel** shall mean Kutak Rock LLP or such other nationally recognized bond counsel firm as designated by the Council.

**Bond Purchase Contract** means the contract between the City and the Underwriter pertaining to the sale and delivery of the Bonds, if the Bonds are sold by negotiated sale (including a private placement), as more fully described in Section 4 of this Ordinance.

**Bond Register** means the registration records maintained by the Registrar on which shall appear the names and addresses of the Registered Owners.

**Bonds** shall mean the herein authorized Bonds designated as the "City of Spokane, Washington, Water and Wastewater System Revenue Refunding Bonds, Series 2025" or such other designation as the Designated Representative shall determine.

**Capital Appreciation Bonds** means any Future Parity Bonds, all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Capital Appreciation Bonds. If so provided in the ordinance authorizing their issuance, Future Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Future Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed outstanding in a principal amount equal to their Accreted Value.

**Chief Financial Officer** means the duly qualified, appointed and acting Chief Financial Officer of the City or any other officer who succeeds to the duties now delegated to that office.

**City** means the City of Spokane, a municipal corporation and first-class charter city duly organized and existing under the laws of the State of Washington and the Charter of the City.

**City Clerk** means the Clerk of the City or other officer of the City who is the custodian of the records of the proceedings of the Council or her successor in functions, if any.

**Code** shall mean the Internal Revenue Code of 1986, as amended, and any treasury regulations promulgated thereunder or applicable thereto.

**Continuing Disclosure Undertaking** shall mean the Continuing Disclosure Undertaking substantially in the form attached hereto as Exhibit "C."

**Consultant** means at any time an independent municipal financial consultant or advisor appointed by the City to perform the duties of the Consultant as required by this Ordinance. For the purposes of delivering any certificate required by Section 24 hereof and making the calculation required by Section 24 hereof, the term Consultant shall also include any independent public accounting firm or engineer appointed by the City to make such calculation or to provide such certificate.

**Costs of Maintenance and Operation** shall mean all necessary operating expenses, current maintenance expenses, expenses of reasonable upkeep and repairs, and insurance and administrative expense with respect to the System, but excludes depreciation, payments for debt service or into reserve accounts, costs of capital additions to or replacements of the System, municipal taxes, or payments to the City in lieu of taxes.

**Council** means the City Council as the general legislative authority of the City, as the same shall be duly and regularly constituted from time to time.

**Coverage Stabilization Account** shall mean the account of that name that shall, at the option of the Designated Representative, be created in the Revenue Fund and maintained pursuant to this Ordinance.

**Covered Bonds** means the Bonds, if designated as such by the Designated Representative, and any Future Parity Bonds, if designated as such in the ordinance authorizing their issuance, which are secured by the Reserve Account.

**Credit Event** means when (a) a Qualified Letter of Credit terminates, (b) the issuer of Qualified Insurance or a Qualified Letter of Credit shall become insolvent or no longer be in existence, or (c) a Qualified Letter of Credit or Qualified Insurance no longer meets the requirements established therefor in the definition thereof.

**Credit Facility** means a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of financial obligations of the City. There may be one or more Credit Facilities outstanding at any time.

**Designated Representative** means the Chief Financial Officer or the Director of the Utilities Division.

**Director of the Utilities Division** means the duly qualified, appointed and acting Director of the Utilities Division of the City or any other officer who succeeds to the duties now delegated to that office.

**DTC** means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, which will act as securities depository for the Bonds.

**Escrow Account** means the City's "Water and Wastewater System Revenue and Refunding Bonds Escrow Account" which may be created by the Refunding Trustee to accomplish the defeasance and/or refunding of the Refunded Bonds.

**Escrow Agreement** means the agreement of that name by and between the City and the Refunding Trustee, which may be executed by the Designated Representative, if deemed necessary by the Designated Representative to effect the defeasance and/or refunding of the Refunded Bonds.

**Future Parity Bonds** means any water and wastewater system revenue bonds or other obligations which the City may hereafter issue having a lien upon the Revenue of the System for the payment of the principal thereof and interest thereon equal to the lien upon the Revenue of the System to pay the principal of and interest on the Bonds.

**Good Faith Deposit** has the meaning ascribed thereto in Section 6 hereof.

**Government Loans** means the PWTF Loans, State Revolving Fund Loans, and other subordinate lien revenue loans currently outstanding or received by the City in the future from the state of Washington or the United States of America.

**Government Obligations** means those obligations now or hereafter defined as such in Chapter 39.53 RCW.

**Letter of Representations** means the Blanket Issuer Letter of Representations from the City to DTC.

**Maximum Annual Debt Service** means, at the time of calculation, the maximum amount of Annual Debt Service in any fiscal year on all outstanding Parity Bonds and/or for all subordinate lien evidences of indebtedness secured by Revenue of the System, as the context requires.

**Mayor** means the Mayor of the City or her successor in functions, if any.

**Municipal Advisor** means Northwest Municipal Advisors, Bellevue, Washington, as the City's municipal advisor with respect to the issuance of the Bonds, or such other municipal advisor as designated by the Council.

**MSRB** shall mean the Municipal Securities Rulemaking Board or any successor in functions thereto.

**Net Revenue** shall mean the Revenue of the System less the Costs of Maintenance and Operation.

**Official Notice of Sale** means, if the Bonds are sold by competitive sale, the notice of bond sale to be submitted to potential bidders for the Bonds and authorized to be given in Section 4 of this Ordinance.

**Ordinance** means this Ordinance adopted by the Council on April 21, 2025, authorizing the sale, issuance and delivery of the Bonds.

**Original Issue Discount Bonds** means Parity Bonds which are sold at an initial public offering price of less than 95% of their face value and which are specifically designated as Original Issue Discount Bonds in the ordinance authorizing their issuance.

**Outstanding**, when used with reference to a Bond, or a Parity Bond, as of any particular date, shall mean all such bonds that have been issued, executed, authenticated and delivered under this Ordinance or under any ordinance authorizing the issuance of any Parity Bonds, except (1) Bonds or Parity Bonds canceled because of payment or redemption prior to their stated dates of maturity, (2) any Bond (or portion thereof) deemed to have been paid within the meaning of Section 21 hereof, and (3) any Parity Bond (or portion thereof) deemed to have been paid pursuant to the ordinance under which it was issued.

**Parity Bonds** shall mean the Bonds, any 2014 Bonds that remain Outstanding following the issuance of the Bonds, and any Future Parity Bonds.

**Parity Requirement** means Net Revenues equal to or greater than 125% of Annual Debt Service for all Parity Bonds computed by deducting from Annual Debt Service the Annual Debt Service for each series or issue of Parity Bonds that is covered by ULID Assessments. In determining the amount of Annual Debt Service covered by ULID Assessments, Annual Debt Service for each future year is reduced by the dollar amount of ULID Assessments projected to be received during such future year, and the remaining outstanding ULID Assessments are assumed to be paid in the remaining number of annual installments with no prepayments. For purposes of determining whether the Parity Requirement has been met, transfers from the Coverage Stabilization Account shall not be taken into account.

**Participants** means those broker-dealers, banks and other financial institutions from time to time for which DTC holds the Bonds as securities depository.

**PWTF Loans** mean the loans from the State of Washington Department of Commerce under the Public Works Trust Fund loan program pursuant to any loan agreements existing as of the effective date of this Ordinance or hereafter entered into by the City under the Public Works Trust Fund loan program.

**Qualified Insurance** shall mean any noncancelable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies), which insurance company or service corporation, as of the time of issuance of such policy or surety bond, is rated in one of the two highest rating categories by Moody's Ratings, S&P Global Ratings, or Fitch Ratings or their comparably recognized business successors.

**Qualified Letter of Credit** shall mean any irrevocable letter of credit issued by a financial institution for the account of the City on behalf of the owners of any Parity Bonds, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the two highest rating categories by Moody's Ratings, S&P Global Ratings, or Fitch Ratings or their comparably recognized business successor.

**Rate Covenant** means Net Revenue in each fiscal year at least equal to 125% of the amounts required in such fiscal year to be paid as scheduled debt service (principal and interest) on all Parity Bonds, subtracting from scheduled debt service the amount of ULID Assessments collected in such year. Furthermore, in determining compliance with the Rate Covenant, Net Revenues are subject to adjustment to reflect the following: Revenue of the System and Costs of Maintenance and Operation may be adjusted, regardless of then applicable generally accepted accounting principles, for certain items (e.g., to omit unrealized gains or losses in investments) to more fairly reflect the System's annual operating performance. Scheduled debt service shall exclude the payments required to be made with respect to revenue bond anticipation notes to the extent that the proceedings authorizing their issuance provides that the bond anticipation notes will be funded with the proceeds of Future Parity Bonds. For purposes of determining compliance with the Rate Covenant, amounts withdrawn from the Coverage Stabilization Account shall increase Revenue of the System for the period in which they are withdrawn, and amounts deposited in the Coverage Stabilization Account shall reduce Revenue of the System for the period during which they are deposited. Credits to or from the Coverage Stabilization Account that occur within 90 days after the end of a fiscal year may be treated as occurring within such fiscal year.

**Redemption Date** means the date on which the Refunded Bonds will be redeemed, as selected by the Designated Representative.

**Refunded Bonds** means all or a portion of the 2014 Bonds maturing on and after December 1, 2025, as selected by the Designated Representative.

**Refunding Trustee** has the meaning ascribed thereto in Section 9 hereof.

**Registered Owner** means the person named as the registered owner of a Bond on the Bond Register.

**Registrar** means the Washington State Fiscal Agent, acting in the capacity as registrar, authenticating agent, paying agent and transfer agent of the Bonds, or its successors in functions, as now or hereafter designated.

**Reserve Account** shall mean the account of that name previously created in the Revenue Bond Fund and maintained pursuant to this Ordinance.

**Reserve Requirement** means the dollar amount to be calculated with respect to all Covered Bonds and separately with respect to other Parity Bonds.

- a. With respect to Covered Bonds, the Reserve Requirement shall be equal to the lesser of:
  - i. Maximum Annual Debt Service for Covered Bonds,
  - ii. 10% of the initial principal amount of Covered Bonds of each series, and
  - iii. 125% of average annual debt service for Covered Bonds;

provided, however, that 10% of the initial principal amount of Covered Bonds of each series may be contributed to the Reserve Account from any series of Covered Bonds.

- b. With respect to other series of Parity Bonds, the Reserve Requirement shall be equal to the amount specified in the ordinance authorizing the issuance of that series of Parity Bonds.

The Reserve Requirement shall be adjusted accordingly and remain in effect until the earlier of (i) at the City's option, a payment of principal of Parity Bonds, or (ii) the issuance of a subsequent series of Future Parity Bonds, at which time the Reserve Requirement shall be re-calculated.

**Revenue Bond Fund** means the "Water Revenue Bond Fund" previously created in the office of the Treasurer by Section 1 of Ordinance No. C34024 and previously renamed as the "Water-Wastewater Revenue Bond Fund" in the 2014 Bond Ordinance for the sole purpose of paying and securing the payment of the principal of, premium, if any, and interest on Parity Bonds.

**Revenue Fund** means the Water and Wastewater Revenue Fund of the City created by Section 1 of Ordinance No. C-34981, and known as the Water-Wastewater Fund and shall include cash accounts therein.

**Revenue of the System** means all of the earnings, revenues and money received by the City from or on account of the ownership and operation of the System and connection and capital improvement charges collected for the purpose of defraying the cost of capital facilities of the System; including to the extent of internally approved policies of the City, investment earnings and income from investments of money in the Revenue Fund and the Revenue Bond Fund or from any other investment of Revenues; but excluding government grants, any federal subsidy legally available to pay the principal of or interest on Parity Bonds, proceeds from the sale of System property, City taxes collected by or through the System, principal proceeds of bonds and earnings or proceeds from any investments in a trust, defeasance or escrow fund created to defease or refund System obligations (until commingled with other earnings and revenues of the System) or held in a special account for the purpose of paying a rebate to the United States Government under the Code. Revenue of the System shall also include any federal or state reimbursements of operating expenses to the extent such expenses are included as Costs of Maintenance and Operation of the System; provided, however, that Revenue of the System shall not include ULID Assessments.

**Rule** shall mean the SEC's Rule 15c2-12 under the Securities and Exchange Act of 1934, as the same may be amended from time-to-time.

**SEC** shall mean the Securities and Exchange Commission.

**Serial Bonds** means any Bonds other than Term Bonds.

**State** means the state of Washington.

**State Revolving Fund Loans** mean the loans outstanding as of the date of this Ordinance or hereafter entered into by the City under the State of Washington Department of Ecology Clean Water State Revolving Fund Loan Program as part of the State's participation in the federal Clean Water State Revolving Fund established by the Clean Water Act amendments of 1987.

**System** means the combined utility of the City's existing water supply and distribution system and the sanitary sewage transmission, treatment and disposal system, inclusive of stormwater, of the City, as they now exist and as they may be added to, improved and extended, for as long as any Parity Bonds are outstanding.

