

ORDINANCE NO. 1518

**AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON** authorizing the acquisition of personal property and execution of a financing contract and related documentation relating to the acquisition of said personal property.

**WHEREAS**, the City of Des Moines (the "Local Agency") has executed a Notice of Intent to the Office of State Treasurer, in the form attached hereto as Attachment 1 (the "NOI"), in relation to the acquisition of and the financing of the acquisition of the Property, as defined below, under the provisions of chapter 39.94 RCW, and

**WHEREAS**, it is deemed necessary and advisable by the City Council of the Local Agency that the Local Agency acquire the equipment and/or personal property identified on Attachment 1 attached hereto ("Property"), and

**WHEREAS**, it is deemed necessary and advisable by the City Council of the Local Agency that the Local Agency enter into a Local Agency Financing Contract with the Office of the State Treasurer, in the form attached hereto as Attachment 2 (the "Local Agency Financing Contract"), in an amount not to exceed \$135,000, plus related financing costs, in order to acquire the Property and finance the acquisition of the Property, and

**WHEREAS**, the Local Agency will undertake to acquire the Property on behalf of and as agent of the Washington Finance Officers Association (the "Corporation") pursuant to the terms of the Local Agency Financing Contract, and in accordance with all applicable purchasing statutes and regulations applicable to the Local Agency, and

**WHEREAS**, the Local Agency desires to appoint the individuals set forth in Attachment 3 as the representatives of the Local Agency in connection with the acquisition of the Property and execution of the Local Agency Financing Contract (each an "Authorized Agency Representative"); now therefore,

**THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:**

**Sec. 1.** The individuals holding the offices or positions set forth in Attachment 3 are hereby appointed as a

representative of the Local Agency in connection with the acquisition of the Property and execution of the Local Agency Financing Contract and all other related documents. A minimum of two Authorized Agency Representatives shall be required to execute any one (1) document in order for it to be considered duly executed on behalf of the Local Agency.

**Sec. 2.** The form of the Local Agency Financing Contract attached hereto as Attachment 2 is hereby approved and the Authorized Agency Representatives are hereby authorized and directed to execute and deliver the Local Agency Financing Contract, in an amount not to exceed \$135,000, plus related financing costs, and in substantially the form attached hereto with such changes as may be approved by the Authorized Representatives for the acquisition of the Property and financing of the acquisition of the Property.

**Sec. 3.** The Local Agency hereby authorizes the acquisition of the property as agent of the Corporation in accordance with the terms and provisions of the Local Agency Financing Contract.

**Sec. 4.** The Authorized Representatives are hereby authorized to execute and deliver to the Office of the State Treasurer all other documents, agreements and certificates, and to take all other action, which they deem necessary or appropriate in connection with the financing of the Property, including, but not limited to, any amendment to the NOI and agreements relating to initial and ongoing disclosure in connection with the offering of securities related to the financing.

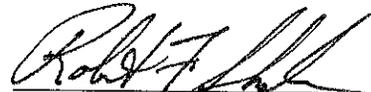
**Sec. 5. Severability - Construction.**

(1) If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

(2) If the provisions of this ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this ordinance is deemed to control.

**Sec. 6. Effective date.** This ordinance shall take effect and be in full force five (5) days after its passage, approval, and publication in accordance with law.

**PASSED BY** the City Council of the City of Des Moines this 1st day of September, 2011 and signed in authentication thereof this 1st day of September, 2011.

  
MAYOR

APPROVED AS TO FORM:

  
Assistant City Attorney

ATTEST:

  
City Clerk

Published: September 13, 2011

LEGAL NOTICE  
SUMMARY OF ADOPTED ORDINANCE  
CITY OF DES MOINES

ORDINANCE NO. 1518, Adopted September 1, 2011.

DESCRIPTION OF MAIN POINTS OF THE ORDINANCE:

This ordinance authorizes the acquisition of personal property and execution of a financing contract and related documentation relating to the acquisition of said personal property.

