

CITY OF MERCER ISLAND, WASHINGTON

ORDINANCE NO. 25-21

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF LIMITED TAX GENERAL OBLIGATION BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$1,600,000 TO FINANCE AND/OR REIMBURSE COSTS RELATED TO THE ACQUISITION OF AND IMPROVEMENTS TO CITY FACILITIES AND TO PAY THE COST OF ISSUING THE BONDS; PROVIDING THE FORM, TERMS AND COVENANTS OF THE BONDS; DELEGATING THE AUTHORITY TO APPROVE THE SALE OF THE BONDS; PROVIDING FOR OTHER MATTERS RELATING THERETO; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council (the “Council”) of the City of Mercer Island, Washington (the “City”) has deemed it in the best interest of the City to acquire and improve the building at 9655 SE 36th Street, Mercer Island, Washington, including land, to be used for City purposes (the “Project”); and

WHEREAS, after due consideration, the Council has determined it is in the best interest of the City to authorize the issuance of one or more series of limited tax general obligation bonds in the aggregate principal amount of not to exceed \$1,600,000, to pay and/or reimburse the City for all or a portion of the costs of the Project and to pay costs of issuance for the bonds; and

WHEREAS, the City intends to issue a request for proposals from various financial institutions to purchase the bonds authorized herein; and

WHEREAS, the Council wishes to delegate authority to the City Manager and the Finance Director (each, a “Designated Representative”), for a limited time, to select the proposal that is in the best interest of the City and to approve the interest rates and the terms of the bonds within the parameters set by this ordinance; and

WHEREAS, the Council now wishes to authorize the issuance of the bonds and sale of the bonds to the successful respondent(s) subject to the terms and conditions set forth in this ordinance;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Definitions. As used in this ordinance, the following words shall have the following meanings:

Bond Counsel means Pacifica Law Group LLP, Seattle, Washington, or an attorney at law or a firm of attorneys, which is admitted to practice law before the highest court of any state in the

United States of America or the District of Columbia and nationally recognized and experienced in legal work relating to the issuance of tax-exempt bonds who is or are selected by the City.

Bond Purchase Contract means one or more commitments, bond purchase contracts, loan agreements, forward delivery agreements, or other contracts between the City and one or more Purchasers approved by a Designated Representative pursuant to this ordinance.

Bond Register means the registration records for the Bonds maintained by the Bond Registrar.

Bond Registrar means the City Finance Director or, at the option of the City, the fiscal agent for municipal bonds issued in the State, currently U.S. Bank Trust Company, National Association.

Bonds means the limited tax general obligation bonds of the City, authorized to be issued in one or more series from time to time under this ordinance.

City means the City of Mercer Island, Washington, a municipal corporation duly organized and existing under the laws of the State of Washington.

City Attorney means the duly appointed and acting City Attorney, including anyone acting in such capacity for the position, or the successor to the duties of that office.

City Clerk means the duly appointed and acting City Clerk of the City or the successor to the duties of that office.

City Manager means the duly appointed and acting City Manager, including anyone acting in such capacity for the position, or the successor to the duties of that office.

Code means the Internal Revenue Code of 1986 as in effect on the date of issuance of any Tax-Exempt Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of any Tax-Exempt Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

Commission means the United States Securities and Exchange Commission.

Council or City Council means the Mercer Island City Council, as the general legislative body of the City as the same is duly and regularly constituted from time to time.

Debt Service Fund means the funds or accounts created pursuant to this ordinance for the purpose of paying debt service on each series of Bonds.

Designated Representative means the City Manager and the Finance Director, or such individual's designee. The signature of one Designated Representative shall be sufficient to bind the City.

Fair Market Value means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction, except for specified investments as described in Treasury Regulation § 1.148-5(d)(6), including United States Treasury obligations,

certificates of deposit, guaranteed investment contracts, and investments for yield restricted defeasance escrows. Fair Market Value is generally determined on the date on which a contract to purchase or sell an investment becomes binding, and, to the extent required by the applicable regulations under the Code, the term “investment” shall include a hedge.

Federal Tax Certificate means the certificate executed by the City setting forth the requirements of the Code for maintaining the tax exemption of interest on the Tax-Exempt Bonds, and attachments thereto.

Finance Director means the duly appointed and acting Finance Director of the City or the successor to such officer.

Interest Rate means the fixed or variable rate of interest for each series of Bonds as approved by a Designated Representative and set forth in the applicable Bond and in the Bond Purchase Contract.

Maturity Date means the date of final maturity for a series of Bonds, as set forth therein.