**Term Bonds** means the Bonds specifically designated as such in the Official Notice of Sale and the Approved Bid or the Bond Purchase Contract, as applicable.

**Treasurer** means the Treasurer of the City, and any successor treasurer of the City in accordance with applicable law.

**True Interest Cost** means the yield that, when discounting all future principal and interest payments to the delivery date of the Bonds, produces a present value equal to the principal amount of the Bonds, less any Bond insurance policy premium, less the successful bidder's discount, plus any original issue premium, less any original issue discount, plus accrued interest.

**ULID** means a utility local improvement district of the City.

**ULID Assessments** means the assessments levied in all ULIDs, the assessments in which are payable into the Revenue Bond Fund, and shall include installments thereof and interest and any penalties thereon.

**Underwriter** means the firm submitting the Approved Bid for the Bonds, or if it is determined that a negotiated sale (including a private placement) is in the best interest of the City, the underwriting firm or bank entering into the Bond Purchase Contract.

**2014 Bond Ordinance** means Ordinance No. C35170, passed by the Council on October 27, 2014.

**2014 Bonds** means the City's Water and Wastewater System Revenue Bonds, Series 2014 (Green Bonds), issued on December 2, 2014, pursuant to the 2014 Bond Ordinance.

## **Section 2: Interpretation**

For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires:

- A. *Internal References.* All references in this Ordinance to designated "Sections" and other subdivisions are to the designated sections and other subdivisions of this Ordinance. The words "herein," "hereof," "hereto," "hereby," "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular section or other subdivision.
- B. *Persons.* Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons.
- C. *Headings.* Any headings preceding the texts of the several sections of this Ordinance and the table of contents shall be solely for convenience of reference and shall not constitute a part of this Ordinance, nor shall they affect its meaning, construction or effect.
- D. *Writing Requirement.* Every "notice," "certificate," "consent" or similar action hereunder by the City shall, unless the form thereof is specifically provided, be in writing signed by an authorized representative of the City.
- E. *Time.* In the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and each of the words "to" and "until" means "to but excluding."
- F. *Redemption.* Words importing the redemption or redeeming of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its stated maturity or the purchase of such Bond.
- G. *Payment Terms.* References to the payment of the Bonds shall be deemed to include references to the payment of interest thereon.
- H. *Gender.* Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words imparting the singular number shall include the plural numbers and vice versa, unless the context shall otherwise dictate.

## **Section 3: The Purpose of the Bonds**

The Bonds are being issued to provide money to pay, defease, redeem and/or retire the Refunded Bonds, fund the Reserve Requirement, if any, and pay certain expenses incurred in connection with the issuance of the Bonds and the defeasance and/or refunding of the Refunded Bonds, all as set forth more specifically herein.

## **Section 4: Authorization of the Bonds**

- A. *General Terms.* Water and wastewater system revenue bonds of the City, designated "City of Spokane, Washington, Water and Wastewater System Revenue Refunding Bonds, Series 2025," (or such other designation as the Designated Representative shall determine) are hereby authorized to be sold, issued and delivered pursuant to chapters 35.41, 39.46 and 39.53 RCW, in the event that an Approved Bid for the Bonds is accepted, or a Bond Purchase Contract is executed if the Bonds are sold by negotiated sale (including a private placement), as provided in this Section 4. The Bonds shall be issued in the aggregate principal amount of not to exceed \$112,000,000; shall be dated as of their date of delivery; shall be issued in fully registered form; shall be in the denomination of \$5,000 each, or any integral multiple thereof within a single maturity; and shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification. The Bonds shall be in substantially the form of Exhibit "A" attached hereto and by this reference incorporated herein.
- B. *Competitive Sale.* The Designated Representative is authorized to cause the Official Notice of Sale for the Bonds to be prepared and published, and provide for such other matters pertaining to the competitive sale as deemed necessary or desirable. The Official Notice of Sale shall establish:
  - 1. that the True Interest Cost of the Bonds shall not exceed 4.00%;
  - 2. the date or dates of the Bonds, which shall be no later than one year from the date of this Ordinance;
  - 3. the date or dates upon which the Bonds shall mature;
  - 4. the principal amount of the Bonds maturing on each maturity date concluding no later than December 1, 2034;
  - 5. the date on which interest shall first be payable for each Bond, which date shall be no later than June 1, 2026;

6. the yield and price for each maturity of the Bonds, which price shall be not less than 95% nor more than 140% of the principal amount of the Bonds;
7. the optional and mandatory redemption provisions pertaining to the Bonds, provided the first date on which the Bonds may be optionally redeemed at par is not later than 10.5 years after the date of the Bonds; and
8. the net present value savings due to the defeasance and/or refunding of the Refunded Bonds, which shall be not less than 1.00% of the par amount of the Refunded Bonds.

The Designated Representative is hereby authorized to accept the Approved Bid for the Bonds, which Approved Bid must state the rate or rates of interest the Bonds shall bear and any premium or discount the Bonds shall bear.

- C. *Negotiated Sale.* In the event the Designated Representative determines that it is in the best interest of the City and its ratepayers to sell the Bonds by negotiated sale (including a private placement), the Designated Representative, upon the approval of the Mayor, is hereby authorized to select a bank for placement, or an underwriter, and to enter into a Bond Purchase Contract as provided in this Section 4. The Bond Purchase Contract shall establish the following
1. the True Interest Cost of the Bonds, which shall not exceed 4.00%;
  2. the date or dates of the Bonds, which shall be no later than one year from the date of this Ordinance;
  3. the date or dates upon which the Bonds shall mature;
  4. the principal amount of the Bonds maturing on each maturity date concluding no later than December 1, 2034;
  5. the date on which interest shall first be payable for each Bond, which date shall be no later than June 1, 2026;
  6. the yield and price for each maturity of the Bonds, which price shall be not less than 95% nor more than 140% of the principal amount of the Bonds;
  7. the optional and mandatory redemption provisions pertaining to the Bonds, provided the first date on which the Bonds may be optionally redeemed at par is not later than 10.5 years after the date of the Bonds; and
  8. the net present value savings due to the defeasance and/or refunding of the Refunded Bonds, which shall be not less than 1.00% of the par amount of the Refunded Bonds.

The Designated Representative is hereby authorized to approve additions, deletions or alterations to the Bond Purchase Contract or any other document or certificate related thereto so long as such additions, deletions or alterations do not substantially alter the intent and substance of this Ordinance.

- D. *Findings.* The Council hereby finds that the determinations made in this Ordinance are the determinations set forth in RCW 39.46.040; and as such, the Council has fully and properly authorized the sale, issuance and delivery of the Bonds
- E. *Negotiable Instruments.* The Bonds shall be negotiable instruments to the extent provided by chapter 62A.3 RCW.

### **Section 5: Redemption Prior to Maturity**

- A. *Redemption.* The Bonds shall be subject to redemption at the times and in such amounts as provided in the Official Notice of Sale and the Approved Bid, or, if the Bonds are sold by negotiated sale (including a private placement), in the Bond Purchase Contract.
- B. *Partial Redemption.* In accordance with the preceding paragraph, portions of the principal amount of any Bond, in installments of \$5,000 or any integral multiple of \$5,000 within a maturity, may also be redeemed. If less than all the principal amount of any Bond is redeemed, upon surrender of such Bond at the designated corporate trust office of the Registrar, there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal amount thereof, a new Bond or Bonds, at the option of the Registered Owner, with like maturity and interest rate, in any denomination authorized by this Ordinance.
- C. *Notice of Redemption.* Except as set forth in subsection D below, and unless waived by the Registered Owner of any Bond to be redeemed, written notice of any such redemption shall be sent by the Registrar by first-class mail, postage prepaid, not less than 20 nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. The requirements of this subsection shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether it is actually received by the Registered Owner of any Bond to be redeemed. The redemption of the Bonds may be contingent or subject to such conditions as may be specified in the written notice, and if funds for the redemption are not irrevocably deposited with the Registrar or otherwise placed in escrow and in trust prior to the giving of notice of redemption, the notice shall be specifically subject to the deposit of funds by the City. The Designated Representative is hereby authorized to agree to redemption provisions they deem to be in the best interest of the City.

Any notice given pursuant to this subsection may be rescinded by written notice given by the City to the Registrar on or prior to the date specified for redemption. The Registrar shall give notice of such rescission as soon thereafter as practicable, and to the same Registered Owners, as notice of such redemption was given pursuant to this subsection.

- D. *Special Notice of Redemption to DTC.* For so long as DTC is the securities depository for the Bonds, the Registrar shall send redemption and defeasance notices to DTC in the manner required by the Letter of Representations.
- E. *Continuing Disclosure Undertaking.* Except in the case of a private placement, for so long as Section 28 of this Ordinance remains in effect, each redemption notice shall also be provided to EMMA by the City in the manner and timeframe specified in the Continuing Disclosure Undertaking; provided, neither any defect in such notice nor any failure to give all or any portion of such notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in subsection C above.
- F. *Effect of Redemption.* When so called for redemption, the Bonds shall cease to accrue interest on the specified redemption date, provided money for redemption is on deposit at the place of payment at that time, and shall not be deemed to be Outstanding as of such redemption date.
- G. *Voluntary Redemption Notice.* In addition to the notice required by subsection C above, further notice may be given by the Registrar as set out below, but neither any defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in subsection C hereof.
1. Each further notice of redemption given hereunder may contain the following information: (a) the redemption date; (b) the redemption price; (c) if less than all Bonds Outstanding are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (d) notification that, on the redemption date, the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after such date; (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated corporate trust office of the Registrar; (f) the CUSIP numbers, if any, of all Bonds being redeemed; (g) the date of issue of the Bonds as originally issued; (h) the rate of interest borne by each Bond being redeemed; (i) the maturity date of each Bond being redeemed; and (j) any other descriptive information needed to identify accurately the Bonds being redeemed.
  2. Each further notice of redemption may be sent at least 20 days before the redemption date by registered or certified mail or overnight delivery service to: (a) all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds, such depositories now being DTC; and (b) one or more national information services that disseminate notices of redemption of obligations such as the Bonds.
  3. Each such further notice may be published one time in The Bond Buyer in New York, New York, or, if such publication is impractical or unlikely to reach a substantial number of the Registered Owners, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least 20 days prior to the date fixed for redemption.
- H. *Open Market Purchase and Cancellation.* The City hereby reserves the right and option to purchase any or all of the Bonds on the open market at any time and at any price. To the extent the City partially redeems Term Bonds or Balloon Maturity Bonds, pursuant to this Ordinance, the City may, at its discretion, reduce the amount of any mandatory sinking fund deposit or deposits by an aggregate principal amount equal to the principal amount of the Term Bonds so redeemed. All Bonds purchased or redeemed under this Section shall be canceled.

## **Section 6: Sale of the Bonds**

- A. *Competitive Sale Authorized.* The Bonds may be sold by competitive sale. In any such competitive sale, the Bonds will be awarded to the bidder whose bid will result in the lowest True Interest Cost to the City. In the event that two or more bidders offer bids at the same lowest True Interest Cost, the City will award the Bonds to the bidder submitting the bid resulting in the highest net present value savings to the City. The Underwriter must pay accrued interest, if any, computed on a 360-day year and 30-day month basis, or as otherwise designated by the Designated Representative, from the date of the Bonds to the date of delivery.
1. *Notice of Sale.* The City hereby authorizes the Designated Representative, with the assistance of the Municipal Advisor, if the Bonds are sold by competitive sale, to cause the Official Notice of Sale to be disseminated to prospective purchasers of the Bonds in such manner as it deems to be in the best interest of the City.
  2. *Good Faith Deposit.* Each bid must be unconditional and the successful bidder shall, within three hours of the award of the Bonds, make a good faith deposit (the "Good Faith Deposit") by federal wire or by a certified or bank cashier's check in immediately available funds payable to the City in an amount set forth in the Official Notice of Sale, which amount shall not be less than 0.5% of the principal amount of the Bonds. The Good Faith Deposit of the successful bidder will become the property of the City and will be credited to the purchase price of the Bonds at the time of delivery of the Bonds. No interest will be paid by the City on a bidder's Good Faith Deposit. If the purchase price is not paid in full upon tender of the Bonds, the successful bidder shall have no right to the Bonds or to the recovery of the Good Faith Deposit, or to any allowance or credit by reason of the Good Faith Deposit, unless it appears the Bonds would not be validly issued if delivered to the Underwriter in the form and manner proposed. However, in the event of such nonpayment, the City



reserves any and all rights granted by law to recover the agreed purchase price of the Bonds, and, in addition, any damages suffered by the City.

3. *Opening and Award of Bids.* If the Bonds are sold pursuant to the provisions of this Section 6.A, bids will be opened by the City no later than 9:00 a.m. Pacific Time, in the offices of the Designated Representative, on the date set forth in the Official Notice of Sale. The Designated Representative is hereby authorized and directed to conduct the competitive sale of the Bonds in accordance with the Official Notice of Sale. The City reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.
- B. *Negotiated Sale Authorized.* The Bonds may be sold by negotiated sale (including a private placement) if it is determined by the Designated Representative, upon approval from the Mayor, that such method of sale is in the best interests of the City. If the Bonds are sold at negotiated sale or private placement, the terms of such sale must comply with Section 4 of this Ordinance.
- C. *Other Related Matters.* The Designated Representative is authorized and directed to take such other actions to publicize or facilitate the sale of the Bonds as may be deemed desirable or necessary including, but not limited to, securing a rating on the Bonds from one or more of the established nationally recognized rating services.