The full text of the ordinance will be mailed without cost upon request.

Sandy Paul, CMC  
City Clerk

Published: September 13, 2011

**CERTIFICATE OF AUTHORIZING ORDINANCE**

I, the undersigned City Clerk of the City of Des Moines (the "Local Agency"), do hereby certify as follows:

(1) The attached Ordinance No. 1518, (herein called "Ordinance") is a true and correct copy of an Ordinance of the City of Des Moines passed at a regular meeting of the City Council held on the 1st day of September, 2011, and duly recorded in my office.

(2) Said meeting was duly convened and held in all respects in accordance with law; and the extent required by law, due and proper notice of such meeting was given; a quorum of the City Council was present throughout the meeting and a legally sufficient number of members of the Council voted in the proper manner for the passage of the Ordinance.

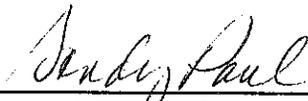
(3) All other requirements and proceeding incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed.

(4) The Ordinance remains in full force and effect and has not been amended, repealed or superseded.

(5) I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 13<sup>th</sup> day of September, 2011.

[SEAL]

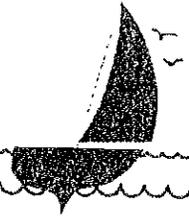
  
\_\_\_\_\_  
Sandy Paul, CMC  
City Clerk





# City of Des Moines

OFFICE OF THE CITY ATTORNEY  
21630 11TH AVENUE SOUTH, SUITE C  
DES MOINES, WASHINGTON 98198-6398  
(206) 870-6553 FAX: (206) 870-4387



September 15, 2011

Ellen Evans, Deputy State Treasurer  
Lease Purchase Program  
Office of the State Treasurer  
P.O. Box 40200  
Olympia, WA 98504-0200

Re: State of Washington Certificates of Participation, Series 2011D

Dear Ms. Evans:

I represent the City of Des Moines with respect to the above-referenced financing. In connection with the execution and delivery by the City of Des Moines of the Local Agency Finance Contract, enclosed herewith is an executed copy of our opinion letter dated November 16, 2011. You are to hold the opinion letter in escrow until November 16, 2011, at which time, unless you are otherwise instructed by me in writing, the opinion letter may be considered released and shall become effective.

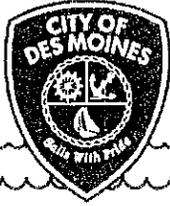
Please contact me with any questions.

Sincerely,

CITY OF DES MOINES

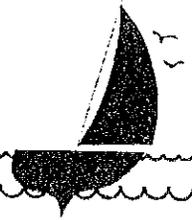
Timothy A. George  
Assistant City Attorney

Cc: Tony Piasecki, City Manager  
Grant Fredricks, PBPW Director



# City of Des Moines

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21630 11TH AVENUE SOUTH, SUITE C  
DES MOINES, WASHINGTON 98198-6398  
(206) 870-6553 FAX: (206) 870-4387



November 16, 2011

Equipment

City of Des Moines  
21630 11th Avenue So.  
Des Moines, WA 98198

State of Washington  
Office of the State Treasurer  
P.O. Box 40200  
Olympia, Washington 98504-0200

Washington Finance Officers Association  
1200 Fifth Avenue, Suite 1300  
Seattle, Washington 98101-1115

Ladies and Gentlemen:

I have acted as counsel to the City of Des Moines (the "Local Agency") in connection with the execution and delivery by the Local Agency of the Local Agency Financing Contract, dated as of November 16, 2011 (the "Local Agency Financing Contract") by and between the state of Washington (the "State") and the Local Agency. As such counsel, I am of the following opinions:

1. Ordinance Number 1518, approving the execution and delivery of the Local Agency Financing Contract, was duly passed by the governing body of the Local Agency on September 1, 2011 at a meeting of such governing body duly called and held in conformity with the law.
2. The Local Agency Financing Contract has been duly authorized, executed and delivered and, assuming the due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding obligations of the Local Agency, enforceable in accordance with their terms, subject only to bankruptcy, insolvency, moratorium, arrangement, reorganization and similar laws affecting creditors' rights, applicable equitable principles and the application of judicial discretion in appropriate cases.

