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ORDINANCE NO. 00-369

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FEDERAL WAY, WASHINGTON, APPROVING THE FORMATION OF THE VALLEY COMMUNICATIONS CENTER DEVELOPMENT AUTHORITY.

WHEREAS, pursuant to motion, this City Council has approved the Valley Communications Center Agreement (the "Interlocal Agreement"), to be executed between and among the Cities of Auburn, Federal Way, Kent, Renton and Tukwila (collectively, the "Cities") providing for consolidated emergency communications services through an enterprise known as the Valley Communications Center; and

WHEREAS, the Interlocal Agreement contemplates that the Cities, collectively, under the Interlocal Agreement will acquire land and acquire, construct and equip a facility for the operations of the Valley Communications Center (the "Project"); and

WHEREAS, the Cities also are considering the formation of a public authority for the purpose of issuing and servicing bonds in order to provide for the financing of the Project; and

WHEREAS, the City of Kent will act as the host city for the formation, subject to the approval of each of the other Cities;

THE CITY COUNCIL OF THE CITY OF FEDERAL WAY, WASHINGTON DOES ORDAIN AS FOLLOWS:

Section 1. Approval of Formation of the Authority. Pursuant to RCW ch. 39.34 and RCW 35.21.730 through RCW 35.21.755, the City Council of the City of Federal Way ("Federal Way") hereby approves the creation of a public authority by the City of Kent to be designated as

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the Valley Communications Center Development Authority (the "Authority"). The purpose of the Authority is to provide an independent legal entity under State law to finance the acquisition, construction and equipping of the Valley Communications Center through the issuance and servicing of long term debt in the aggregate principal amount of not to exceed \$12,758,000 (the "bonds"). The proposed form of ordinance to be considered by the City Council of the City of Kent, along with the Charter and the Bylaws of the Authority, drafts of which are attached hereto, as Exhibits A, B and C, respectively, are hereby approved. The City Council hereby approves the formation by the City of Kent of the Authority by the approval of such ordinance, Charter and Bylaws substantially in the forms presented to this Council.

Section 2. Limited Liability; Independent Obligations. The Authority shall be an independent legal entity exclusively responsible for its own debts, obligations and liabilities. All liabilities incurred by the Authority shall be satisfied exclusively from the assets and credit of the Authority. No creditor or other person shall have any recourse to the assets, credit, or services of the City on account of any debts, obligations, liabilities, acts, or omissions of the Authority.

Section 3. City Contributions to Operations and Bonds. Pursuant to the Interlocal Agreement, the Cities shall pay an allocable portion of the budgeted expenses of Valley Communications Center not paid from other sources, which allocable portion shall be based on the percentage of dispatched calls attributed to each jurisdiction compared to total dispatched calls. In addition to the foregoing commitment, the Cities also will contribute in equal shares to pay debt service on the bonds as the same shall become due and payable and to pay administrative expenses with respect to the bonds. No City shall be obligated to pay the share of any other City; the obligations of Federal Way with respect to the bonds shall be limited to its (twenty percent) equal

allocable share of such obligations; and all such payments shall be made without regard to the payment or lack thereof by any other jurisdiction. All payments with respect to the bonds shall be made to Valley Communications Center in its capacity as administrator and servicer of the bonds to be issued by the Authority. The City of Federal Way hereby obligates and commits itself to budget for and pay its allocable share of the financial obligations represented by the bonds.

Section 4. Allocation for Purposes of Bank Qualification. For purposes of Section 265(b)(3)(C)(iii) of the Internal Revenue Code of 1986, as amended, Federal Way agrees that the amount of each issue of obligations of the Authority shall be allocated in equal shares among each of the Cities.

Section 5. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 6. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 7. Effective Date. This ordinance shall take effect and be in force from and after passage and publication as provided by law.

PASSED by the City Council of the City of Federal Way this 18th day of
April, 2000, 1900

CITY OF FEDERAL WAY


MAYOR, MIKE PARK

ATTEST:


CITY CLERK, N. CHRISTINE GREEN, CMC

APPROVED AS TO FORM:


CITY ATTORNEY, LONDI K. LINDELL

FILED WITH THE CITY CLERK: 03/21/00
PASSED BY THE CITY COUNCIL: 04/18/00
PUBLISHED: 04/22/00
EFFECTIVE DATE: 04/22/00
ORDINANCE NO. 00-369

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