### **Section 7: Place, Manner and Medium of Payment**

- A. *Payment Medium.* Both principal of and interest on the Bonds are payable in lawful money of the United States to the Registered Owners thereof.
- B. *Payment of Interest.* Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months, or as otherwise designated by the Designated Representative. Payment of each installment of interest shall be made to the Registered Owner whose name appears on the Bond Register at the close of business on the fifteenth day of the calendar month preceding the interest payment date. Each installment of interest shall be paid by check or draft of the Registrar mailed to such Registered Owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. Interest installments may be paid by wire transfer to a Registered Owner of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by such Registered Owner.
- C. *Payment of Principal.* Principal of each Bond shall be payable to the Registered Owner, upon presentation and surrender of the Bonds on or after the date of maturity or prior redemption, whichever occurs first, at the designated corporate trust office of the Registrar. Upon the payment of the Bonds at maturity of any Bond being redeemed, each check or other transfer of money issued for such purpose shall bear the CUSIP number, if any, and identify by issue and maturity the Bonds being paid with the proceeds of such check or other transfer.
- D. *Interest on Delinquent Amounts.* If any Bond is not redeemed when properly presented at its maturity date, the City shall pay interest on that Bond at the same rate provided in the Bond from and after its maturity date until the principal of and interest on that Bond is paid in full or until sufficient money for its payment in full is on deposit in the Revenue Bond Fund and the Bond has been called for payment by giving notice to the Registered Owner of that unpaid Bond.
- E. *Ownership of Bonds.* The City and the Registrar may deem and treat the Registered Owner of each Bond as the absolute owner of such Bond for the purpose of receiving payments of principal and interest due on such Bond and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.
- F. *Unclaimed Money.* The Designated Representative may submit a written request to the Registrar that the Registrar return to the Designated Representative all money previously remitted to the Registrar for the payment of the Bonds that has not been distributed by the Registrar as of one year after the final maturity of all of the Bonds. The Designated Representative shall deposit such money into a separate account to be held solely for the benefit of the Registered Owners of Bonds which have not been presented for payment, and which shall be used solely for paying the principal of such Bonds and the interest which had accrued thereon to the date of maturity. Interest earnings on the money in such account may be deposited into the Revenue Bond Fund to pay the principal of and interest on any Bonds that are Outstanding.

### **Section 8: The Refunding Plan**

- A. *Description of the Refunded Bonds.* The City is desirous of defeasing, paying, redeeming and/or retiring the Refunded Bonds, if market conditions permit such refunding. The Designated Representative is authorized to designate all or a portion of the following outstanding 2014 Bonds as the "Refunded Bonds":

Outstanding 2014 Bonds			
Years (December 1)	Amounts	Interest Rates	CUSIP Nos.
2025	\$9,185,000	5.00%	849103 AL0
2026	9,645,000	3.00	849103 AM8
2027	9,935,000	3.15	849103 AN6
2028	10,250,000	4.50	849103 AP1
2029	10,710,000	4.50	849103 AQ9
2030	11,190,000	4.00	849103 AR7
2031	11,640,000	4.00	849103 AS5
2032	12,105,000	4.00	849103 AT3
2033	12,590,000	3.75	849103 AU0
2034	13,060,000	3.75	849103 AV8

- B. *Application of Bond Proceeds.* The net proceeds of the Bonds (exclusive of any amounts that may be designated by the Designated Representative in a closing certificate to be allocated to pay costs of issuance of the Bonds or to make a deposit into the Reserve Account, and exclusive of amounts paid to an Underwriter as a fee or an Underwriter's discount) (the "Net Bond Proceeds"), together with other available funds of the City in the amount (if any) specified by the Designated Representative, shall be held by the City and used at the direction of the Designated Representative to pay the costs of, or to reimburse the City for the costs of, redeeming the Refunded Bonds and/or may be placed into the Escrow Account pursuant to the terms of an Escrow Agreement to effect a defeasance of the Refunded Bonds.
- C. *Notice of Redemption.* The Refunding Trustee is hereby directed to give notice of the call and redemption of the Refunded Bonds in substantially the form set forth as Attachment II to the Form of Escrow Agreement attached hereto as Exhibit "B" and in the manner required by the 2014 Bond Ordinance.
- D. *Modification of Refunding Plan.* The Designated Representative is hereby authorized, upon advice from the City's Municipal Advisor, to modify the refunding plan if such modification is determined to be in the City's best interest.

### Section 9: The Refunding Trustee; Escrow Agreement

The City hereby authorizes the Designated Representative to select a financial institution to act as the Refunding Trustee with respect to the Refunded Bonds (the "Refunding Trustee") if deemed necessary to effect the defeasance and/or refunding of the Refunded Bonds. In order to carry out the purposes of this Ordinance, if deemed necessary by the Designated Representative to effect the defeasance and/or refunding of the Refunded Bonds, the Designated Representative is authorized and directed to execute and deliver to the Refunding Trustee an Escrow Agreement substantially in the form marked Exhibit "B" attached hereto and by this reference incorporated herein. If utilized, the Escrow Agreement, shall set forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the defeasance and/or refunding of the Refunded Bonds as provided herein, and shall set forth the payment of the fees, compensation and expenses of the Refunding Trustee.

### Section 10: Creation of the Escrow Account & Government Obligations

- A. *Creation of the Escrow Account.* If deemed necessary by the Designated Representative to effect the defeasance and/or refunding of the Refunded Bonds, the Refunding Trustee is authorized and directed to establish a special account for the City designated the "Water and Wastewater System Revenue and Refunding Bonds Escrow Account," or such other designation conforming to accounting principles and banking practices.
- B. *Deposits into the Escrow Account.* If deemed necessary by the Designated Representative to effect the defeasance and/or refunding of the Refunded Bonds, the Net Bond Proceeds, together with other available funds of the City in the amount (if any) specified by the Designated Representative, may be deposited into the Escrow Account and may be held as cash or used to acquire Government Obligations, as more specifically provided in the Escrow Agreement. Such funds shall be irrevocably deposited into the Escrow Account. Any funds to be deposited into the Escrow Account shall be held by the Refunding Trustee in trust. All funds credited to the Escrow Account shall be deemed so credited to and held in the Escrow Account notwithstanding the fact that such funds are held by the Refunding Trustee in trust for the owners of the Refunded Bonds.

- C. *Use of Money in the Escrow Account.* If deemed necessary by the Designated Representative to effect the defeasance and/or refunding of the Refunded Bonds, the Refunding Trustee, on behalf of the City, may be authorized and directed to use the Net Bond Proceeds, together with other legally available money of the City, to purchase Government Obligations in the amounts, of the type, bearing interest and maturing in such amounts as are necessary to make the payments described in this Ordinance and in the Escrow Agreement. The investment income from and maturing principal of the Government Obligations and money to be deposited into the Escrow Account, if any, shall be transmitted to the Washington State Fiscal Agent, as Registrar for the City, for the sole purpose of paying the principal of and interest on the Refunded Bonds. Any money remaining on deposit in the Escrow Account created hereunder after the payment in full of the Refunded Bonds and the costs of issuing the Bonds, shall be transferred by the Refunding Trustee to the City and deposited into the Revenue Bond Fund.
- D. *Government Obligations.*
1. *Government Obligations.* If the purchase of Government Obligations is deemed necessary by the Designated Representative to effect the defeasance and/or refunding of the Refunded Bonds, the Government Obligations shall be payable in such amounts and at such times that, together with other legally available money of the City, will be sufficient to provide for the payment of: (a) the interest on the Refunded Bonds as such becomes due on and before the Redemption Date or maturity of the Refunded Bonds; and (b) the price of redemption of the Refunded Bonds on the Redemption Date or the maturity value of the Refunded Bonds that are defeased to maturity.
  2. *Sufficiency of the Government Obligations.* If the purchase of Government Obligations is deemed necessary by the Designated Representative to effect the defeasance and/or refunding of the Refunded Bonds, prior to the delivery of the Bonds, the City shall receive an opinion of a nationally recognized firm of independent certified public accountants or from a nationally recognized financial advisor, stating, in substance, that the money and Government Obligations to be deposited with the Refunding Trustee for the payment of the Refunded Bonds will discharge and satisfy the City's obligations under the 2014 Bond Ordinance to make payments on the Refunded Bonds. Such opinion will not be required in the event the City deposits sufficient funds at closing to provide for all debt service payments, without taking into account interest earnings thereon.

## **Section 11: Irrevocable Call**

- A. *Refunded Bonds.*
1. *Irrevocable Call for Redemption.* In accordance with Section 5 of the 2014 Bond Ordinance, the City hereby calls the Refunded Bonds for redemption on the Redemption Date. Such call for redemption shall be irrevocable upon the delivery of the Bonds to the Underwriter.
  2. *Irrevocable Pledge of Proceeds of the Bonds.* The City hereby irrevocably pledges the Net Bond Proceeds, together with other available funds of the City in the amount (if any) specified by the Designated Representative, Government Obligations (if any) and any amounts on deposit in the Escrow Account (if utilized), to pay the interest on the Refunded Bonds, up to and including the Redemption Date, and to redeem and retire the Refunded Bonds on such date at the price of 100% of the principal amount thereof plus accrued interest to the Redemption Date. Such amounts are hereby irrevocably pledged to be set aside to effect such payment, redemption and retirement.
- B. *Findings Regarding the Defeasance and/or Refunding of the Refunded Bonds.* The Council hereby finds that, as of the date the Bonds are issued and the Net Bond Proceeds are utilized as set forth herein: (1) no further payments need to be made into the Revenue Bond Fund for the payment of the principal of and interest on the Refunded Bonds; (2) the Refunded Bonds and the interest accrued thereon shall cease to be entitled to any lien, benefit or security of the 2014 Bond Ordinance, except the right to receive the funds so set aside and pledged; and (3) the Refunded Bonds and the interest accruing thereon shall no longer be deemed to be Outstanding under the 2014 Bond Ordinance. The Council hereby further finds and determines that the issuance and sale of the Bonds will benefit the City by affecting a savings to the City's ratepayers. In making such finding and determination, the Council has given consideration to the interest that will be payable on the Bonds through the maturity of the Bonds, the costs of issuance of the Bonds and the net present value savings due to the defeasance and/or refunding of the Refunded Bonds.

## **Section 12: [Reserved]**

## **Section 13: Pledge of Net Revenue**

All of the Net Revenue is pledged for the payment of the Bonds, as a prior first charge and lien thereon equal to and on parity with the charge or lien of Future Parity Bonds, if any, and Revenue of the System shall be used and applied in the order of priority provided in Section 14 of this Ordinance.

The Bonds are payable solely from amounts deposited into the Revenue Bond Fund, shall not constitute general obligations of the City and are not payable from ad valorem taxes collected within the City. Accordingly, the full faith and credit of the City is not pledged for the payment of the principal of and interest on the Bonds.

#### **Section 14: The Revenue Fund; Priority of Payments from Revenue Fund; Coverage Stabilization Account**

- A. *Revenue Fund.* A special fund of the City known as the “Water-Wastewater Fund” (including subaccounts therein, the “Revenue Fund”) has heretofore been established into which shall be deposited the Revenue of the System as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the City.
- B. *Priority of Payments from the Revenue Fund.* The Revenue of the System deposited in the Revenue Fund shall be used only for the following purposes and in the following order of priority:

First, to pay the Costs of Maintenance and Operation of the System;

Second, to make all payments required to be made into the Revenue Bond Fund to pay the interest on any Parity Bonds, including reimbursements to the issuer of a Credit Facility if the Credit Facility secures the payment of interest on Parity Bonds and the ordinance authorizing such Parity Bonds provides for such reimbursement;

Third, to make all payments required to be made into the Revenue Bond Fund to pay the principal of any Parity Bonds, including reimbursements to the issuer of a Credit Facility if the Credit Facility secures the payment of principal of Parity Bonds and the ordinance authorizing such Parity Bonds provides for such reimbursement;

Fourth, to make all payments required to be made into any sinking fund account hereafter created to provide for the payment of the principal of Term Bonds or Balloon Maturity Bonds;

Fifth, to make all payments required to be made into the Reserve Account for Covered Bonds and to any reserve account created in the future for the payment of debt service on Future Parity Bonds;

Sixth, to make all payments required to be made into any revenue debt redemption fund, debt service account, reserve account or sinking fund account created to pay and secure the payment of the principal of and interest on Government Loans and any revenue bonds, or revenue warrants or other revenue obligations of the City having a lien upon the Revenue of the System junior and inferior to the lien thereon for the payment of the principal of and interest on the Parity Bonds; and

Seventh, to retire by redemption or purchase on the open market any outstanding water and wastewater system revenue bonds or revenue warrants of the City, to make necessary additions, betterments, improvements and repairs to or extensions and replacements of the System, or for any other lawful City purposes.