Mayor or *City Mayor* means the elected Mayor of the City, or the successor to the duties of that office.

Project means the capital project described in Section 2 of this ordinance.

Project Fund means the account created pursuant to Section 7 of this ordinance.

Purchaser means any bank or other financial institution selected to purchase one or more series of Bonds (or to accept delivery of one or more Bonds to evidence the City’s obligations under a Bond Purchase Contract), as selected by a Designated Representative.

Registered Owner means the person whose name the Bonds are registered to on the Bond Register.

Rule means the Commission’s Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

State means the State of Washington.

Taxable Bonds mean any Bonds of a series determined to be issued on a taxable basis pursuant to this ordinance.

Tax-Exempt Bonds mean any Bonds of a series determined to be issued on a tax-exempt basis under the Code pursuant to this ordinance.

Section 2. Authorization of the Project; Findings; Authorization of the Bonds.

(a) *Authorization of the Project.* The Bonds is being issued to finance and/or reimburse the City for costs of acquiring, improving, developing, and equipping the building at 9655 SE 36th Street, Mercer Island, Washington (the “Project”) and paying costs of issuance for the Bonds. The

cost of all necessary and other costs incurred in connection with the Project shall be paid from other City funds legally available for such purposes.

(b) *Authorization of Bonds.* For the purpose of paying and/or reimbursing the City for costs of the Project and paying costs of issuance, the City is hereby authorized to issue and sell one or more series of limited tax general obligation bonds in the aggregate principal amount not to exceed \$1,600,000 (the “Bonds”). The Bonds authorized herein may be issued from time to time, on a single date or on multiple dates, in one or more series, as Tax-Exempt or Taxable Bonds, pursuant to the authorization set forth in this ordinance, subject to the conditions set forth in Section 10 hereof.

The Bonds shall be general obligations of the City and shall be designated “City of Mercer Island, Washington, Limited Tax General Obligation Bonds, 2025” or other such designation as set forth in the Bonds and approved by a Designated Representative. Each Bond shall be dated as of its date of delivery to the applicable Purchaser, shall be fully registered as to both principal and interest, shall be in one denomination, and shall mature on the applicable Maturity Date. Each Bond shall bear interest from its dated date or the most recent date to which interest has been paid at the applicable Interest Rate. The Interest Rate on a series of Bonds may be fixed or variable, as set forth in the applicable Bond Purchase Contract. Interest on the principal amount of the Bonds shall be calculated per annum on a 30/360 basis, or as otherwise provided in the Bonds and in the Bond Purchase Contract. Principal of and interest on each Bond shall be payable at the times and in the amounts as set forth in the applicable Bond Purchase Contract and in the payment schedule attached to such Bond.

Section 3. Registration, Exchange and Payments.

(a) *Registrar/Bond Registrar.* The Finance Director or the fiscal agent of the State shall act as Bond Registrar for the Bonds. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver the Bonds if transferred or exchanged in accordance with the provisions of the Bonds and this ordinance and to carry out all of the Bond Registrar’s powers and duties under this ordinance.

(b) *Registered Ownership.* The City and the Bond Registrar may deem and treat the Registered Owner of the Bonds as the absolute owner for all purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary. Payment of the Bonds shall be made only as described in subsection (d) below. All such payments made as described in subsection (d) below shall be valid and shall satisfy the liability of the City upon the Bonds to the extent of the amount so paid.

(c) *Transfer or Exchange of Registered Ownership.* The Bonds shall not be transferrable without the consent of the City except as provided in the Bonds and/or the Bond Purchase Contract.

(d) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Principal and interest on the Bonds shall be payable by check, warrant, ACH transfer or by other means mutually acceptable to the Purchaser and the City. Upon final payment of principal and interest of the Bonds, the Registered

Owner shall surrender the Bonds for cancellation at the office of the Bond Registrar in accordance with this ordinance.

(e) *Additional Provisions.* The Bonds will not be registered with The Depository Trust Company, New York, New York, or any other securities depository. No official statement, prospectus, offering circular or other offering statement containing material information with respect to the City or the Bonds will be provided in connection with the issuance of the Bonds, the Bonds will be unrated, and the Bonds will not be assigned a CUSIP number.

Section 4. Right of Prepayment. The City may prepay the Bonds as set forth in the applicable Bond Purchase Contract. If any Bond is prepaid in full, interest shall cease to accrue on the date such prepayment occurs.

Section 5. Form of Bonds. The Bonds shall be in substantially the form set forth in Exhibit A, which is incorporated herein by this reference.