I understand that agency installment payments to be made by the Local Agency under the Local Agency Financing Contract will constitute a portion of the source of payment and security for installment payments to be made by the State to the Corporation under a Master Financing Contract between the State and the Corporation and that certificated interests in such installment payments will be offered to purchasers thereof by means of an official statement prepared by the State. I have neither reviewed nor participated in the preparation of such official statement and express no opinion regarding the adequacy or accuracy (under federal securities laws or otherwise) of any information presented therein.

CITY OF DES MOINES

A handwritten signature in black ink, appearing to read 'Timothy A. George', is written over a horizontal line. The signature is stylized with a large loop and a long tail.

[Signature of Local Counsel]

Timothy A. George, WSBA No. 40076

## **Local Agency Tax Certificate (Equipment)**

This Local Agency Tax Certificate is executed and delivered by the City of Des Moines (the "Local Agency") in connection with the Local Agency Financing Contract between the Local Agency and the State of Washington (the "State"), dated as of November 16, 2011, (the "Local Agency Financing Contract"), under which the Local Agency is obligated to make Agency Installment Payments, including principal components thereof in the aggregate amount of \$\_115,000\_, plus issuance costs allocable to the Local Agency (the "Obligations"). Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Local Agency Financing Contract. The Local Agency certifies, covenants, warrants and represents as follows:

### **ARTICLE I. IN GENERAL**

1.1 **The Local Agency.** The Local Agency is a political subdivision duly organized and existing under and by virtue of the laws of the State of Washington. The Local Agency has the general authority to exercise the power of eminent domain in furtherance of its governmental purposes.

1.2 **Purpose of Local Agency Tax Certificate.** In the future, the State intends to cause the execution and delivery of certificates of participation (the "Certificates") evidencing undivided and proportionate interests in Installment Payments of the State payable under a Master Financing Contract. A portion of the principal components of such Installment Payments are payable from the Obligations. The Local Agency is delivering this Local Agency Tax Certificate to the State with the understanding that the State will rely in part upon this Local Agency Tax Certificate in obtaining an opinion from bond counsel that the interest component of the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986.

1.3 **Purpose of Financing.** The Obligations are being issued to finance the costs of the acquisition, construction, improvement and/or renovation of City Wide Energy Savings (the "Project"), as described in more detail in the Local Agency Financing Contract.

1.4 **Definitions.** Unless the context otherwise requires, the following capitalized terms have the following meanings:

*"Code"* means the Internal Revenue Code of 1986 (including amendments thereto).

*"Current Revenues."* See Section 2.7 hereof.

*"Governmental Unit"* means any state, or political subdivision of a state, but excludes the United States and its agencies or instrumentalities.

*"Investment Property"* means any security or obligation, any annuity contract, or any other investment-type property, but does not include any Tax-Exempt Bond unless such obligation is a "specified private activity bond" within the meaning of Section 57(a)(5)(C) of the Code.

*"Nongovernmental Person"* means any person or entity other than a Governmental Unit.

*"Preliminary Expenditures"* means architectural, engineering, surveying, soil testing, and similar costs paid with respect to the Project in an aggregate amount not exceeding 20% of the Obligations. However, Preliminary Expenditures do not include land acquisition, site preparation or similar costs incident to the commencement of construction.

“*Tax-Exempt Bond*” means any obligation the interest on which is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code or Section 103 of the Internal Revenue Code of 1954, as amended (the “1954 Code”), and Title XIII of the Tax Reform Act of 1986, as amended, as well as stock in a regulated investment company to the extent at least 95 percent of income to the stockholder is treated as interest that is excludable from gross income under Section 103 of the Code.

