

SNOHOMISH SCHOOL DISTRICT NO. 201
SNOHOMISH COUNTY, WASHINGTON

BONDS TO REPLACE AND RENOVATE SCHOOLS AND
IMPROVE SAFETY

RESOLUTION NO. 13-19

A RESOLUTION of the Board of Directors of Snohomish School District No. 201, Snohomish County, Washington, providing for the submission to the voters of the District at a special election to be held on February 11, 2020, of a proposition authorizing the District to issue general obligation bonds in the aggregate principal amount of no more than \$470,000,000 for the purpose of paying costs of replacing Cascade View, Cathcart, Dutch Hill, Seattle Hill, Totem Falls and Emerson Elementary Schools and Maintenance Center, renovating Central Primary Center, Parkway Campus and Transportation Facility, adding classrooms to Glacier Peak, making District-wide safety/security and other capital improvements, and acquiring land, the principal of and interest on such bonds to be payable from annual excess property tax levies; designating the District's Executive Director of Business Services and bond counsel to receive notice of the ballot title from the Auditor of Snohomish County, Washington; authorizing a request for a Certificate of Eligibility from the State Treasurer for participation in the Washington State School District Credit Enhancement Program pursuant to chapter 39.98 RCW; and providing for other matters properly related thereto.

ADOPTED: NOVEMBER 13, 2019

This document prepared by:

*FOSTER GARVEY P.C.
1111 Third Avenue, Suite 3000
Seattle, Washington 98101
(206) 447-5339*

SNOHOMISH SCHOOL DISTRICT NO. 201
SNOHOMISH COUNTY, WASHINGTON

RESOLUTION NO. 13-19

A RESOLUTION of the Board of Directors of Snohomish School District No. 201, Snohomish County, Washington, providing for the submission to the voters of the District at a special election to be held on February 11, 2020, of a proposition authorizing the District to issue general obligation bonds in the aggregate principal amount of no more than \$470,000,000, for the purpose of paying costs of replacing Cascade View, Cathcart, Dutch Hill, Seattle Hill, Totem Falls and Emerson Elementary Schools and Maintenance Center, renovating Central Primary Center, Parkway Campus and Transportation Facility, adding classrooms to Glacier Peak, making District-wide safety/security and other capital improvements, and acquiring land, the principal of and interest on such bonds to be payable from annual excess property tax levies; designating the District's Executive Director of Business Services and bond counsel to receive notice of the ballot title from the Auditor of Snohomish County, Washington; authorizing a request for a Certificate of Eligibility from the State Treasurer for participation in the Washington State School District Credit Enhancement Program pursuant to chapter 39.98 RCW; and providing for other matters properly related thereto.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SNOHOMISH SCHOOL DISTRICT NO. 201, SNOHOMISH COUNTY, WASHINGTON, as follows:

Section 1. Findings and Determinations. The Board of Directors (the "Board") of Snohomish School District No. 201, Snohomish County, Washington (the "District"), takes note of the following facts and makes the following findings and determinations:

(a) Aging and educationally outdated schools and infrastructure, enrollment demands, State of Washington class size reduction and full day kindergarten initiatives, student safety and security concerns and the institution of new educational programs require the District to: replace Cascade View, Cathcart, Dutch Hill, Seattle Hill, Totem Falls and Emerson Elementary Schools and Maintenance Center; renovate Central Primary Center, Parkway Campus and Transportation Facility; add classrooms to Glacier Peak; make District-wide safety/security and other capital improvements; and acquire land, all as more particularly defined and described in Section 2 herein (collectively, the "Projects").

(b) The District lacks sufficient money to pay costs of the Projects.

(c) To pay costs of the Projects, it is necessary and advisable that the District issue and sell unlimited tax general obligation bonds in the aggregate principal amount of no more than \$470,000,000 (the "Bonds"), or such lesser maximum amount as may be legally issued under the laws governing the limitation of indebtedness or required to carry out and accomplish the Projects.

(d) Pursuant to Article VII, Section 2(b) and Article VIII, Section 6 of the Washington Constitution and laws of the State of Washington, including Revised Code of Washington ("RCW") 28A.530.010, RCW 28A.530.020, RCW 39.36.050 and RCW 84.52.056,

the District may submit to its voters at a special election, for their approval or rejection, a proposition authorizing the District to issue the Bonds to pay costs of the Projects and to levy annual excess property taxes in amounts sufficient to pay principal of and interest on the Bonds when due (*i.e.*, repay the Bonds).

(e) The best interests of the District's students and other inhabitants require the District to carry out and accomplish the Projects.

Section 2. Description of the Projects. The Projects to be paid for with proceeds of the Bonds, including interest earnings thereon ("Bond Proceeds"), are more particularly defined and described as follows:

(a) Construct a new elementary school to replace Cascade View Elementary School, on or near the existing site, all as determined necessary and advisable by the Board.