Section 6. Execution of Bonds. The Bonds shall be executed on behalf of the City with the manual or facsimile signature of the Mayor, and shall be attested by the manual or facsimile signature of the Clerk. Only such Bonds as shall bear thereon a Certificate of Authentication in the form set forth in Exhibit A, manually executed by the Bond 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 Bond so authenticated has been duly executed, authenticated and delivered hereunder and is entitled to the benefits of this ordinance.

In case either of the officers who shall have executed any Bond shall cease to be an officer or officers of the City before such Bond so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such Bond may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City as though those who signed 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 who at the date of the actual execution of such Bond, are 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 7. Application of Bond Proceeds. Net proceeds of the Bonds shall be deposited in the Project Fund which is hereby authorized to be created, and used to pay and/or reimburse the City for costs of the Project and payment of costs of issuance for the Bonds as set forth in the closing memorandum for the Bonds.

The Finance Director shall invest money in the Project Fund in such obligations as may now or hereafter be permitted by law to cities of the State and which will mature prior to the date on which such money shall be needed, but only to the extent that the same are acquired, valued and disposed of at Fair Market Value. Upon completion of the Project, any remaining Bond proceeds (including interest earnings thereon) may be used for other capital projects of the City or shall be transferred to the Debt Service Fund for the Bonds.

Section 8. Tax Covenants. The City will take all actions necessary to assure the exclusion of interest on the Tax-Exempt Bonds from the gross income of the owners of the Tax-Exempt Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code

as in effect on the date of issuance of the Tax-Exempt Bonds, including but not limited to the following:

(a) *Private Activity Bond Limitation.* The City will assure that the proceeds of the Tax-Exempt Bonds are not so used as to cause the Tax-Exempt Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(b) *Limitations on Disposition of Projects.* The City will not sell or otherwise transfer or dispose of (i) any personal property components of the projects financed and/or refinanced with proceeds of the Tax-Exempt Bonds other than in the ordinary course of an established government program under Treasury Regulation § 1.141-2(d)(4); or (ii) any real property components of the projects, unless it has received an opinion of Bond Counsel to the effect that such disposition will not adversely affect the treatment of interest on the Tax-Exempt Bonds as excludable from gross income for federal income tax purposes.

(c) *Federal Guarantee Prohibition.* The City will not take any action or permit or suffer any action to be taken if the result of such action would be to cause the Tax-Exempt Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(d) *Rebate Requirement.* The City will take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Tax-Exempt Bonds.

(e) *No Arbitrage.* The City will not take, or permit or suffer to be taken, any action with respect to the proceeds of the Tax-Exempt Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Tax-Exempt Bonds would have caused the Tax-Exempt Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code.

(f) *Registration Covenant.* The City will maintain a system for recording the ownership of the Tax-Exempt Bonds that complies with the provisions of Section 149 of the Code until the Tax-Exempt Bonds have been surrendered and canceled.

(g) *Record Retention.* The City will retain its records of all accounting and monitoring it carries out with respect to the Tax-Exempt Bonds for at least three years after the Tax-Exempt Bonds mature or are redeemed (whichever is earlier); however, if the Tax-Exempt Bonds are redeemed and refunded, the City will retain its records of accounting and monitoring at least three years after the earlier of the maturity or redemption of the obligations that refunded the Tax-Exempt Bonds.

(h) *Compliance with Federal Tax Certificate.* The City will comply with the provisions of any Federal Tax Certificate with respect to the Tax-Exempt Bonds. In the event of any conflict between this section and the Tax Certificate, the provisions of the Tax Certificate will prevail.

(i) *Bank Qualification.* In the Federal Tax Certificate executed in connection with the issuance of each series of Tax-Exempt Bonds, the City may designate such Bonds as “qualified

tax-exempt obligations” under Section 265(b)(3) of the Code for investment by financial institutions.

The covenants of this Section 8 will survive payment in full or defeasance of the Tax-Exempt Bonds.

Section 9. Pledge of Funds and Credit; General Obligation. The City hereby authorizes the creation of a fund or account to be used for the payment of debt service on each series of Bonds (the “Debt Service Fund”). No later than the date each payment of principal of or interest on the Bonds becomes due, the City shall transmit sufficient funds, from the Debt Service Fund or from other legally available sources, to the Registered Owner for the payment of such principal or interest. Money in the Debt Service Fund may be invested in legal investments for City funds, but only to the extent that the same are acquired, valued and disposed of at Fair Market Value.