## ARTICLE II. TAX LIMITATIONS

2.1 **Expenditure of Proceeds.** For purposes of this Local Agency Tax Certificate, proceeds of the Obligation will be treated as spent when they are used to pay for or reimburse disbursements by the Local Agency that paid for (i) capital expenditures, (ii) any interest component of the Agency Installment Payments through the later of three years after the date hereof or one year after the Project is placed in service, or (iii) initial operating expenses directly associated with the Project (in aggregate amount not exceeding 5% of the Obligations). The State has authorized the issuance of the Certificates to finance, among other things, the costs of the Project. Absent written agreement by the State, all expenditures of proceeds of the Obligation will be made in respect of (a) Preliminary Expenditures, (b) capital expenditures reimbursed in respect of payments made by the Local Agency on or after the date which is sixty days prior to the date on which said authorization was adopted, or (c) other payments made by the Local Agency on or after the date hereof. In connection with all expenditures described in (b), the reimbursement allocation will be made no later than the later of 18 months after the date hereof or the date on which the Project is placed in service, but in no event later than three years after the date of expenditure.

2.2 **Governmental Bond Status.** [Different text will be substituted for this section when the loan is made for airport or port facilities that are the subject of private use.] The Local Agency will not loan any of the proceeds of the Obligations to one or more Nongovernmental Persons. The Local Agency will not allow more than 10% of proceeds of the Obligations or more than 10% of the Project to be used directly or indirectly by any Nongovernmental Person, other than as a member of the general public. A Nongovernmental Person will be treated as “using” proceeds of the Obligations to the extent the Nongovernmental Person:

- (i) borrows proceeds of the Obligations, or
- (ii) uses the Project (e.g., as owner, lessee, service provider, operator or manager).

2.3 **Change in Use.** The Local Agency reasonably expects to use all proceeds of the Obligations and all of the Project as set forth in Section 2.2 of this Local Agency Tax Certificate for the entire stated term to maturity of the Obligations. Absent written agreement by the State, the Local Agency in fact will use all proceeds of the Obligations and all of the Project as set forth in Section 2.2 of this Tax Certificate.

2.4 **Federal Guarantee.** The Local Agency will not directly or indirectly use or permit the use of any proceeds of the Obligations or take or omit to take any action that would cause the Certificates to be obligations that are “federally guaranteed” within the meaning of Section 149(b) of the Code. In furtherance of this covenant, the Local Agency will not allow the payment of principal or interest with respect to the Obligations to be guaranteed (directly or indirectly) in whole or in part by the United States or any agency or instrumentality thereof. The Local Agency will not use 5% or more of the proceeds of the Obligations to make or finance loans the payment of principal or interest with respect to which is guaranteed in whole or in part by the United States or any agency or instrumentality thereof.

2.5 **No Refunding.** Proceeds of the Obligations will not be used directly or indirectly to make principal, interest or premium payments with respect to any obligation other than the Obligations.

2.6 **No Hedge Bonds.** The Local Agency reasonably expects that more than 85% of proceeds of the Obligations will be expended for the purposes of the Obligations within three years.

2.7 **Debt Service Funds.** Payments of debt service on the Obligations generally are expected to be derived from current revenues of the Local Agency in each year, and Current revenues are expected to equal or exceed debt service on the Obligations during each payment period. Revenues actually used in less than six months from the date first received to pay debt service on Obligations are referred to herein as "Current Revenues." The account, or portion thereof, used by the Local Agency to pay debt service on the Obligations will be used primarily to achieve a proper matching of revenues and debt service within each year. To the extent of Current Revenues, such account in the aggregate will be depleted at least once a year except for a carryover amount not to exceed the greater of the earnings on such account for the immediately preceding year or 1/12 of the debt service in respect of the Obligations for the immediately preceding year. Current Revenues contributed to such account will be spent within thirteen months after the date of such contribution, and any amounts received from the investment or reinvestment of monies held in such funds will be expended within one year after the date of accumulation thereof in any such fund. Current Revenues in such account shall be invested without regard to yield. Revenues other than Current Revenues will not be invested in Investment Property with a yield exceeding the yield on the Obligations.

