

INFORMATIONAL MEMORANDUM MPD

TO: **Tukwila Pool MPD Board President**

FROM: **Craig Zellerhoff, Fiscal Coordinator**

DATE: **February 27, 2013**

SUBJECT: **Amend Interlocal Agreement with City of Tukwila**

ISSUE

Amend Interlocal Agreement for issuance of Long Term General Obligation Bonds in 2013 rather than 2012 due to market timing. The bonds are for financing the capital project at the Tukwila Pool.

DISCUSSION

This is a revision to the original Interlocal Agreement to correlate the verbiage in regards to the issuance of the Bonds and amount in 2013. The original agreement was for an open market sale with a 15 year repayment schedule and has been replaced with a private placement with Cashmere Bank and a 10 year repayment schedule. The agreement has been amended as follows:

Section 1.7: The original amount stated in this section was not to exceed \$1,100,000. This amount has been reduced to \$1,000,000. Additionally, the Ordinance number has been updated to reflect the Ordinance authorizing the new amount for the Bonds.

Section 2: Ordinance number and the year of the Bond sale have been updated to reflect current information.

Exhibit B: The 15 year repayment schedule was incorporated in this Exhibit and has been deleted and replaced with Exhibit B-2 reflecting a 10 year repayment schedule.

RECOMMENDATION

The Board is being asked to consider the Tukwila Metropolitan Park District-City of Tukwila amendment to the Interlocal Agreement at the March 18, 2013 Board meeting.

ATTACHMENTS

Amended Interlocal Agreement



City of Tukwila

6200 Southcenter Boulevard, Tukwila WA 98188

Agreement Number:

INTERLOCAL AGREEMENT

Amendment # 1 to Interlocal Agreement #12-008 for the Tukwila Metropolitan Park District and Agreement # 12-143 for the City of Tukwila

That portion of the Interlocal Agreement between the City of Tukwila and the Tukwila Metropolitan Park District is amended as follows:

Section 1.7 is amended to read as follows:

The Tukwila City Council has adopted Ordinance No. 2394 authorizing the issuance of not to exceed \$1,000,000 Limited Tax General Obligation Bonds, 2013 and the execution of this Agreement to provide for the financing of the Pool Improvement Project.

Section 2 is amended to read as follows:

For purposes of this Agreement, the following words shall have the following meanings, unless another meaning is clearly intended. Capitalized terms not defined below shall have the meanings given in the Bond Ordinance.

"Agreement" means this Interlocal Agreement for the funding of the Tukwila Pool Improvement Project, entered into by and between the City and TMPD under the authority of RCW 35.61.290 and 67.20.010.

"Bond Counsel" means a firm of nationally recognized Bond Counsel selected by the City.

"Bond Ordinance" means Ordinance No. 2394 of the City of Tukwila authorizing issuance of the City's Limited Tax General Obligation Bonds, 2013 (Pool Improvement Project).

"Business Day" means any day that is not a Saturday, Sunday, holiday or other day on which commercial banking institutions in Washington state are authorized or obligated by law or executive order to be closed.

"City" means the City of Tukwila, Washington.

"Code" means the Internal Revenue Code of 1986, as amended, together with all administrative rulings and regulations promulgated or issued thereunder.

"Debt Service Payment" means any payment of principal or interest (or both) with respect to Pool Improvement Project Bonds plus any premium, prepayment penalty, credit enhancement, remarketing or similar fee coming due and payable on any principal or interest payment date and not paid on issuance of the bonds.

"Gross TMPD Revenues" means all taxes, fees, charges and other revenues received by TMPD from any source whatsoever.

"Pool Improvement Project" or "Project" means the Tukwila Pool Improvement Project described in Exhibit A and incorporated by this reference.

"Pool Improvement Project Bonds" the City's Limited Tax General Obligation Bonds, 2012, authorized by the Bond Ordinance.

"Parties" means the City and TMPD.

"Tukwila Metropolitan Park District" or "TMPD" means The Tukwila Metropolitan Park District, a municipal corporation created pursuant to chapter 36.120 RCW and a vote of the people held on August 16, 2011.

"TMPD Board" means the governing board of TMPD.

"TMPD Payment" means one or more payments made by TMPD under this Agreement to fund the City.

Exhibit B is amended as follows:

Exhibit B to the Interlocal Agreement is deleted and hereby replaced with Exhibit B-2. Exhibit B-2 is fully incorporated for all purposes of this Agreement.

All other provisions of the contract shall remain in full force and effect.

Dated this _____ day of _____, 20_____.

CITY OF TUKWILA

TUKWILA METROPOLITAN PARK DISTRICT

Jim Haggerton, Mayor

Verna Seal, Board President

APPROVED AS TO FORM

APPROVED AS TO FORM

Shelley M. Kerlake,
City Attorney

Lisa M. Marshall,
Commission Attorney

City of Tukwila
Cashmere LTGO Bond Amortization Schedule

EXHIBIT B-2

<u>PAYMENT</u>						
<u>PERIOD</u>	<u>BEGINNING</u>	<u>PRINCIPAL</u>	<u>INTEREST RATE</u>	<u>INTEREST</u>	<u>ENDING</u>	<u>CASH FLOW</u>
2/1/2013					1,000,000.00	1,000,000.00
6/1/2013	1,000,000.00	(50,731.67)	0.02	(5,833.33)	949,268.33	(56,565.00)
12/1/2013	949,268.33	(48,258.90)	0.02	(8,306.10)	901,009.43	(56,565.00)
6/1/2014	901,009.43	(48,681.17)	0.02	(7,883.83)	852,328.26	(56,565.00)
12/1/2014	852,328.26	(49,107.13)	0.02	(7,457.87)	803,221.13	(56,565.00)
6/1/2015	803,221.13	(49,536.82)	0.02	(7,028.18)	753,684.31	(56,565.00)
12/1/2015	753,684.31	(49,970.26)	0.02	(6,594.74)	703,714.05	(56,565.00)
6/1/2016	703,714.05	(46,537.07)	0.03	(10,027.93)	657,176.98	(56,565.00)
12/1/2016	657,176.98	(47,200.23)	0.03	(9,364.77)	609,976.75	(56,565.00)
6/1/2017	609,976.75	(47,872.83)	0.03	(8,692.17)	562,103.92	(56,565.00)
12/1/2017	562,103.92	(48,555.02)	0.03	(8,009.98)	513,548.90	(56,565.00)
6/1/2018	513,548.90	(49,246.93)	0.03	(7,318.07)	464,301.97	(56,565.00)
12/1/2018	464,301.97	(49,948.70)	0.03	(6,616.30)	414,353.27	(56,565.00)
6/1/2019	414,353.27	(48,277.93)	0.04	(8,287.07)	366,075.34	(56,565.00)
12/1/2019	366,075.34	(49,243.49)	0.04	(7,321.51)	316,831.85	(56,565.00)
6/1/2020	316,831.85	(50,228.36)	0.04	(6,336.64)	266,603.49	(56,565.00)
12/1/2020	266,603.49	(51,232.93)	0.04	(5,332.07)	215,370.56	(56,565.00)
6/1/2021	215,370.56	(52,257.59)	0.04	(4,307.41)	163,112.97	(56,565.00)
12/1/2021	163,112.97	(53,302.74)	0.04	(3,262.26)	109,810.23	(56,565.00)
6/1/2022	109,810.23	(54,368.80)	0.04	(2,196.20)	55,441.43	(56,565.00)
12/1/2022	55,441.43	(55,441.43)	0.04	(1,108.83)	0.00	(56,550.26)
				(131,285.26)		