The City hereby irrevocably covenants and agrees for as long as any Bonds are outstanding and unpaid that each year it will include in its budget and levy an ad valorem tax upon all the property within the City subject to taxation in an amount that will be sufficient, together with other revenues and money of the City legally available for such purposes, to pay the principal of and interest on the Bonds when due.

The City hereby irrevocably pledges that the annual tax provided for herein to be levied for the payment of such principal and interest shall be within and as a part of the tax levy permitted to cities without a vote of the people, and that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bonds. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Bonds when due.

Section 10. Sale of the Bonds. The Council has determined it would be in the best interest of the City to delegate to the Designated Representatives for a limited time the authority to approve the final terms of each series of Bonds subject to the provisions of this ordinance. The Designated Representatives are authorized to solicit proposals from bond purchasers and are hereby authorized to select a Purchaser for each series of Bonds that submits the proposal for such series that is in the best interest of the City. Each Bond issued under this ordinance shall be sold to the selected Purchaser pursuant to the terms of the Bond Purchase Contract for such Bond.

Subject to the terms and conditions set forth in this Section 10, the Designated Representatives are hereby authorized to approve the issuance, from time to time on a single date or on multiple dates to be determined to be in the best interest of the City, of one or more series of Bonds; to designate each series of Bonds as Tax-Exempt Bonds or Taxable Bonds; to select one or more Purchasers; to approve the dated date, principal payment dates, interest payment dates, redemption/prepayment provisions, the Maturity Date, and the Interest Rate for each Bond; to agree to any additional terms and covenants that are in the best interest of the City and consistent with this ordinance; and to execute the sale of each Bond issued hereunder to the applicable Purchaser, provided that:

(a) the aggregate principal (face) amount of all Bonds issued from time to time under this ordinance does not exceed \$1,600,000,

(b) the Maturity Date for each series of Bonds issued under this ordinance is no later than 20 years after the respective date of issue,

(c) the aggregate purchase price for each series of Bonds shall not be less than 98% of the aggregate stated principal amount of such series of Bonds, excluding any original issue discount,

(d) the true interest cost for each series of Bonds (in the aggregate) bearing interest at a fixed rate does not exceed 6.25%, and for each series of Bonds (in the aggregate) bearing interest at a variable rate, the initial rate during the initial period on the Bonds shall not exceed 6.25% (not taking into account any default rate or rate increase upon a determination of taxability, as applicable).

Subject to the terms and conditions set forth in this section, each Designated Representative is hereby authorized to execute the one or more Bond Purchase Contracts for the sale of the Bonds. Following the sale of a series of Bonds, a Designated Representative shall provide a report to Council describing the sale and final terms of such Bonds approved pursuant to the authority delegated in this section. The authority granted to the Designated Representatives by this Section f to execute any Bond Purchase Contract shall expire one year (365 days) after the effective date of this ordinance. If a Bond Purchase Contract for the Bonds has not been executed by such date, the authorization for the issuance of such Bonds shall be rescinded, and such Bonds shall not be issued nor their sale approved unless such Bonds shall have been re-authorized by ordinance of the Council. The ordinance re-authorizing the issuance and sale of such Bonds may be in the form of a new ordinance repealing this ordinance in whole or in part or may be in the form of an amendatory ordinance approving a Bond Purchase Contract or establishing terms and conditions for the authority delegated under this Section 10.

Upon passage and approval of this ordinance, the proper officials of the City including the Designated Representatives, the Mayor, and the City Clerk are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Bonds to the Purchaser thereof and further to execute all closing certificates, agreements, and documents required to effect the closing and delivery of the Bonds in accordance with the terms of the Bond Purchase Contract.

Section 11. Ongoing Disclosure; Covenants. The Bonds are exempt from ongoing disclosure requirements of the Rule. The City may agree in a Bond Purchase Contract to provide the Purchaser of a series of Bonds certain financial or other information and agree to such covenants as determined to be necessary by a Designated Representative.

Section 12. Lost, Stolen or Destroyed Bonds. In case any Bond shall be lost, stolen or destroyed while in the Registered Owner's possession, the Bond Registrar may at the request of the Registered Owner execute and deliver a new Bond of like date, number and tenor to the Registered Owner thereof upon the Registered Owner's paying the expenses and charges of the City and the Bond Registrar in connection therewith and upon its filing with the City written certification that such Bond was actually lost, stolen or destroyed and of its ownership thereof. In the case any Bond shall be lost, stolen, or destroyed while in the Registered Owner's possession,

the Registered Owner may elect upon final payment of principal and interest of such Bond to surrender a photocopy of the Bond for cancellation at the office of the Bond Registrar together with written certification that such Bond was actually lost, stolen or destroyed and of its ownership thereof.