2.8 **No Other Replacement Proceeds.** The Local Agency will not use any proceeds of the Obligations directly or indirectly to replace funds of the Local Agency which are or will be used directly or indirectly to acquire Investment Property reasonably expected to produce a yield that is materially higher than the yield on the Obligations. The weighted average maturity of the Obligations does not exceed 120% of the expected weighted average economic useful life of the Project.

2.9 **No Expected Sale.** It is not expected that the Project or any part thereof will be sold or otherwise disposed of before the maturity date of the Obligations.

### ARTICLE III. OTHER MATTERS

3.1 **Expectations.** The undersigned is an authorized representative of the Local Agency acting for and on behalf of the Local Agency in executing this Local Agency Tax Certificate. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

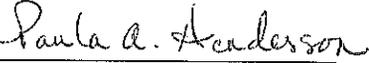
3.2 **Amendments.** Notwithstanding any other provision of this Local Agency Tax Certificate, the Local Agency may amend this Local Agency Tax Certificate and thereby alter any actions allowed or required by this Local Agency Tax Certificate if such amendment is signed by an authorized officer and is supported by formal written agreement by the State.

3.3 **Survival of Defeasance.** Notwithstanding any provision in this Local Agency Tax Certificate to the contrary, the obligation to comply with all requirements contained in this Local Agency Tax Certificate shall survive defeasance or prepayment of the Obligations.

3.4 **Effective Date.** This Local Agency Tax Certificate is dated and effective as of the Dated Date.

Dated: September 13, 2011.

By   
Anthony A. Piasecki  
City Manager  
City of Des Moines

By   
Paula A. Henderson, CPA  
Finance Director  
City of Des Moines

**Personal Property Certificate**

Name of Local Agency:	City of Des Moines
Address:	21650 11 <sup>th</sup> Avenue South
	Des Moines WA 98198

All capitalized terms not defined herein shall have the meanings assigned to such terms in the Local Agency Financing Contract that this Exhibit B is attached to. The undersigned, Paula A. Henderson, City Finance Director, does hereby certify, that [he/she] is an Authorized Agency Representative of the City of Des Moines (the "Local Agency") pursuant to the terms of the Local Agency Financing Contract.

The undersigned, confirms that the Property described below will be placed in use at the location listed below. The undersigned confirms that the Property described below has been delivered to and received by the Local Agency. All installation or other work necessary prior to the use thereof has been completed. The Property has been examined and/or tested and is in good operating order and condition and is in all respects satisfactory to the Local Agency and complies with all terms of the Master Financing Contract and the Local Agency Financing Contract.

Notwithstanding the foregoing, the undersigned does not waive or limit, by execution of this certificate, any claim against the vendor or any other seller, installer, contractor or other provider of property or services related to the purchase, shipment, delivery, installation or maintenance of the Property.

The Local Agency further confirms that the Property will be used to fulfill an essential governmental function which the Local Agency has the authority to provide in the State.

PROPERTY INFORMATION

Description: Various Equipment i.e. A/C, heating, Lighting fixtures, etc. provided by Contractor of our Energy Savings Program known as McKinstry. Name of Vendor: \_\_\_\_\_  
Address: \_\_\_\_\_  
Serial No.: \_\_\_\_\_  
Tag No.: \_\_\_\_\_  
Location of Property Acquired: Various City owned buildings/facilities.

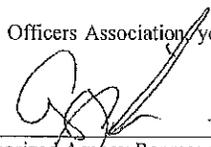
INSTRUCTIONS TO STATE TREASURER FOR PAYMENT:

Disburse to:  Vendor  City  County Treasurer  Other  
Entity Name: City of Des Moines WA  
Disbursement Amount: \$ 115,000  
Method of Payment:  ACH  Wire  Check  
ACH/Wire Instructions: KeyBank 125000574; Des Moines Account No. 10730031

Attached hereto are:

1. A vendor's invoice for the Property approved by the Local Agency.
2. A Certificate of Insurance, demonstrating liability insurance coverage and stating that insurance will be renewed annually automatically, unless said office notifies the State Treasurer of any discontinuation of coverage.