The City may transfer any money from any funds or accounts of the System legally available therefor, except bond redemption funds, refunding escrow funds or defeasance funds, to meet the required payments to be made into the Revenue Bond Fund. Money in the Revenue Fund may be invested by the City in any investment that is a legal investment for the City.

- C. *Coverage Stabilization Account.* A Coverage Stabilization Account shall be established within the Revenue Fund at the option of the Designated Representative. The City hereby determines that the maintenance of a Coverage Stabilization Account will moderate fluctuations in Net Revenues and help to alleviate the need for short-term rate adjustments. Money in the Coverage Stabilization Account will be transferred as determined from time to time by the City. The City may make payments into the Coverage Stabilization Account from the Revenue Fund at any time. Money in the Coverage Stabilization Account may be withdrawn at any time and used for the purpose for which the Revenue of the System may be used. Amounts withdrawn from the Coverage Stabilization Account shall increase Revenue of the System for the period in which they are withdrawn, and amounts deposited in the Coverage Stabilization Account shall reduce Revenue of the System for the period during which they are deposited for purposes of measuring compliance with the Rate Covenant. Credits to or from the Coverage Stabilization Account that occur within 90 days after the end of a fiscal year may be treated as occurring within such fiscal year. Earnings on the Coverage Stabilization Account shall be credited to the Revenue Fund.

#### **Section 15: Payments into Revenue Bond Fund**

- A. *Revenue Bond Fund.* A special account of the City known as the “Water and Wastewater Fund — Bond Redemption Subaccount” (the “Revenue Bond Fund”) has been created for the sole purpose of paying and securing the payment of Parity Bonds.
- B. *Payments into Revenue Bond Fund.* As long as the Bonds remain outstanding, the City hereby irrevocably obligates and binds itself to set aside and pay from the Revenue Fund into the Revenue Bond Fund on or before the date due those amounts necessary, together with ULID Assessments deposited and such other money as is on hand and available therefor in the Revenue Bond Fund, to pay the interest or principal and interest next coming due on the Bonds.

As long as the Parity Bonds remain outstanding, the City hereby irrevocably covenants and agrees to pay the ULID Assessments into the Revenue Bond Fund.

Notwithstanding anything in Section 15(F) hereof to the contrary, money in the Revenue Bond Fund may be used to pay arbitrage rebate, if any, to the extent the rebate is attributable to earnings on money in the Revenue Bond Fund.

- C. *Payments into Reserve Account.* The City hereby agrees that a special account to be known as the "Water-Wastewater Bond Fund Reserve Account" (the "Reserve Account") shall be maintained for the purpose of securing the payment of the principal of and interest on all Covered Bonds. The Bonds shall be Covered Bonds, secured by the Reserve Account, if deemed necessary and designated as such by the Designated Representative. To the extent the Bonds are designated as Covered Bonds, the City hereby covenants that the Reserve Requirement for the Bonds will be fully funded as of the date of issuance of the Bonds.

The City covenants and agrees that when the required deposits have been made into the Reserve Account, it will, at all times for so long as any Covered Bonds remain outstanding, maintain therein an amount at least equal to the Reserve Requirement except for withdrawals therefrom authorized hereinafter. Whenever there is a sufficient amount in the Revenue Bond Fund, including all accounts therein, to pay the principal of, premium, if any, and interest on all outstanding Parity Bonds, the money in the Reserve Account may be used to pay the principal of, premium, if any, and interest on the Parity Bonds secured thereby. Money in the Reserve Account may also be withdrawn to redeem and retire, and to pay the premium, if any, and interest due to such date of redemption, on the outstanding Parity Bonds, as long as the money remaining on deposit in the Reserve Account is at least equal to the Reserve Requirement determined with respect to the Covered Bonds then outstanding.

In the event there shall be a deficiency in the Revenue Bond Fund to meet maturing installments of either interest on or principal of and interest on any Parity Bonds, such deficiency shall be made up from the Reserve Account by the withdrawal of money therefrom. Cash and investments shall be drawn upon prior to any drawing upon a Credit Facility. Any deficiency created in the Reserve Account by reason of any such withdrawal shall then be made up out of Revenue of the System or ULID Assessments within one year after making necessary provision for the payments required to be made by subparagraphs First through Fourth, inclusive, of Section 14(B) of this Ordinance.

If a Credit Event occurs, the Reserve Requirement shall be satisfied (A) within one year after the occurrence of such Credit Event with other Qualified Insurance or another Qualified Letter of Credit, or (B) within three years (in three approximately equal annual installments) after the occurrence of such Credit Event, out of Revenue of the System or ULID Assessments after making necessary provision for the payments required to be made by subparagraphs First through Fourth, inclusive, of Section 14(B) of this Ordinance.

In the event the City issues any Future Parity Bonds that are Covered Bonds, it will provide in the ordinance authorizing the issuance of the same for payment into the Reserve Account out of proceeds of such Future Parity Bonds, Revenue of the System, or ULID Assessments (or, at the option of the City, out of any other funds on hand and legally available therefor) approximately equal additional annual installments so that by three years from the date of issuance of such Future Parity Bonds there will have been paid into the Reserve Account an amount that, together with the money already on deposit therein, will be at least equal to the Reserve Requirement. Such annual payments into the Reserve Account shall be made not later than December 20 of each year.

Notwithstanding anything in this Section to the contrary, the City may fund the Reserve Requirement, in whole or in part, through a surety bond issued by a Qualified Insurer. The amount payable by the Qualified Insurer under such surety bond shall be credited against the amounts otherwise required to be accumulated and maintained in the Reserve Account.

The Reserve Requirement may be maintained by deposits of cash. As used herein, the term "cash" shall include U.S. currency, cash equivalents and evidences thereof, including demand deposits, certified or cashier's check; and the deposit to the Reserve Account may be satisfied initially by the transfer of qualified investments to such account.

- E. *Priority of Lien of Payments into the Revenue Bond Fund.* The amounts so pledged to be paid into the Revenue Bond Fund from the Revenue Fund are hereby declared to be a lien and charge upon the Revenue of the System junior in lien to the Costs of Maintenance and Operation and equal to the lien of the charges upon such Revenue of the System and ULID Assessments that may hereafter be made upon the Revenue of the System and ULID Assessments to pay and secure the payment of the principal of and interest on any Future Parity Bonds, and prior and superior to all other charges of any kind or nature whatsoever.
- F. *Application and Investment of Money in the Revenue Bond Fund.* Money in the Revenue Bond Fund and the Reserve Account shall be invested in any legal investment for City funds. Investments in the Revenue Bond Fund shall mature prior to the date on which such money shall be needed for required interest or principal payments. Investments in any Reserve Account shall mature not later than the last maturity of the Parity Bonds secured thereby.
- G. *Sufficiency of Revenues.* The Council hereby finds and declares that in fixing the amounts to be paid into the Revenue Bond Fund out of the Revenue of the System, it has exercised due regard for the Costs of Maintenance and Operation and has not obligated the City to set aside and pay into such Fund a greater amount of such Revenue than in its judgment will be available over and above the Costs of Maintenance and Operation.

### Section 16: Execution and Authorization of the Bonds

- A. *Execution of the Bonds.* The Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor, shall be attested by the manual or facsimile signature of the City Clerk and shall have the seal of the City impressed or imprinted thereon.
- B. *Authentication of the Bonds.* The executed Bonds shall be delivered to the Registrar for authentication. The Bonds shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification. Only those Bonds that bear a Certificate of Authentication substantially in the form set forth in Exhibit "A" attached hereto and manually executed by an authorized representative of the Registrar shall be valid or obligatory for any purpose or entitled to the benefits of this Ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Ordinance.
- C. *Validity of Signatures.* In case any of the officers who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the City before the Bonds so signed or attested shall have been authenticated or delivered by the Registrar, or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued, and, upon such authentication, delivery and issue, shall be as binding upon the City as though those who signed and attested the same had continued to be such officers of the City. Any Bond may also be signed and attested on behalf of the City by such persons as at the actual date of execution of such Bond shall be the proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

### Section 17: The Registrar

- A. *Registrar Appointed.* The Treasurer has designated the Washington State Fiscal Agent as the City's legally designated fiscal agent with respect to the Bonds. The Council hereby confirms such designation with respect to the Bonds and appoints the Washington State Fiscal Agent as Registrar, authenticating agent, paying agent and transfer agent with respect to the Bonds, subject to the terms and conditions of this Section.
- B. *Delegated Duties.* The Registrar is hereby authorized and directed, on behalf of the City, to authenticate and deliver Bonds initially issued or transferred or exchanged in accordance with the provisions of the Bonds and this Ordinance and to carry out all of the Registrar's powers and duties under this Ordinance and the Agreement for Fiscal Agency Services between the Washington State Finance Committee and the Registrar (as the same may be amended or readopted from time to time).
- C. *Bond Register.* The Bonds shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, at its designated corporate trust office the Bond Register which shall at all times be open to inspection by the City. The City hereby specifies and adopts the system of registration for the Bonds approved by the Washington State Finance Committee.
- D. *Fees and Costs.* The City shall pay to the Registrar from time to time reasonable compensation for all services rendered under this Ordinance together with reasonable expenses, charges, fees of counsel, accountants and consultants and other disbursements, including those of its attorneys, agents and employees, incurred in good faith in and about the performance of their powers and duties under this Ordinance. The administrative fees provided for in this subsection D may be paid from the Revenue Bond Fund.
- E. *Representations.* The Registrar shall be responsible for its representations contained in the Registrar's Certificate of Authentication on the Bonds.
- F. *Ownership Rights.* The Registrar may become the Registered Owner of Bonds with the same rights it would have if it were not the Registrar, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners of the Bonds.
- G. *Cancellation of Surrendered Bonds.* Bonds surrendered to the Registrar for payment, redemption, transfer or exchange, as well as Bonds surrendered by the City for cancellation, shall be canceled immediately by the Registrar and returned to the City. Such Bonds thereafter shall be destroyed.

### Section 18: Book-Entry System Authorized

- A. The Bonds shall be initially issued in the form of a separate, single-certificated, fully registered Bond for each maturity set forth in the Official Notice of Sale, or, if the Bonds are sold by negotiated sale (including a private placement), the Bond Purchase Contract, as provided for in Section 4 of this Ordinance, in the aggregate principal amount of such maturity. Upon initial issuance, the ownership of each Bond may be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the securities depository for the Bonds. Except as provided in subsection D of this Section, all of the Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

- B. With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, neither the City nor the Registrar shall have any responsibility or obligation to any Participant or to any person on behalf of which a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Registrar shall have no responsibility or obligation with respect to: (1) the accuracy of the records of DTC, Cede & Co., or any Participant with respect to any ownership interest in the Bonds; (2) the delivery to any Participant or any other person, other than a Registered Owner, of any notice with respect to the Bonds; or (3) the payment to any Participant or any other person, other than a Registered Owner, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City and the Registrar may treat and consider the Registered Owner of each Bond as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and the interest on the Bonds as provided for in the Official Notice of Sale, or, if the Bonds are sold by negotiated sale (including a private placement), Bond Purchase Contract, and as further provided in this Ordinance and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sums so paid. No person other than a Registered Owner shall receive a certificated Bond evidencing the obligation of the City to make payments of principal, premium, if any, and interest pursuant to this Ordinance. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to the transfer and payment of the Bonds, the phrase "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.
- C. The City heretofore has delivered a Letter of Representations to the Registrar and DTC. The delivery of the Letter of Representations shall not in any way limit the provisions of subsection B of this Section or in any other way impose upon the City any obligation whatsoever with respect to persons having interests in the Bonds other than the Registered Owner. The Registrar shall take all action necessary for all representations of the City in the Letter of Representations with respect to the Registrar, to, at all times, be complied with.
- D. 1. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and to the Registrar, and discharging its responsibilities with respect thereto under applicable law.
2. The City, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the City determines that: (a) DTC is unable to discharge its responsibilities with respect to the Bonds; or (b) a continuation of the requirement that all of the Bonds be registered in the Bond Register in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Bonds.
3. Upon termination of the services of DTC with respect to the Bonds pursuant to subsection D(2)(b) of this Section, or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to subsection D(1) or subsection D(2)(a) of this Section, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found that, in the opinion of the City, is willing and able to undertake such functions upon reasonable and customary terms, the City shall deliver certificated Bonds at the expense of the City, as described in this Ordinance, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the names that the Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance. In the event the Bonds are transferred by the City to fully registered form, the Bonds shall be payable by the Registrar. Thereafter, the principal of the Bonds shall be payable upon due presentment and surrender thereof at the designated corporate trust office of the Registrar; interest shall be paid by check or draft of the Registrar mailed to such Registered Owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. Interest installments may be paid by wire transfer to a Registered Owner within the United States of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by the Registered Owner, and the Bonds shall be transferable as provided in this Ordinance.
- E. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations.
- F. If the Bonds are privately placed with a bank, the City may determine not to comply with this Section if the Designated Representative deems it to be in the best interest of the City.