Section 13. Severability; Ratification. 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 covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds. All acts taken pursuant to the authority granted in this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 14. Corrections by Clerk. Upon approval of the City Attorney and Bond Counsel, the City Clerk is hereby authorized to make necessary corrections to this ordinance, including but not limited to the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; ordinance numbering and section/subsection numbering; and other similar necessary corrections.

Section 15. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED by the City Council of the City of Mercer Island, Washington, at a regular meeting of the City Council held on _____, 2025.

CITY OF MERCER ISLAND,
WASHINGTON

Salim Nice, Mayor

ATTEST:

Andrea Larson, City Clerk

Approved as to form:

Bio Park, City Attorney

PACIFICA LAW GROUP LLP

Bond Counsel

Published: _____

Exhibit A

Form of Bond

[TRANSFER RESTRICTIONS]

UNITED STATES OF AMERICA

NO. R-1

\$ _____

STATE OF WASHINGTON

CITY OF MERCER ISLAND

LIMITED TAX GENERAL OBLIGATION BOND, 202__ [(TAXABLE)]

INTEREST RATE: _____
MATURITY DATE: _____
REGISTERED OWNER: _____
PRINCIPAL AMOUNT: _____

The City of Mercer Island, Washington, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the “City”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, on or before the Maturity Date identified above, the [Principal Amount identified above and to pay interest thereon from the date of delivery, or the most recent date to which interest has been paid or duly provided for, at the Interest Rate set forth above (the “Interest Rate”)]. Interest on this bond shall accrue from its dated date until paid and shall be computed per annum on the principal amount outstanding on a 30/360 basis. Principal of and accrued interest on this bond shall be payable on the dates set forth in the payment scheduled attached hereto.

Both principal of and interest on this bond shall be payable in lawful money of the United States of America. Principal and interest on this bond shall be payable by check or warrant or by other means mutually acceptable to the Registered Owner and the City. Upon final payment of principal and interest of this bond, the Registered Owner shall surrender this bond for cancellation at the office of the Bond Registrar in accordance with Ordinance No. _25-21 of the City (the “Bond Ordinance”).

This bond is issued pursuant to the Bond Ordinance to provide funds to finance and/or reimburse the City for costs of acquiring, constructing, improving, developing and equipping City facilities and to pay costs of issuance. Capitalized terms used in this bond have the meanings given such terms in the Bond Ordinance.

[Prepayment provisions]

This bond [has/has not] been designated by the City as a “qualified tax-exempt obligation” within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

The City has in the Bond Ordinance authorized the creation of a fund to be used for the payment of debt service on this bond, designated as the Debt Service Fund. The Debt Service Fund shall be drawn upon for the sole purpose of paying the principal of and interest on this bond.

The City hereby irrevocably covenants and agrees with the owner of this bond that it will include in its annual budget and levy taxes annually, within and as a part of the tax levy permitted to the City without a vote of the electorate, upon all the property subject to taxation in amounts sufficient, together with other money legally available therefor, to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

Owners of this bond do not have a security interest in particular revenues or assets of the City. This bond is not a debt or indebtedness of the State of Washington, or any political subdivision thereof other than the City.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar or its duly designated agent.

This bond is issued pursuant to the Constitution and laws of the State of Washington, and duly adopted ordinances of the City. This bond is transferable upon compliance with the conditions set forth in the Bond Ordinance.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done and performed precedent to and in the issuance of this bond exist, have happened, been done and performed and that the issuance of this bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City may incur.

IN WITNESS WHEREOF, the City of Mercer Island, Washington, has caused this bond to be executed by the manual or facsimile signature of the Mayor of the City Council and attested by the manual or facsimile signature of the Clerk, as of this ____ day of _____, 2025.

[SEAL]

CITY OF MERCER ISLAND, WASHINGTON

By _____/s/_____
Mayor

ATTEST:

_____/s/_____
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

[This bond is the City of Mercer Island, Limited Tax General Obligation Bond, 2025 [(Taxable)] described in the within mentioned Bond Ordinance and is registered in the name of the Registered Owner on the books of the City, in the office of the City Finance Director (the “Bond Registrar”), as to both principal and interest, as noted in the registration blank below. All payments of principal of and interest on this bond shall be made by the City to the Registered Owner from the Debt Service Fund.]

Date of Registration	Name and Address of Registered Owner	Signature of Bond Registrar
_____, 2025		