In connection with the Local Agency's acquisition of the Property as agent of the Washington Finance Officers Association, you are hereby requested to make a disbursement as indicated above.

  
\_\_\_\_\_  
Authorized Agency Representative  
Date: 9/14/11

Paula A. Henderson  
\_\_\_\_\_  
Authorized Agency Representative  
Date: 9-14-11

Countersigned and  
Approved for Payment:

\_\_\_\_\_  
Designated State Treasurer Representative  
Date: \_\_\_\_\_

LOCAL AGENCY FINANCING CONTRACT, SERIES 2011D  
(Equipment)

This Local Agency Financing Contract, Series 2011D (the "Agency Financing Contract") is entered into by and between the state of Washington (the "State"), acting by and through the State Treasurer (the "State Treasurer"), and Des Moines, a City of the State (the "Local Agency").

RECITALS

WHEREAS, certain State agencies (as defined in Appendix I hereto, "State Agencies") are authorized to acquire real and personal property used or needed by such State Agencies through Agency Financing Contracts entered into pursuant to Chapter 356, Laws of Washington, 1989, codified as Chapter 39.94 of the Revised Code of Washington (the "RCW"), as supplemented and amended (the "Act"); and

WHEREAS, Chapter 291, Laws of Washington, 1998 supplemented and amended the Act to authorize the State to enter into Agency Financing Contracts on behalf of certain local agencies (as described therein, "Local Agencies"), including the Local Agency, to finance the acquisition of real and personal property by such Local Agencies; and

WHEREAS, the State Treasurer has established a consolidated program providing for the execution and delivery of certificates of participation in such Agency Financing Contracts, or in Master Financing Contracts with respect thereto, in series from time to time in order to provide financing or refinancing for the costs of acquisition of real and personal property by State Agencies and Local Agencies; and

WHEREAS, simultaneously with the execution and delivery hereof, the State is entering into a Master Financing Contract, Series 2011D, dated as of the Dated Date (the "Master Financing Contract") with the Washington Finance Officers Association, a nonprofit corporation duly organized and existing under and by virtue of the laws of the state of Washington (the "Corporation"), to provide financing for the costs of acquisition of certain items of personal property by certain State Agencies and Local Agencies, including the Local Agency, under the terms set forth therein; and

WHEREAS, the State Treasurer and the Local Agency have determined that it is necessary and desirable to enter into this Agency Financing Contract to provide financing or refinancing for the costs of acquisition of certain items of personal property, described in Exhibit B hereto (the "Property"), by the Local Agency; and

WHEREAS, the State Finance Committee has authorized the execution and delivery of this Agency Financing Contract pursuant to Resolution No. 987 adopted on October 7, 2003; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Agency Financing Contract do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Parties hereto are now duly authorized to execute, deliver and perform their respective obligations under this Agency Financing Contract;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other valuable consideration, the Parties hereto mutually agree as follows:

Section 1.1 Defined Terms. Capitalized terms used but not otherwise defined in this Agency Financing Contract shall have the respective meanings given such terms in Appendix I hereto.

Section 1.2 Notice of Intent; Personal Property Certificate; Certificate Designating Authorized Local Agency Representative. The Local Agency has delivered a Notice of Intent to the State Treasurer in the form of Exhibit A attached hereto and incorporated herein by this reference. In order to evidence its acceptance of the Property financed and acquired pursuant hereto, the Local Agency has executed and delivered herewith, or will execute and deliver within 60 days from the Dated Date to the State Treasurer, a Personal Property Certificate in the form of Exhibit B attached hereto and incorporated herein by this reference. The Local Agency has delivered a Certificate Designating Authorized Agency Representatives to the State Treasurer in the form of Exhibit C attached hereto and incorporated herein by this reference. Said Certificate is currently in force and has not been amended, withdrawn or superseded, and the signatures shown thereon are true and correct originals of the signatures of the persons who hold the titles shown opposite their names. The signature of any one of the individuals shown on said Certificate is sufficient to bind the Local Agency under this Agency Financing Contract with respect to any of the undertakings contemplated herein. The terms and provisions set forth in Appendix II hereto are incorporated herein and made a part hereof by this reference.