### **Section 19: Transfer and Exchange of the Bonds**

- A. *Transfer of Bonds.* Each Bond shall be transferable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, upon due completion of the assignment form appearing thereon and upon surrender of such Bond at the designated corporate trust office of the Registrar for cancellation and issuance of a new Bond registered in the name of the transferee, in exchange therefor.
- B. *Exchange of Bonds.* Each Bond shall be exchangeable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, for one or more new Bonds, upon surrender of such Bond at the designated corporate trust office of the Registrar for cancellation.

- C. *Authentication and Delivery of New Bonds.* Whenever a Bond shall be surrendered for transfer or exchange, the Registrar shall authenticate and deliver to the transferee or exchangee, in exchange therefor, a new fully registered Bond or Bonds of any authorized denomination or denominations, of the same maturity and interest rate as, and for the aggregate principal amount of, the Bond being surrendered. Notwithstanding the foregoing sentence, the Registrar is not required to transfer or exchange any Bond during the 15 days preceding any principal or interest payment date.
- D. *Payment of Fees and Costs.* The Registrar shall require the payment by the Registered Owner requesting such transfer or exchange of any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

### **Section 20: Mutilated, Destroyed, Lost or Stolen Bonds**

- A. *Issuance of Substitute Bonds.* If any Bond shall become mutilated, lost, stolen or destroyed, the affected Registered Owner shall be entitled to the issuance of a substitute Bond only as follows:
1. in the case of a lost, stolen or destroyed Bond, the Registered Owner shall: (a) provide notice of the loss, theft or destruction to the City and the Registrar within a reasonable time after the Registered Owner receives notice of the loss, theft or destruction; (b) request the issuance of a substitute Bond; (c) provide evidence, satisfactory to the City and the Registrar, of the ownership and the loss, theft or destruction of the affected Bond; and (d) file in the offices of the City and the Registrar a written affidavit specifically alleging on oath that such Registered Owner is the proper owner, payee or legal representative of such owner or payee of the Bond that has been lost, stolen or destroyed, giving the date the Bond was issued and the number, principal amount and series of such Bond, and stating that the Bond has been lost, stolen or destroyed, and has not been paid and has not been received by such Registered Owner;
  2. in the case of a mutilated Bond, the Registered Owner shall surrender the Bond to the Registrar for cancellation; and
  3. in all cases, the Registered Owner shall provide indemnity against any and all claims arising out of or otherwise related to the issuance of substitute Bonds pursuant to this Section satisfactory to the City and the Registrar.
- Upon compliance with the foregoing, a new Bond of like tenor and denomination, bearing the same number as the mutilated, destroyed, lost or stolen Bond, and with the word "DUPLICATE" stamped or printed plainly on its face, shall be executed by the City, authenticated by the Registrar and delivered to the Registered Owner, all at the expense of the Registered Owner to whom the substitute Bond is delivered. Notwithstanding the foregoing, the Registrar shall not be required to authenticate and deliver any substitute Bond for a Bond which has been called for redemption or which has matured or is about to mature and, in any such case, the principal or redemption price and interest then due or becoming due shall be paid by the Registrar in accordance with the terms of the mutilated, destroyed, lost or stolen Bond without substitution therefor.
- B. *Notation on the Bond Register.* Upon the issuance and authentication of any substitute Bond under the provisions of this Section, the Registrar shall enter upon the Bond Register a notation that the original Bond was cancelled and a substitute Bond was issued therefor.
- C. *Rights of Registered Owners of Substitute Bonds.* Every substituted Bond issued pursuant to this Section shall constitute an additional contractual obligation of the City and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued hereunder unless the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by a bona fide purchaser for value without notice. In the event the Bond alleged to have been destroyed, lost or stolen shall be enforceable by anyone, the City may recover the substitute Bond from the Registered Owner to whom it was issued or from anyone taking under the Registered Owner except a bona fide purchaser for value without notice.
- D. *Exclusive Rights.* All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or of investment or other securities without their surrender.

### **Section 21: Defeasance of the Bonds**

In the event that money and/or Government Obligations, maturing or having guaranteed redemption prices at the option of the owner at such times and bearing interest to be earned thereon, in such amounts as are sufficient (together with any resulting cash balances) to redeem and retire part or all of the Bonds in accordance with their terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Revenue Bond Fund or any account therein for the payment of the principal of and interest on the certain Bonds so provided for, and such Bonds and interest accrued thereon shall no longer be deemed to be Outstanding hereunder.

If the principal or redemption price of any Bonds becoming due, at maturity or otherwise, together with all interest accruing thereon to the due date, has been paid or provision therefor has been made in accordance with this Section, all interest on such Bonds shall cease to accrue on the due date and all liability of the City with respect to such Bonds shall likewise cease, except as hereinafter provided. Thereafter the Registered Owners of such Bonds shall be



restricted exclusively to the funds so deposited for any claim of whatsoever nature with respect to such Bonds, and the Registrar shall hold such funds in trust for such Registered Owners uninvested and without interest.

## Section 22: Bond Covenants

- A. *Maintenance and Operation.* The City shall at all times maintain, preserve and keep the properties of the System in good repair, working order and condition and will from time to time make all necessary and proper repairs, renewals, replacements, extensions and betterments thereto, so that at all times the business carried on in connection therewith will be properly and advantageously conducted, and the City will at all times operate or cause to be operated said properties of the System and the business in connection therewith in an efficient manner and at a reasonable cost
- B. *Rate Covenant.* The City will establish, maintain and collect such rates and charges, which shall be fair and nondiscriminatory, for service of its System as will maintain the Rate Covenant for so long as any Parity Bonds are outstanding.
- C. *Maintain Revenue Fund Balance.* After making or providing for the payments from the Revenue Fund as required by Section 14 hereof, there shall be maintained in the Revenue Fund sufficient money to enable the City to meet the Costs of Maintenance and Operation of the System on a current basis.
- D. *Sale or Disposition of the System.* The City will not sell or otherwise dispose of the System in its entirety unless simultaneously with such sale or other disposition, provision is made for the payment into the Revenue Bond Fund of cash or Government Obligations sufficient together with interest to be earned thereon to pay the principal of and interest on the then-outstanding Parity Bonds, nor will it sell or otherwise dispose of any part of the useful operating properties of the System unless such facilities are replaced or provision is made for payment into the Revenue Bond Fund of the greatest of the following:
1. An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (defined as the total amount of the Parity Bonds less the amount of cash and investments in the Revenue Bond Fund and accounts therein) that the Revenue from the portion of the System sold or disposed of for the preceding year bears to the total Net Revenue for such period; or
  2. An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (as defined above) that the Net Revenue from the portion of the System sold or disposed of for the preceding year bears to the total Net Revenue for such period; or
  3. An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (as defined above) that the depreciated cost value of the facilities sold or disposed of bears to the depreciated cost value of the entire System immediately prior to such sale or disposition.

The proceeds of any such sale or disposition of a portion of the properties of the System (to the extent required above) shall be paid into the Revenue Bond Fund.

Notwithstanding any other provision of this subsection D, the City may sell or otherwise dispose of any of the works, plant, properties and facilities of the System or any real or personal property comprising a part of the same which shall have become unserviceable, inadequate, obsolete or unfit to be used in the operation of the System, or no longer necessary, material to or useful in such operation, without making any deposit into the Revenue Bond Fund.

- E. *Liens or Encumbrances.* The City will not at any time create or permit to accrue or to exist any lien or other encumbrance or indebtedness upon the System or the Revenue of the System, or any part thereof, prior or superior to the lien thereon for the payment of the Parity Bonds, and will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the Revenue of the System, or any part thereof, or upon any funds in the hands of the City, prior to or superior to the lien of the Parity Bonds, or which might impair the security of the Parity Bonds.
- F. *Insurance.* The City will keep the works, plants and facilities comprising the System insured, and will carry such other insurance, with responsible insurers, with policies payable to the City, against risks, accidents or casualties, at least to the extent that insurance is usually carried by private corporations operating like properties, or will implement a self-insurance program with reserves adequate, in the judgment of the Council, to protect the City and the holders of Parity Bonds against loss. In the event of any loss or damage, the City will promptly repair or replace the damaged portion of the insured property and apply the proceeds of any insurance policy for that purpose; or in the event the City should determine not to repair or reconstruct such damaged portion of the properties of the System, the proceeds of such insurance shall be paid into any Reserve Account to the extent that such transfer shall be necessary to make up any deficiency in said Reserve Account and the balance, if any, shall, at the option of the City, be used either for repairs, renewals, replacements, or capital additions to the System, for the redemption of Parity Bonds, or for deposit into the Revenue Bond Fund.
- G. *Books and Accounts.* The City shall keep proper books of account in accordance with any applicable rules and regulations prescribed by the State of Washington. The City shall prepare, and any owner or holder of Parity Bonds may, upon written request, obtain copies of, balance sheets and profit and loss statements showing in reasonable

detail the financial condition of the System as of the close of each year, and the income and expenses of such year, including the amounts paid into the Revenue Fund, the Revenue Bond Fund, and into any and all special funds or accounts created pursuant to the provisions of this Ordinance, and the amounts expended for maintenance, renewals, replacements, and capital additions to the System.

- H. *Additions and Improvements.* The City will not expend any of the revenues derived by it from the operation of the System or the proceeds of any indebtedness payable from the Revenue of the System for any extensions, betterments or improvements to the System that are not legally required or economically sound, and that will not properly and advantageously contribute to the conduct of the business of the System in an efficient manner.
- I. *Collection and Application of ULID Assessments.* As long as the Parity Bonds remain outstanding, all ULID Assessments shall be paid into the Revenue Bond Fund and shall be used to pay and secure the payment of the principal of and interest on the Parity Bonds. Nothing in this Ordinance or this section shall be construed to prohibit the City from issuing water, wastewater or water and wastewater system revenue bonds junior in lien to the Bonds and pledging as security for their payment assessments levied in any ULID which may have been specifically created to pay part of the cost of improvements to the System for which those junior lien bonds were specifically issued.
- J. *Collection of Delinquent ULID Assessments.* The City will, on or before April 1 of each calendar year, determine all ULID Assessments or installments thereof that are delinquent and will take all necessary action to enforce payment of such ULID Assessments, including real property foreclosure actions pursuant to applicable law, or its successor statute, if any, against the property owners whose ULID Assessments are delinquent.
- K. *No Free Service.* Unless permitted by law or City policy, the City will not furnish or supply or permit the furnishing or supplying of any commodity, service or facility furnished by or in connection with the operation of the System, free of charge to any person, firm or corporation, public or private, so long as any Bonds are outstanding and unpaid.

### **Section 23: Tax Covenants**

- A. *Compliance With the Code.* The City covenants to comply with each requirement of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, the City covenants to comply with the provisions of the Tax Certificate executed by the City on the date of initial issuance and delivery of the Bonds, as such Tax Certificate may be amended from time to time.
- B. *Necessary Payments.* The City covenants to make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148 of the Code.
- C. *Survival of Tax Covenants* Notwithstanding any other provision of this Ordinance to the contrary, so long as necessary in order to maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes, the covenants contained in this Section shall survive the payment of the Bonds and the interest thereon, including any payment or defeasance thereof pursuant to Section 21 of this Ordinance.
- D. *Remedies.* Notwithstanding any other provision of this Ordinance to the contrary: (1) upon the City's failure to observe or refusal to comply with the above covenants, the Registered Owners, or any trustee acting on their behalf, shall be entitled to the rights and remedies provided to the Registered Owners under this Ordinance; and (2) neither the holders or Registered Owners of bonds of any series other than Bonds, nor a trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Registered Owners under this Ordinance based upon the City's failure to observe, or refusal to comply with, the above covenants.

### **Section 24: Issuance of Future Parity Bonds**

- A. *Conditions upon the Issuance of Future Parity Bonds.* The City hereby reserves the right to issue Future Parity Bonds, which shall constitute a charge and lien upon the Revenue of the System equal to the lien thereon of the Bonds. Except as provided in subsection (C) below, the City shall not issue any series of Future Parity Bonds or incur any additional indebtedness with a parity lien or charge on Net Revenues (i.e., on a parity of lien with Parity Bonds at the time outstanding) unless:
  - 1. the City shall not have been in default of its Rate Covenant for the immediately preceding fiscal year, without regard to transfers from the Coverage Stabilization Account;
  - 2. the ordinance authorizing the issuance of such Future Parity Bonds shall include the covenants provided in Section 22(B) hereof; and
  - 3. there shall have been filed a certificate (prepared as described in subsection (C) or (D) below) demonstrating fulfillment of the Parity Requirement, commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued no longer will be paid from the proceeds of such series of Future Parity Bonds.
- B. *No Certificate Required.* The certificate described in the foregoing subsection (A)(3) shall not be required as a condition to the issuance of Future Parity Bonds:

1. if the Future Parity Bonds being issued are for the purpose of refunding outstanding Parity Bonds; or
  2. if the Future Parity Bonds are being issued to pay costs of construction of facilities of the System for which Future Parity Bonds have been issued previously and the principal amount of such Future Parity Bonds being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of Future Parity Bonds theretofore issued for such facilities and reasonably allocable to the facilities to be completed as shown in a written certificate of the Designated Representative, and there is delivered a Designated Representative's certificate stating that the nature and purpose of such facilities has not materially changed.
- C. *Certificate of the City Without A Consultant.* If required pursuant to the foregoing subsection (A)(3), a certificate may be delivered by the City (executed by the Designated Representative) without a Consultant if Net Revenues for the Base Period conclusively demonstrate that the Parity Requirement will be fulfilled commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued will not be paid from the proceeds of such series of Future Parity Bonds.
- D. *Certificate of a Consultant.* Unless compliance with the requirements of subsection (A)(3) have been otherwise satisfied (as provided in subsection (B) or (C) above), compliance with the Parity Requirement shall be demonstrated conclusively by a certificate of a Consultant.