(b) Construct a new elementary school to replace Cathcart Elementary School, on a site to be determined by the Board, all as determined necessary and advisable by the Board.

(c) Construct a new elementary school to replace Dutch Hill Elementary School, on or near the existing site, all as determined necessary and advisable by the Board.

(d) Construct a new elementary school to replace Seattle Hill Elementary School, on or near the existing site, all as determined necessary and advisable by the Board.

(e) Construct a new elementary school to replace Totem Falls Elementary School, on or near the existing site, all as determined necessary and advisable by the Board.

(f) Construct a new elementary school to replace Emerson Elementary School and Central Primary Center, on or near the existing Emerson Elementary School site, all as determined necessary and advisable by the Board.

(g) Construct a new Maintenance Center to replace the portables that serve as the maintenance facility, all as determined necessary and advisable by the Board.

(h) Renovate the existing Central Primary Center facility to create a new early learning center, all as determined necessary and advisable by the Board.

(i) Renovate Parkway Campus (including buildings and facilities), all as determined necessary and advisable by the Board.

(j) Renovate Transportation Facility, all as determined necessary and advisable by the Board.

(k) Add (*i.e.*, construct additional) classrooms to Glacier Peak High School, all as determined necessary and advisable by the Board.

(l) Make District-wide safety/security and other capital improvements, including, but not limited to: (1) installing or modernizing digital access controls systems; (2) modernizing

District-wide radio system; (3) making vestibule improvements at secondary schools; (4) acquiring or upgrading video systems; (5) upgrading and/or improving heating, ventilation, air conditioning, mechanical and electrical systems; (6) upgrading and/or improving roofing and energy efficiency systems; (7) reconfiguring and/or improving parking and student drop-off and pick-up areas; (8) upgrading and/or improving playgrounds, courts, and athletic/play fields; (9) making Stadium improvements; and (10) making other District-wide safety/security and capital improvements, all as determined necessary and advisable by the Board.

(m) Acquire land and interests in land as sites for the foregoing Projects and for other new and expanded facilities of the District, all as determined necessary and advisable by the Board. The term "land" as used herein includes all real property and improvements and other structures thereon and all interests therein.

(n) Acquire, construct and install all necessary furniture, equipment, apparatus, accessories, fixtures and appurtenances in or for the foregoing, all as determined necessary and advisable by the Board.

(o) Pay incidental costs incurred in connection with carrying out and accomplishing the Projects pursuant to RCW 39.46.070. Such incidental costs constitute a part of the Projects and include, but are not limited to: (1) costs related to the issuance, sale and delivery of the Bonds; (2) payments for fiscal and legal costs; (3) costs of obtaining ratings and bond insurance; (4) costs of printing, advertising, establishing and funding accounts; (5) payment of interest due on the Bonds for up to six months after completion of construction; (6) necessary and related engineering, architectural, planning, consulting, inspection, permitting and testing costs; (7) administrative and relocation costs; (8) site acquisition and improvement costs; (9) demolition costs; (10) costs related to demolition and/or deconstruction of existing school facilities to recycle, reclaim and repurpose such school facilities and/or building materials; (11) costs of on-site and off-site utilities and road improvements; and (12) costs of other similar activities or purposes, all as determined necessary and advisable by the Board.

The Projects, or any portion or portions thereof, shall be accomplished insofar as is practicable with available Bond Proceeds, together with any other money of the District legally available therefor, and in such order of time as shall be determined necessary and advisable by the Board. Subject to Section 6 of this resolution, the Board shall allocate the Bond Proceeds, together with any other money of the District legally available therefor, between the various parts of the Projects so as to accomplish, as near as may be, all of the Projects. The Board shall determine the exact order, extent and specifications for the Projects. The Projects are to be more fully described in the plans and specifications to be filed with the District.

Section 3. Calling of Election. The Auditor of Snohomish County, Washington, as *ex officio* Supervisor of Elections (the "Auditor"), is requested to call and conduct a special election in the District, in the manner provided by law, to be held on February 11, 2020, for the purpose of submitting to the District's voters, for their approval or rejection, the proposition authorizing the District to issue the Bonds to pay costs of the Projects and levy annual excess property taxes to repay the Bonds.

If the proposition is approved by the requisite number of voters, the District will be authorized to issue, sell and deliver the Bonds in the manner described in this resolution, spend the Bond Proceeds to pay costs of the Projects, and levy annual excess property taxes to repay the Bonds. The Bond Proceeds may be used, either with or without additional money now available or hereafter available to the District, for capital purposes only, as permitted by law, which does not include the replacement of equipment.