Section 1.3 Installment Sale and Purchase of Property. The State hereby agrees to sell, assign and convey, and does hereby sell, assign and convey to the Local Agency, and the Local Agency hereby agrees to purchase, acquire and assume, and does hereby purchase, acquire and assume, from the State, all of the State's right, title and interest in and to the Property and all proceeds and profits thereof and therefrom, subject to the security interest created pursuant to Section 2.5 of Appendix II hereof, and the Local Agency agrees to pay in consideration thereof the Purchase Price therefore and interest thereon and the Additional Costs in accordance with Section 1.4 hereof, and all other amounts required to be paid by the Local Agency hereunder, all in accordance with the provisions of this Agency Financing Contract.

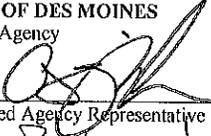
Section 1.4 Agency Installment Payments. In consideration of the sale of the Property and the covenants and agreements of the State in this Agency Financing Contract, the Local Agency hereby promises to pay to the State the following amounts at the following times: (a) On each Agency Installment Payment Date, the Agency Installment Payment set forth in Exhibit D hereto, consisting of a Principal Component and/or an Interest Component as set forth in such Exhibit; and (b) All Additional Costs incurred by the State in connection with the sale of the Property to the Local Agency, the execution and delivery of the Certificates, and the observance and performance of the Series 2011D Agreements, within thirty (30) days following receipt of an invoice from the State with respect thereto which includes (i) a brief description of each such Additional Cost, (ii) the party to whom payment is due, (iii) the amount thereof, and (iv) such additional information as the Local Agency may reasonably request.

Section 1.5 Term. The term of this Local Agency Financing Contract shall commence on the Dated Date and shall terminate on the date on which all amounts due hereunder shall have been paid or the payment thereof duly provided for pursuant to Section 4.3 of Appendix II hereof.

STATE OF WASHINGTON  
OFFICE OF THE STATE TREASURER

By \_\_\_\_\_  
Designated Treasurer Representative

CITY OF DES MOINES  
as Local Agency

By   
Authorized Agency Representative

By Paula A. Henderson  
Authorized Agency Representative

# Certificate Designating Authorized Agency Representatives

I, Sandy Paul, City Clerk of the City of Des Moines (the "Local Agency"), hereby certify that, as of the date hereof, pursuant to Resolution No. 1173 / Ordinance No. 1518, the following individuals are each an "Authorized Agency Representative," as indicated by the title appended to each signature, that the following individuals are duly authorized to execute and deliver the Local Agency Financing Agreement to which this Certificate is attached as Exhibit C, and all documentation in connection therewith, including but not limited to the Personal Property Certificate(s) attached thereto as Exhibit B, that the signatures set forth below are the true and genuine signatures of said Authorized Agency Representatives and that pursuant to such resolution/ordinance, two of the three following signature(s) [is/are] required on each of the aforementioned documents in order to consider such documents executed on behalf of the Local Agency:

[Signature] Anthony A. Piasecki, City Manager  
(signature) (name) (title)

Paula A. Henderson Paula A. Henderson, Finance Director  
(signature) (name) (title)

Lorri Ericson Lorri Ericson, Assistant City Manager  
(signature) (name) (title)

Dated this 14th day of September, 2011.

Sandy Paul  
City Clerk  
City of Des Moines

SUBSCRIBED AND SWORN TO before me this 14th day of September, 2011

By: Sandra L. Paul  
NOTARY PUBLIC in and for the State of  
Washington, residing at:  
King County  
Printed Name: Sandra L. Paul  
My Commission Expires: 10-05-14

