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State earns strong rates for bridge bonds, other issues

OLYMPIA, Wash. — Washington state attracted solid rates today on three bond issues totaling more than $449 million in competitive offerings at the Office of the State Treasurer, including the sixth tranche of bonds for the Tacoma Narrows Bridge.

Each of the three issues attracted four bidders.

"Considering this was a busy bond day nationwide, I am very happy with the rates we got," said State Treasurer Mike Murphy, who chairs the State Finance Committee. "Once again, it proves our product is very attractive in the marketplace."

J.P. Morgan was the winning bidder for $319.7 million in various purpose general obligation bonds (Series 2005D), proceeds of which will be used for construction of state and higher education facilities and multimodal transportation projects. J.P. Morgan's winning TIC bid was 4.4485870 percent. Also bidding were Merrill Lynch (4.4504918 percent), UBS (4.4550466 percent) and Citigroup (4.4581038 percent).

Merrill Lynch placed the winning bid for $85 million in motor vehicle fuel tax general obligation bonds (Series 2005E), proceeds of which will be used for improvements on state and local highways and other transportation projects. Merrill Lynch's TIC offer was 4.4697033 percent. Also bidding were Lehman Brothers (4.4960747 percent), UBS (4.520371 percent) and Citigroup (4.5257308 percent).

UBS Financial Services Inc. was the winning bidder on $45 million of capital appreciation bonds for the Tacoma Narrows Bridge (Series 2005F). UBS entered a true interest cost (TIC) bid of 4.839945 percent. Also bidding were Citigroup Global Markets Inc. (4.8574040 percent), Lehman Brothers (4.8749120 percent) and J.P Morgan Securities Inc. (4.933540 percent).

The State Finance Committee met following the bidding to award the sales. Besides Chairman Murphy, the committee's other members are Gov. Christine Gregoire and Lt. Governor Brad Owen.

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