Section 4. Authorization to Issue the Bonds. The Bonds authorized may be issued as a single issue, as a part of a combined issue with other authorized bonds, or in more than one series, all as determined necessary and advisable by the Board and as permitted by law. Further, the Bonds may be issued, as determined necessary and advisable by the Board, as taxable bonds, tax-exempt bonds and/or any other type of bonds that are now or in the future may be authorized under applicable state and federal law.

Each series of the Bonds shall be issued as fully registered bonds; shall bear interest payable as permitted by law; shall mature within 21 years from the date of issuance of such series of the Bonds (but may mature at an earlier date or dates as fixed by the Board); shall be paid by annual property tax levies sufficient in amount to pay both principal and interest when due, which annual property tax levies shall be made in excess of regular property tax levies without limitation as to rate or amount; and shall be issued and sold in such manner, at such times and in such amounts as shall be required for the purpose for which each series of the Bonds are to be issued, all as determined necessary and advisable by the Board and as permitted by law. The life of the Projects to be financed with the Bond Proceeds shall, as near as practicable or as otherwise required by law, exceed the term of the respective series of Bonds that finance such Projects. The amount, date, denominations, interest rates, payment dates, final maturity, redemption rights, price, and other terms and conditions of the Bonds (or parameters with respect thereto) shall be hereafter fixed by one or more resolutions of the Board authorizing the issuance, sale and delivery of each series of Bonds, which resolutions may delegate to a District officer or employee the authority to fix any of the foregoing, all as determined necessary and advisable by the Board and as permitted by law.

Pending the issuance of any series of the Bonds, the District may levy excess property taxes to repay those Bonds and may issue short-term obligations pursuant to chapter 39.50 RCW to pay for any portion of the costs of the Projects. Such obligations may be paid or refunded with the Bond Proceeds.

Section 5. Intent to Reimburse. The Board declares that to the extent, prior to the date the Bonds, or other bonds or obligations (which includes the Bonds, or other bonds or obligations, issued as tax-exempt bonds) are issued to pay costs of the Projects, the District makes capital expenditures for the Projects from money that is not (and is not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside by the District under its existing and reasonably foreseeable budgetary and financial circumstances to pay costs of the Projects, those capital expenditures are intended to be reimbursed out of the Bond Proceeds, or proceeds of other bonds or obligations, issued in an amount not to exceed the principal amount of the Bonds provided by this resolution.

Section 6. Sufficiency of Bond Proceeds. If the Bond Proceeds are more than sufficient to carry out and accomplish the Projects (the "Excess Bond Proceeds"), and state or local

circumstances require, the District may use the Excess Bond Proceeds to: (a) acquire, construct, install, equip and make other capital improvements to the District's facilities; or (b) retire and/or defease a portion of the Bonds or other outstanding bonds of the District, all as the Board may determine by resolution, after holding a public hearing thereon pursuant to RCW 28A.530.020. In the event that the Bond Proceeds, together with any other money of the District legally available therefor, are insufficient to carry out and accomplish all of the Projects, the District shall use the Bond Proceeds and other available money for paying the cost of that portion of the Projects that is determined by the Board most necessary and in the best interest of the District.

Section 7. Use of State Financing Assistance. It is anticipated that the District may receive money from the State of Washington as state financing assistance under chapter 28A.525 RCW with respect to the Projects (the "State Financing Assistance"). The State Financing Assistance shall be used, when and in such amounts as it may become available, to carry out and accomplish the Projects. If the State Financing Assistance is more than sufficient to carry out and accomplish the Projects (the "Excess State Financing Assistance"), and state or local circumstances require, the District may use the Excess State Financing Assistance to: (a) acquire, construct, install, equip and make other capital improvements to the District's facilities; (b) retire and/or defease a portion of the Bonds or other outstanding bonds of the District; or (c) provide for other purposes, all as the Board may determine by resolution, after holding a public hearing thereon pursuant to RCW 28A.530.020.

Section 8. Alteration of Expenditures. If the Board shall subsequently determine that state or local circumstances, including, but not limited to, changed conditions or needs, regulatory considerations or incompatible development, should cause any alteration to the specific expenditures from the Bond Proceeds or the State Financing Assistance for the Projects, the District shall not be required to accomplish the Projects and may apply the Bond Proceeds or the State Financing Assistance (or both or any portion of each) to: (a) acquire, construct, install, equip and make other capital improvements to the District's facilities; or (b) retire and/or defease a portion of the Bonds or other outstanding bonds of the District, all as the Board may determine by resolution after holding a public hearing thereon pursuant to RCW 28A.530.020.