In making the computations of Net Revenues for the purpose of certifying compliance with the Parity Requirement, the Consultant shall use as a basis the Net Revenues (which may be based upon unaudited financial statements of the City if the audit has not yet been completed) for the Base Period. Such Net Revenues shall be determined by adding the following:

1. The historical net revenue of the City for the Base Period being issued as determined by a Consultant.
2. The net revenue derived from those customers of the City that have become customers during such 12-month period or thereafter and prior to the date of such certificate, adjusted to reflect a full year's net revenue from each such customer to the extent such net revenue was not included in (1) above.
3. The estimated annual net revenue to be derived from any person, firm, association, private or municipal corporation under any executed contract for service, which net revenue was not included in any of the sources of net revenue described in this subsection (D).
4. The estimated annual net revenue to be derived from the operation of any additions or improvements to or extensions of the City under construction but not completed at the time of such certificate and not being paid for out of the proceeds of sale of such Future Parity Bonds being issued, and which net revenue is not otherwise included in any of the sources of net revenue described in this subsection (D).
5. The estimated annual net revenue to be derived from the operation of any additions and improvements to or extensions of the City being paid for out of the proceeds of sale of such Future Parity Bonds being issued.

In the event the City will not derive any revenue as a result of the construction of the additions, improvements or extensions being made or to be made to the System within the provisions of subparagraphs (4) and (5) immediately above, then the estimated normal Costs of Maintenance and Operation (excluding any transfer of money to other funds of the City and license fees, taxes and payments in lieu of taxes payable to the City) of such additions, improvements and extensions shall be deducted from estimated annual net revenue.

The words "historical net revenue" or "net revenue" as used in this subsection (D) shall mean the Revenue of the System or any part or parts thereof less the normal expenses of maintenance and operation of the System or any part or parts thereof, but before depreciation. Such "historical net revenue" or "net revenue" shall be adjusted to reflect the rates and charges effective on the date of such certificate if there has been any change in such rates and charges during or after such 12-consecutive-month period.

- E. *Junior Liens.* Nothing herein contained shall prevent the City from issuing revenue bonds or other obligations that are a charge upon the Revenue of the System junior or inferior to the payments required by this Ordinance to be made out of such Revenue into the Revenue Bond Fund and accounts therein to pay and secure the payment of any outstanding Parity Bonds.
- F. *Refunding to Avoid Default.* Nothing herein contained shall prevent the City from issuing revenue bonds to refund maturing Parity Bonds for the payment of which money is not otherwise available.

## **Section 25: Amendments to Ordinance**

- A. *Amendments Not Requiring Registered Owner Consent.* The Council may adopt at any time ordinances supplemental hereto, which ordinances thereafter shall become a part of this Ordinance, for any one or more of all of the following purposes:
1. to add to the covenants and agreements of the City in this Ordinance, other covenants and agreements thereafter to be observed, which shall not materially adversely affect the interests of the holders of any Parity Bonds, or to surrender any right or power herein reserved.
  2. to make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this Ordinance or any ordinance authorizing future Parity Bonds in regard to

matters or questions arising under such ordinances as the Council may deem necessary or desirable and not inconsistent with such ordinances and which shall not adversely affect, in any material respect, the interest of the holders of Parity Bonds.

Any such supplemental ordinance may be adopted without the consent of the Registered Owners of any Parity Bonds at any time Outstanding, notwithstanding any of the provisions of subsection B of this Section.

- B. *Amendments Requiring Registered Owner Consent.* With the consent of the holders of not less than 50% in aggregate principal amount of the Parity Bonds at the time outstanding, the Council may pass an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Ordinance or of any supplemental ordinance; provided, however, that no such supplemental ordinance shall:
1. extend the fixed maturity of any Parity Bonds, or reduce the rate of interest thereon, or extend the time of payment of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the holder of each bond so affected; or
  2. reduce the aforesaid percentage of bondholders required to approve any such supplemental ordinance, without the consent of the holders of all of the Parity Bonds then outstanding.

It shall not be necessary for the consent of bondholders under this subsection B to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

For the purpose of consenting to amendments under this Section 25(B) except for amendments that alter the interest rate on any Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Parity Bonds, the issuer of a Credit Facility shall be deemed to be the sole Registered Owner of the Parity Bonds that are payable from such Credit Facility and that are then outstanding.

- C. *Effect of Supplemental Ordinances.* Upon the passage of any supplemental ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City under this Ordinance and all holders of Parity Bonds outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendments, and all terms and conditions of any such supplemental ordinance shall be deemed to be part of the terms and conditions of this Ordinance for any and all purposes.

## **Section 26: Sale and Delivery of the Bonds and Taking of Other Actions Authorized**

The Council hereby authorizes and directs each of the Mayor, the Chief Financial Officer, the Director of the Utilities Division, the City Clerk, the Treasurer, the Municipal Advisor and Bond Counsel, to prepare, execute and deliver the Bonds to the Underwriter, or in the case of a private placement with a bank, to the bank, and for the proper application and use of the proceeds of the sale thereof, including:

- A. preparing the final official statement regarding the Bonds, if the Bonds are publicly offered; and
- B. executing such certificates and receipts as may be necessary to properly document the issuance of the Bonds.

In addition, the Mayor, the Chief Financial Officer, the Director of the Utilities Division, the City Clerk, the Treasurer, the Municipal Advisor and Bond Counsel, are hereby authorized by the Council to execute and deliver such other certificates, agreements and documents, and to take such other actions on behalf of the City as may be reasonable and necessary:

- A. to facilitate the issuance and sale of the Bonds;
- B. to meet all provisions of the Code in order to maintain tax-exempt status of the Bonds; and
- C. in connection with any matters related thereto, until the final maturity date of the Bonds or redemption, whichever occur first.

## **Section 27: The Preliminary Official Statement**

If the Bonds are publicly offered, the Council hereby delegates authority to the Designated Representative to determine all acts to be undertaken by the City's officers, employees and agents with respect to the preparation and distribution of the preliminary official statement regarding the Bonds, including any action taken to deem such preliminary official statement final as of its date except for the omission of information dependent upon the pricing of the issue and the completion of the underwriting agreement, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates and other terms of the Bonds dependent on the foregoing matters. The City agrees to cooperate with the Underwriter to deliver or cause to be delivered, within seven business days from the date of the sale date of the Bonds and in sufficient time to accompany any confirmation that requests payment from any customer of the Underwriter, copies of a final official statement in sufficient quantity to comply with the rules of the MSRB and paragraph (b)(4) of Securities and Exchange Commission Rule 15c2-12.

**Section 28: Covenant to Provide Continuing Disclosure**

The City covenants to execute and deliver at the time of issuance of the Bonds a Continuing Disclosure Undertaking in substantially the form set forth in Exhibit "C" attached hereto and by this reference incorporated herein. The Designated Representative is authorized and directed to execute and deliver a Continuing Disclosure Undertaking upon the sale, issuance and delivery of the Bonds with such terms and provisions as such officer shall deem appropriate and in the best interest of the City, upon consultation with Bond Counsel. The City hereby reserves the right to comply with this Section by meeting its annual disclosure requirements through any system approved by the SEC. All required filings shall be made in an electronic format as prescribed by the MSRB.

**Section 29. Contract; Severability**

The covenants contained in this Ordinance and in the Bonds shall constitute a contract between the City and the holder of each and every Bond. All the covenants, promises and agreements in this Ordinance contained by or on behalf of the City, or by or on behalf of the Registrar, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

If any one or more of the covenants or agreements provided in this Ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenants or agreements shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Ordinance and shall in no way affect the validity of the other provisions of this Ordinance or of any Bonds.

Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon or give to any person other than the City, the Registrar and the Registered Owners any rights, remedies or claims under or by reason of this Ordinance or any covenant, condition or stipulation thereof; and all of the covenants, stipulations, promises and agreements in this Ordinance contained by or on behalf of the City shall be for the sole and exclusive benefit of the City, the Registrar and the Registered Owners.

**Section 30: No Personal Recourse**

No recourse shall be had for any claim based on this Ordinance or Bonds against any Council member, officer or employee, past, present or future, of the City or of any successor body as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

**Section 31: Ratification**

All actions not inconsistent with the provisions of this Ordinance heretofore taken by the Council and the City's employees with respect to the adoption of this Ordinance and the issuance, sale and delivery of the Bonds, are hereby in all respects ratified, approved and confirmed.

**Section 32: Repealer**

All ordinances or resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

**Section 33: Effective Date**

The Council hereby finds and determines that the issuance and sale of the Bonds at this time will benefit the City by allowing the City to take advantage of current interest rates for tax-exempt bonds. In making such finding and determination, the Council has given consideration to the interest that will be payable on the Bonds through the maturity of the Bonds, the costs of issuance of the Bonds and the net present value savings due to the defeasance and/or refunding of the Refunded Bonds. In order to take advantage of current interest rates and maximum savings to the City's ratepayers, it is essential to accept the Bond Purchase Contract or accept the Approved Bid at a competitive sale, as applicable, as quickly as possible. Based upon said facts, an emergency and urgency is declared and found to exist as necessary for the immediate support of City government and its existing public institutions. Based upon said emergency and urgency, this Ordinance shall become effective immediately upon its passage.

**Note:** Attachments are on file in the City Clerk's office.

**Passed by City Council April 21, 2025**

**Delivered to Mayor April 23, 2025**

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**ORDINANCE NO. C36666**

An ordinance titled “Ban The Address” and expanding fair chance hiring practices and amending sections 9.02.010 through 9.02.050 and sections 9.03.010 and 9.03.020 of the Spokane Municipal Code.

**WHEREAS**, the City of Spokane knows the issue of homelessness is one of the most pressing and complex situations encountered by our society; and

**WHEREAS**, in developing public policy to address homelessness, emphasis should be given to attending to the basic needs of the unhoused while preserving the dignity of these individuals and their circumstances; and

**WHEREAS**, unhoused and homeless individuals represent a diverse range of ages, education and backgrounds, and vary in their unmet basic needs, talents and dreams, but all are possessed of inner and outer strengths that can be harnessed to improve their situation and benefit society as a whole; and

**WHEREAS**, respect for the dignity of human beings and equality before the law are principles which are fundamental and nonexpendable to guarantee the common good and healthy community living as people; and

**WHEREAS**, research consistently reveals that one of the primary cause of homelessness includes unemployment; and

**WHEREAS**, many people experiencing homelessness desire to have a job and are often disqualified because of their housing status, leading to the outcome that people experiencing homelessness are unemployed or underemployed at disproportionately high rates; and

**WHEREAS** people experiencing homelessness are typically at a disadvantage when applying for employment due to the stigma of being unhoused; and

**WHEREAS**, some questions on job applications often disqualify or deter job seekers that are houseless, and;

**WHEREAS**, there are local organizations in the City of Spokane that provide assistance by allowing people who are unhoused to use their address or P.O. box for the purpose of gaining employment; and

**WHEREAS**, the City of Spokane should reassert its commitment to the constitutional principle that all people are equal before the law and that there must be no employment discrimination whatsoever on the basis of protected status as recognized in state and federal law, and in the Spokane Municipal Code; and

**WHEREAS**, the City of Spokane wishes to remove unfair barriers to employment of homeless individuals and expand protections for people who are unhoused, and allow for a more expansive opportunity for gainful employment.

**WHEREAS**, Spokane would be the first jurisdiction in the nation to implement a “Ban the Address” ordinance;

**NOW THEREFORE**, the City of Spokane does ordain:

**Section 1.** That section 9.02.010 of the Spokane Municipal Code is amended to read as follows:

**Section 09.02.010 Findings**

The City of Spokane finds that many qualified job applicants who have some kind of criminal record simply cannot obtain employment due to early screening or advertising which excludes them from the applicant pool. Many individuals who have criminal records could show themselves to be both highly qualified and well-suited for employment in an interview, yet many do not even reach that stage due to screening criteria which make those with criminal records immediately disqualified for work. People with criminal records who cannot find work are forced to rely on public assistance and may be more likely than those who can secure work to re-offend.

The City of Spokane further finds that some individuals experiencing homelessness have faced barriers in seeking employment that arise from their housing status. It is a priority that the City invest and commits to reducing the impacts of homelessness in the community and also consider that the greatest way out of homelessness is a job, dignity, and purpose. The city has determined that employment discrimination solely based on housing status cannot be allowed.

**Section 2.** That section 9.02.020 of the Spokane Municipal Code is amended to read as follows:

**Section 09.02.020 Purpose**

- A. The City of Spokane intends to ensure that people who have completed a sentence for a past criminal conviction are not forever branded as unworthy or unable to participate in the life of the community, a central part of which is the ability to compete for employment in Spokane.

- B. The City of Spokane intends to also ensure that housing status does not brand individuals as unworthy or unable to participate in the life of the community, a central part of which is the ability to compete for employment in Spokane.
- ((B)) C. The City intends to ensure that all employers have clear guidance on when they can inquire about criminal records of job applicants, in an effort to provide predictability, certainty, and fairness to both employers and job applicants.
- ((G)) D. The City intends to assure employers that they may still conduct criminal background checks necessary for their specific employment purposes, and to set certain minimum and non-intrusive standards for doing so.
- E. Nothing contained in this chapter is intended to be nor shall be construed to create or form the basis for any liability on the part of the City, or its officers, employees or agents for any injury or damage resulting from or by reason of any act or omission in connection with the implementation or enforcement of this chapter on the part of the City by its officers, employees or agents.
- ((E)) F. Nothing in this chapter shall constitute or be construed to create a private right of action under state law or form a basis for relief in the state courts. It is the intent of this chapter that all causes of action for violations of the chapter shall lie with the City of Spokane municipal court.
- ((F)) G. Nothing in this chapter shall be deemed to deny any person the right to institute any action or to pursue any civil or criminal remedy for the violation of such person's civil rights.

**Section 3.** That section 9.02.030 of the Spokane Municipal Code is amended to read as follows:

#### **Section 09.02.030 Definitions**

- A. "Arrest or Conviction Record" means any record or information about a citation or arrest for criminal conduct, including records relating to probable cause to arrest, and includes any record about a criminal or juvenile case filed with any court, whether or not such a case resulted in a finding of guilt, has been vacated, or overturned on appeal.
- B. "Employment" means any individual occupation, vocation, job, or work for pay, including temporary or seasonal work, and work through the services of a temporary or other employment agency.
- C. "Employer" means any individual, partnership, association, corporation, business trust, contractor, temporary staffing agency, training and apprenticeship program, job placement, referral and employment agency, or any person or group of persons acting directly or indirectly and within the city limits of Spokane, in the interest of an employer in relation to an employee; provided, however, that the term "employer" does not include: (i) the City of Spokane (which is covered under chapter 09.03, SMC); (ii) the United States, any agency or instrumentality of the United States, or any corporation wholly owned by the government of the United States; (iii) the State of Washington; (iv) Spokane County; or (v) any federally-recognized Indian tribe.
- D. "Homelessness" means not having a fixed or regular residence, including the state of being homeless or unhoused, living on the streets, in a shelter, or in a temporary residence.
- E. "Housing status" means the question whether a specific individual is experiencing homelessness.
- ((D)) F. "Otherwise qualified" means that the applicant meets the basic criteria for the position as set out in the advertisement or job description without taking into account housing status or the existence or absence of a criminal conviction or arrest record.

**Section 4.** That section 9.02.040 of the Spokane Municipal Code is amended to read as follows:

#### **Section 09.02.040 Applicability**

- A. This chapter does not apply:
1. to any employer hiring an employee who will have unsupervised access to children under the age of eighteen, a vulnerable adult as defined in RCW 74.34.020(21), or a vulnerable person as defined in RCW 9.96A.060;
  2. to employers who are expressly permitted or required under any federal or Washington state law to inquire into, consider, or rely on information about an applicant's arrest or conviction record for employment purposes;
  3. to any General Authority Washington law enforcement agency as defined in RCW 10.93.020(1); or
  4. where criminal background checks are specifically permitted or required under state or federal law.
- B. Nothing in this chapter shall be construed to protect criminal conduct.
- C. Nothing in this chapter shall be interpreted or applied as imposing an obligation on the part of an employer to provide accommodations or job modifications in order to facilitate the employment or continued employment of an applicant with an arrest or conviction record or who is facing pending criminal charges.

- ((C))D. Nothing in this chapter prohibits an employer from declining to hire an applicant with a criminal record or from terminating the employment of an employee with a criminal record.
- E. Nothing in this chapter shall be interpreted or applied as imposing an obligation on the part of an employer to provide accommodations or job modifications in order to facilitate the employment or continued employment of an individual experiencing homelessness.
- F. Nothing in this chapter prohibits an employer from declining to hire an applicant experiencing homelessness or from terminating the employment of an employee experiencing homelessness, if the termination or refusal to hire an applicant is not solely based on housing status.

**Section 5.** That section 9.02.050 of the Spokane Municipal Code is amended to read as follows:

#### **Section 09.02.050 Prohibition**

- A. No employer shall:
1. advertise applicable employment openings in a way that excludes people with arrest or conviction records from applying, such as using advertisements which state “no felons,” “no criminal background,” or which otherwise convey similar messages; provided, employers may advertise the requirement for a criminal history inquiry and/or background check during or after the interview process as long as such advertisement does not state that an arrest or conviction record will automatically preclude the applicant from consideration for employment;
  2. include any question in an application for applicable employment, inquire orally or in writing, receive information through a criminal history background check, or otherwise obtain information about an applicant’s arrest or conviction record prior to an in-person, telephonic, or video interview or received a conditional offer of employment;
  3. use, distribute, or disseminate an applicant’s or employee’s arrest or conviction record except as required or otherwise allowed by law;
  4. disqualify an applicant from applicable employment prior to an in-person, telephonic, or video interview solely because of a prior arrest or conviction unless the conviction is related to significant duties of the job or disqualification is otherwise allowed by this chapter; or
  5. reject or disqualify an applicant for failure to disclose a criminal record prior to initially determining the applicant is otherwise qualified for the position; or
  6. discriminate against an applicant based on the address provided during any portion of the application process, nor shall an employer reject or disqualify an applicant solely because the individual does not have a fixed or regular residence, or because the individual is homeless or unhoused, or because the individual lives on the street, in a shelter, or in a temporary residence, unless the individual’s housing status has a bona fide and legitimate relation to the primary duties of the job and such rejection or disqualification would also violate state or federal employment laws or regulations; or
  7. include any question in an application or inquire orally or in writing any question related to housing status; provided it shall not be a violation of this section for an employer to include an opportunity for an applicant to provide a mailing address or other means of contacting an applicant as part of the application process.
- B. Nothing in this chapter prohibits an employer from inquiring into or obtaining information about a job applicant’s criminal conviction or arrest record or background, and considering the information received regarding such record during an in-person, telephonic, or video interview, or after the conclusion of such a job interview, or after a conditional offer of employment, and using such information in a hiring decision.

**Section 6.** That section 9.03.010 of the Spokane Municipal Code is amended to read as follows:

#### **Section 09.03.010 Purpose and Intent**

The City of Spokane intends to ensure that its hiring practices for City employment provide applicants who are experiencing homelessness or who have criminal arrest or conviction records an equal opportunity to obtain employment with the City. ~~((This chapter is intended to implement guidance first published by the Equal Employment Opportunity Commission (“EEOC”) over two decades ago and last updated in 2012, to ensure that the City of Spokane fully complies with federal law.))~~

**Section 7.** That section 09.03.020 of the Spokane Municipal Code is amended to read as follows:

#### **Section 09.03.020 Statement of Policy**

- A. No person may be disqualified from employment with the City due solely, or in part, to the existence of a prior criminal arrest or conviction, or prior felony conviction that occurred within the past ten (10) years, unless the crime for which the individual was convicted directly relates to the job position sought.
- B. No person may be disqualified from employment with the City due solely, or in part, to their housing status unless it directly relates to the job position sought.



- ((B)) C. The City of Spokane's use of applicant criminal arrest and conviction information will be based solely on the relationship between the past felony conviction and the potential risk to the City and its employees, residents, customers, and contractors.
- D. The City of Spokane will at all times comply with any federal or state law or regulation pertaining to background checks.

**Section 8. Severability.** If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

**Section 9. Clerical Errors.** Upon approval by the city attorney, the city clerk is authorized to make necessary corrections to this ordinance, including scrivener's errors or clerical mistakes; references to other local, state, or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

**Passed by City Council April 21, 2025**

**Delivered to Mayor April 23, 2025**

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### ORDINANCE NO C36672

AN ORDINANCE AMENDING ORDINANCE NO. C36626, PASSED BY THE CITY COUNCIL ON DECEMBER 9, 2024, AND ENTITLED IN PART "AN ORDINANCE ADOPTING A BIENNIAL BUDGET FOR THE CITY OF SPOKANE", MAKING APPROPRIATION ADJUSTMENTS FOR YEAR 2025, AND DECLARING AN EMERGENCY.

**WHEREAS**, subsequent to the adoption of the biennial budget Ordinance No. C36626, as above entitled in part, and which passed the City Council December 9, 2024, it is necessary to make changes in the appropriations of the Miscellaneous Grants Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

**WHEREAS**, this ordinance has been on file in the City Clerk's Office for five days;

**NOW, THEREFORE**, the City Council of Spokane does ordain:

**Section 1.** That in the budget of the Miscellaneous Grants Fund, and the budget annexed thereto with reference to the Fund, the following changes be made:

- 1) Decrease appropriation by \$145,620.00.
  - A) Of the decreased appropriation, \$37,000.00 is reduced solely from Personnel Salaries and Benefits for Community Court Administrative Office of the Courts (AOC) grant.
  - B) Of the decreased appropriation, \$28,620.00 is reduced solely from Personnel Salaries and Benefits for Domestic Violence Intervention Therapeutic Court (DVITC) AOC grant.
  - C) Of the decreased appropriation, \$45,000.00 is reduced solely from Personnel Salaries and Benefits for Drug Court AOC grant.
  - D) Of the decreased appropriation, \$30,000.00 is reduced solely from Personnel Salaries and Benefits for DUI Court AOC grant.
  - E) Of the decreased appropriation, \$5,000.00 is reduced solely from Professional Services for Veterans Court AOC grant.
- 2) Increase appropriation by \$26,825.50.
  - A) Of the increased appropriation, \$8,000.00 is provided solely for Professional Services for Community Court AOC grant.
  - B) Of the increased appropriation, \$18,825.50 is provided solely for Professional Services for DVITC AOC grant.
- 3) Decrease revenue by \$118,794.50.
  - A) Of the decreased revenue, \$29,000.00 is reduced solely from Other Judicial Agencies – AOC Community Court grant.
  - B) Of the decreased revenue, \$9,794.50 is reduced solely from Other Judicial Agencies – AOC DVITC grant.
  - C) Of the decreased revenue, \$45,000.00 is reduced solely from Other Judicial Agencies – AOC Drug Court grant.
  - D) Of the decreased revenue, \$30,000.00 is reduced solely from Other Judicial Agencies – AOC DUI Court grant.
  - E) Of the decreased revenue, \$5,000.00 is reduced solely from Other Judicial Agencies – AOC Veterans Court grant.

**Section 2.** It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from amended grant award letters issued by AOC, reducing the awards to Municipal Court, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage.

**Passed by City Council April 21, 2025**  
**Delivered to Mayor April 23, 2025**

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### ORDINANCE NO C36673

AN ORDINANCE AMENDING ORDINANCE NO. C36626, PASSED BY THE CITY COUNCIL ON DECEMBER 9, 2024, AND ENTITLED IN PART "AN ORDINANCE ADOPTING A BIENNIAL BUDGET FOR THE CITY OF SPOKANE", MAKING APPROPRIATION ADJUSTMENTS FOR YEAR 2025, AND DECLARING AN EMERGENCY.

**WHEREAS**, subsequent to the adoption of the biennial budget Ordinance No. C36626, as above entitled in part, and which passed the City Council December 9, 2024, it is necessary to make changes in the appropriations of the Fleet Services Equipment Replacement Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

**WHEREAS**, this ordinance has been on file in the City Clerk's Office for five days;

**NOW, THEREFORE**, the City Council of Spokane does ordain:

**Section 1.** That in the budget of the Fleet Services Equipment Replacement Fund, and the budget annexed thereto with reference to the Fund, the following changes be made:

- 1) Increase appropriation by \$200,000.
- A) Of the increased appropriation, \$85,000 is provided solely for vehicles.
- B) Of the increased appropriation, \$115,000 is provided solely for machinery and equipment.

**Section 2.** It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from the opportunity to purchase and add equipment to vehicles and at the end of their lease term, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage.