[Remainder of page intentionally left blank]

Section 9. Form of Ballot Title. Pursuant to RCW 29A.36.071, the Snohomish County Prosecuting Attorney is requested to prepare the concise description of the aforesaid proposition for the ballot title in substantially the following form:

PROPOSITION 1

SNOHOMISH SCHOOL DISTRICT NO. 201

BONDS TO REPLACE AND RENOVATE SCHOOLS
AND IMPROVE SAFETY

The Board of Directors of Snohomish School District No. 201 adopted Resolution No. 13-19, concerning a proposition to replace and renovate schools and improve safety. This proposition would authorize the District to: replace Cascade View, Cathcart, Dutch Hill, Seattle Hill, Totem Falls and Emerson Elementary Schools and Maintenance Center; renovate Central Primary Center, Parkway Campus and Transportation Facility; add classrooms to Glacier Peak; make District-wide safety/security and other capital improvements; acquire land; issue no more than \$470,000,000 of general obligation bonds maturing within 21 years; and levy annual excess property taxes to repay the bonds, all as provided in Resolution No. 13-19. Should this proposition be:

Approved.....

Rejected

Section 10. Authorization to Deliver Resolution to Auditor and Perform Other Necessary Duties. The Secretary to the Board (the "Secretary") or his designee is directed to: (a) present a certified copy of this resolution to the Auditor no later than December 13, 2019; and (b) perform such other duties as are necessary or required by law to submit to the District's voters at the aforesaid special election, for their approval or rejection, the proposition authorizing the District to issue the Bonds to pay costs of the Projects and levy annual excess property taxes to repay the Bonds.

Section 11. Notices Relating to Ballot Title. For purposes of receiving notice of the exact language of the ballot title required by RCW 29A.36.080, the Board hereby designates (a) the District's Executive Director of Business Services (Tom Laufmann), telephone: 360.563.7240; fax: 360.563.7373; email: tom.laufmann@sno.wednet.edu; and (b) bond counsel, Foster Garvey P.C. (Jim McNeill), telephone: 206.447.5339; fax 800.533.2284; email: jim.mcneill@foster.com, as the individuals to whom the Auditor shall provide such notice. The Secretary is authorized to approve changes to the ballot title, if any, deemed necessary by the Auditor or the Snohomish County Prosecuting Attorney.

Section 12. Authorization to Request Participation in Washington State School District Credit Enhancement Program. The Board finds and determines that, if the District receives voter approval to issue the Bonds in the manner described in this resolution, it will be in the best interests of the District's taxpayers to request the State of Washington's guaranty for payment of the Bonds under chapter 39.98 RCW, the Washington State School District Credit Enhancement Program.

Accordingly, the Board hereby requests the State Treasurer to issue a Certificate of Eligibility to the District pledging the full faith, credit, and taxing power of the State of Washington to guarantee the payment, when due, of the principal of and interest on the Bonds pursuant to chapter 39.98 RCW and the rules promulgated thereunder by the State Finance Committee. The Board designates the Secretary and/or the District's Executive Director of Business Services or such other officer of the District who may in the future perform the duties of that office, if any (the "Executive Director of Business Services") as the District officials authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility.

Section 13. General Authorization and Ratification. The Secretary, the Executive Director of Business Services, the President of the Board, other appropriate officers of the District and bond counsel, Foster Garvey P.C., are severally authorized and directed to take such actions and to execute any documents as in their judgment may be necessary or desirable to effectuate the provisions of this resolution. All actions taken prior to the effective date of this resolution in furtherance of and not inconsistent with the provisions of this resolution are ratified and confirmed in all respects.

Section 14. Severability. If any provision of this resolution is declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be separable from the remaining provisions of this resolution and shall in no way affect the validity of the other provisions of this resolution, of the Bonds or of the levy or collection of the taxes pledged to repay the Bonds.

[Remainder of page intentionally left blank]

Section 15. Effective Date. This resolution takes effect from and after its adoption.

ADOPTED by the Board of Directors of Snohomish School District No. 201, Snohomish County, Washington, at a regular open public meeting held this 13th day of November, 2019, the following Directors being present and voting in favor of the resolution.

SNOHOMISH SCHOOL DISTRICT NO. 201
SNOHOMISH COUNTY, WASHINGTON




President and Director, Jay Hagen



Vice President and Director, Shauna Ballas



Director, Josh Seek



Director, Dr. Sara Fagerlie



Director, Brandy Hekker

ATTEST:



KENT KULTGEN
Secretary to the Board of Directors

CERTIFICATE

I, KENT KULTGEN, Secretary to the Board of Directors of Snohomish School District No. 201, Snohomish County, Washington (the "District"), hereby certify as follows:

1. The foregoing Resolution No. 13-19 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of Directors of the District (the "Board") held at its regular meeting place on November 13, 2019, as that Resolution appears on the minute book of the District, and the Resolution is now in full force and effect; and

2. A quorum of the members of the Board was present throughout the meeting and a sufficient number of members of the Board present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of November, 2019.

SNOHOMISH SCHOOL DISTRICT NO. 201
SNOHOMISH COUNTY, WASHINGTON



KENT KULTGEN
Secretary to the Board of Directors