**Passed by City Council April 21, 2025**  
**Delivered to Mayor April 23, 2025**

# Job Opportunities

**We are an equal opportunity employer and value diversity within our organization. We do not discriminate on the basis of race, religion, color, national origin, gender identity, sexual orientation, age, marital status, familial status, genetic information, veteran/military status, or disability status.**

## AMENDMENT

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### POLICE RECORDS SPECIALIST

SPN 016

(Announcement of 03/03/2025)

The above titled announcement is hereby amended to read:

**Closing Date: May 26, 2025 at 4:00 PM.**

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# Notice for Bids

## Paving, Sidewalks, Sewer, etc.

### Francis & Assembly Street & Utilities Phase 1 Engineering Services File No. 2021079

This project consists of the construction of approximately 7,000 linear feet of 18-inch water transmission main, a pressure reducing valve station, 2,500 square yards of pavement removal and replacement, 2,000 square yards of sidewalk, sundry utility adjustments, and other related miscellaneous items.

The City of Spokane will receive bids until 1:00 p.m. Monday May 12th, 2025, for the above project located in Spokane, Washington, in accordance with the Contract Documents on file at the Department, Engineering Services. Bids shall be delivered by hand, mail or courier service to Construction Management Office 998 East North Foothills Drive Spokane, WA 99208. Hand delivered bids shall be delivered to the first floor of the Construction Management Office between noon and 1:00 p.m. on bid opening day to the purchasing agent present. All bid packages shall be in sealed envelopes marked with the following text: "Attn: Purchasing - Bid Documents Enclosed, YYY Project", where YYY is the project name.

**Bid delivery noon to 1:00 p.m.:**

**Construction Management Office  
998 East North Foothills Drive  
Spokane, WA 99208**

Gate entrance is off North Foothills Drive. See Map: <https://static.spokanecity.org/documents/business/bidinfo/construction-management-office-location.pdf>

The bids will be publicly opened and read at 1:15 p.m. online using Microsoft Teams. If you would like to view the bid opening, please utilize one of the following options: to watch, go to our website: <https://my.spokanecity.org/business/bid-and-design/current-projects/> click on the link to the Microsoft Teams meeting on the right-hand side of the page. Alternatively, it may be simpler to listen by phone, which can be done as follows: call (323) 618-1887, then enter the access code 533 854 149 followed by #.

The City of Spokane, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252,42 U.S.C. 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

Bids shall be submitted on the forms provided in accordance with the provisions of the Specifications. Irregular bid proposals will be rejected in accordance with the specifications.

Cashier's check, a certified check or surety bond in the sum of five percent (5%) of the Total Project Bid must accompany the copy of the bid filed with the City Clerk. Successful bidder shall execute the Contract within TEN (10) calendar days after receiving the Contract. Should the successful bidder fail to enter into such contract and furnish satisfactory performance bond within the time stated herein, the bid proposal deposit shall be forfeited to the City of Spokane.

The City of Spokane will normally award this Contract or reject bids within FORTY-FIVE (45) calendar days after the time set for the bid opening. If the lowest responsible Bidder and the City of Spokane agree, this deadline may be extended. If they cannot agree on an extension by the 45-calendar day deadline, the City of Spokane reserves the right to Award the Contract to the next lowest responsible Bidder or reject all Bids.

**Note regarding new specifications:** The City of Spokane is using WSDOT's 2025 Standard Specifications.

**Note regarding new apprentice program requirements:** Section 1-07.9(3) herein has been substantially revised including a new state GSP for projects over \$2M.

In accordance with SMC 7.06.500 and RCW 39.04.350(1), the low bidder shall complete the Supplemental Bidder Responsibility Criteria form located in Appendix B. Failure to promptly submit the form including supporting documentation if required may delay award of the Contract.

This project is (funded/partially funded) through the Washington State Public Works Board program with state funds.

All work performed on this project will be subject to state prevailing wage rates. The City of Spokane is an Equal Opportunity Employer.

**\*\*\*\*Time is of the essence due to the length of the construction window and/or the time of year in which the project is being constructed. Please note that various award phase steps have shorter than normal time frames as detailed in section 1-03.3, 1-08.4, and 1-08.5.**

Publish: April 23 and 30, and May 7, 2025

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**Wellesley Ave– Maple to Division Chip Seal  
Engineering Services File No. 2023119**

This project consists of the construction of approximately 30,000 square yards of chip seal, including associated crack sealing, pavement repair, and other related miscellaneous items.

The City of Spokane will receive bids until 1:00 p.m. May 19, 2025, for the above project located in Spokane, Washington, in accordance with the Contract Documents on file at the Department, Engineering Services. Bids shall be delivered by hand, mail or courier service to Construction Management Office 998 East North Foothills Drive Spokane, WA 99208. Hand delivered bids shall be delivered to the first floor of the Construction Management Office between noon and 1:00 p.m. on bid opening day to the purchasing agent present. All bid packages shall be in sealed envelopes marked with the following text: "Attn: Purchasing - Bid Documents Enclosed, YYY Project", where YYY is the project name.

**Bid delivery noon to 1:00 p.m.:**

**Construction Management Office  
998 East North Foothills Drive  
Spokane, WA 99208**

Gate entrance is off North Foothills Drive. See Map: <https://static.spokanecity.org/documents/business/bidinfo/construction-management-office-location.pdf>

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Bids shall be submitted on the forms provided in accordance with the provisions of the Specifications. Irregular bid proposals will be rejected in accordance with the specifications.

Cashier's check, a certified check or surety bond in the sum of five percent (5%) of the Total Project Bid must accompany the copy of the bid filed with the City Clerk. Successful bidder shall execute the Contract within TEN (10) calendar days after receiving the Contract. Should the successful bidder fail to enter into such contract and furnish satisfactory performance bond within the time stated herein, the bid proposal deposit shall be forfeited to the City of Spokane.

The City of Spokane will normally award this Contract or reject bids within FORTY-FIVE (45) calendar days after the time set for the bid opening. If the lowest responsible Bidder and the City of Spokane agree, this deadline may be extended. If they cannot agree on an extension by the 45-calendar day deadline, the City of Spokane reserves the right to Award the Contract to the next lowest responsible Bidder or reject all Bids.

**Note regarding new specifications:** The City of Spokane is using WSDOT's 2025 Standard Specifications.

**Note regarding new apprentice program requirements:** Section 1-07.9(3) herein has been substantially revised including a new state GSP for projects over \$2M.

Publish: April 30, 2025, and May 7 and 14, 2025

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**Freja Street Water Distribution Main  
from 21st Avenue to 13th Avenue  
Engineering Services File No. 2024070**

This project consists of the construction of approximately 3,000 cubic yards of excavation and embankment, 3,100 linear feet of 12-inch water main, 660 linear feet of 6-inch water main, 100 square yards of sidewalk, 6600 square yards of 6-inch thick HMA pavement, 1100 square yards of 4-inch thick HMA pavement, sundry utility adjustments, and other related miscellaneous items.

The City of Spokane will receive bids until 1:00 p.m. Monday, May 19th, 2025, for the above project located in Spokane, Washington, in accordance with the Contract Documents on file at the Department, Engineering Services. Bids shall be delivered by hand, mail or courier service to Construction Management Office 998 East North Foothills Drive Spokane, WA 99208. Hand delivered bids shall be delivered to the first floor of the Construction Management Office between noon and 1:00 p.m. on bid opening day to the purchasing agent present. All bid packages shall be in sealed envelopes marked with the following text: "Attn: Purchasing - Bid Documents Enclosed, YYY Project", where YYY is the project name.

**Bid delivery noon to 1:00 p.m.:**

**Construction Management Office  
998 East North Foothills Drive  
Spokane, WA 99208**

Gate entrance is off North Foothills Drive. See Map: <https://static.spokanecity.org/documents/business/bidinfo/construction-management-office-location.pdf>

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Bids shall be submitted on the forms provided in accordance with the provisions of the Specifications. Irregular bid proposals will be rejected in accordance with the specifications.

Cashier's check, a certified check or surety bond in the sum of five percent (5%) of the Total Project Bid must accompany the copy of the bid filed with the City Clerk. Successful bidder shall execute the Contract within Ten (10) calendar days after receiving the Contract. Should the successful bidder fail to enter into such contract and furnish satisfactory performance bond within the time stated herein, the bid proposal deposit shall be forfeited to the City of Spokane.

The City of Spokane will normally award this Contract or reject bids within FORTY-FIVE (45) calendar days after the time set for the bid opening. If the lowest responsible Bidder and the City of Spokane agree, this deadline may be extended. If they cannot agree on an extension by the 45-calendar day deadline, the City of Spokane reserves the right to Award the Contract to the next lowest responsible Bidder or reject all Bids.

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In accordance with SMC 7.06.500 and RCW 39.04.350(1), the low bidder shall complete the Supplemental Bidder Responsibility Criteria form located in Appendix B. Failure to promptly submit the form including supporting documentation if required may delay award of the Contract.

**\*\*\*\*Time is of the essence due to the length of the construction window and/or the time of year in which the project is being constructed. Please note that various award phase steps have shorter than normal time frames as detailed in section 1-03.3, 1-08.4, and 1-08.5.**

Publish: April 30, 2025 and May 7 and 14, 2025

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**2025043 Local Chip Seal  
Engineering Services File No. 2025043**

This project consists of the construction of approximately 82,500 square yards of chip seal, pavement repair, pre-level, and other related miscellaneous items.

The City of Spokane will receive bids until 1:00 p.m. May 12, 2025, for the above project located in Spokane, Washington, in accordance with the Contract Documents on file at the Department, Engineering Services. Bids shall be delivered by hand, mail or courier service to Construction Management Office 998 East North Foothills Drive Spokane, WA 99208. Hand delivered bids shall be delivered to the first floor of the Construction Management Office between noon and 1:00 p.m. on bid opening day to the purchasing agent present. All bid packages shall be in sealed envelopes marked with the following text: "Attn: Purchasing - Bid Documents Enclosed, YYY Project", where YYY is the project name.

**Please note the location change for bid delivery as of June 2024; the gate entrance is off North Foothills Drive. See Map:** <https://static.spokanecity.org/documents/business/bidinfo/construction-management-office-location.pdf>

**Construction Management Office  
998 East North Foothills Drive  
Spokane, WA 99208**

The bids will be publicly opened and read at 1:15 p.m. online using Microsoft Teams. If you would like to view the bid opening, please utilize one of the following options: to watch, go to our website: <https://my.spokanecity.org/business/bid-and-design/current-projects/> click on the link to the Microsoft Teams meeting on the right-hand side of the page. Alternatively, it may be simpler to listen by phone, which can be done as follows: call (323) 618-1887, then enter the access code 533 854 149 followed by #.

The City of Spokane, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252,42 U.S.C. 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

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**Note regarding new specifications:** The City of Spokane is using WSDOT's 2025 Standard Specifications.

**Note regarding new apprentice program requirements:** Section 1-07.9(3) herein has been substantially revised including a new bid item and larger penalties for non-compliance.

In accordance with SMC 7.06.500 and RCW 39.04.350(1), the low bidder shall complete the Supplemental Bidder Responsibility Criteria form located in Appendix B. Failure to promptly submit the form including supporting documentation if required may delay award of the Contract.

Publish: April 23 and 30, 2025 and May 7, 2025

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# Notice for Bids

## Supplies, Equipment, Maintenance, etc.

**Weishaupt Burner #3 and Boiler Controls Upgrade – Public Works**  
Riverside Park Reclamation Facility  
**Solicitation #6367-25**

**Description:** *The City of Spokane Riverside Park Water Reclamation Facility is seeking a contractor to Upgrade the Burner and Boiler Controls.*

**Pre-Bid Meeting:** A mandatory pre-bid meeting will be held on Tuesday May 13<sup>th</sup>, 2025, at 9:00am  
The location will be the Lobby Area of the Riverside Park Water Reclamation Facility, 4401 N Aubrey L. White Pkwy, Spokane, WA 99205.

**Bid Opening:** Sealed electronic bids will be accepted until **Monday, June 2, 2025, at 1:00pm**. Bids will be publicly opened at 1:15pm. To participate in bid opening, please visit the City's website at <https://my.spokanecity.org/administrative/purchasing/> for the link to attend virtually and the number to attend by telephone. All bid responses must be submitted electronically through the City of Spokane's bidding portal at <https://spokane.procureware.com> before the aforementioned deadline. Hard copy and/or late bids will not be accepted.

The Public Work Invitation to Bid document is available for download through the City of Spokane's online procurement system <https://spokane.procureware.com>. Registration is required to view and download this solicitation. Solicitation documents will not be mailed, e-mailed, or provided in person.

It is the responsibility of Bidders to check the City of Spokane's online procurement system identified above for Addenda or other additional information that may be posted regarding this Public Work Invitation to Bid.

Questions from potential bidders will be accepted through the "Clarifications" tab under the associated project number in the online procurement system.

All Bid documents shall be submitted electronically through the City of Spokane's online procurement system **no later than 1:00 p.m. on Monday, June 2nd, 2025**. Hard copy and/or late submittals will not be accepted. Proposals must be sent sufficiently ahead of time to be received by the required date and time. The City of Spokane is not responsible for Bids submitted late.

The right is reserved to reject any and all Bids and to waive any informalities.

Tanya Lester  
Purchasing Department

Publish: April 23 and 30, 2025

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