

RESOLUTION NO. 1831

A RESOLUTION of the Board of Directors of Tacoma School District No. 10, Pierce County, Washington, authorizing the form of the ballot proposition and specifying certain other matters concerning submission to the voters of the District at a special election to be held on March 10, 2009, of a proposition for the issuance of the District's general obligation bonds in the aggregate principal amount of \$300,000,000 to provide funds for capital improvements to facilities of the District and authorizing the Superintendent to submit a request for eligibility for the Washington State School District Credit Enhancement Program.

WHEREAS, additional educational facilities and capital improvements to existing educational facilities are needed in Tacoma School District No. 10, Pierce County, Washington (the "District"), to provide the students of the District with adequate, proper and safe educational facilities; and

WHEREAS, to provide part of the funds to enable the District to acquire, construct and equip those additional educational facilities and to make those necessary capital improvements to its existing facilities, the Board of Directors deems it necessary and advisable that the District issue and sell its unlimited tax general obligation bonds in the principal amount of \$300,000,000 (the "Bonds"); and

WHEREAS, the Constitution and laws of the State of Washington (including RCW 28A.530.010 and RCW 84.52.056) provide that the question of whether the Bonds may be issued and sold for these purposes and taxes levied to pay the Bonds must be submitted to the qualified voters of the District for their ratification or rejection; and

WHEREAS, chapter 39.98 RCW established a credit enhancement program (the "Program") for voter-approved school district general obligation bonds; and

WHEREAS, RCW 39.98.040 authorizes the State Treasurer to determine whether a school district is eligible for participation in the Program under rules adopted by the State Finance Committee; and

WHEREAS, if the proposition is approved and to the extent that the Program demonstrates substantial savings to the taxpayers of the District, the District wishes to participate in the Program;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Tacoma School District No. 10, Pierce County, Washington, as follows:

Section 1. Findings. This Board of Directors (the “Board”) finds that the best interests of the students and other residents of the District require the District to undertake the capital improvements described in this resolution when and how the Board deems most necessary and advisable.

Section 2. Capital Improvements. The District will make the following capital improvements (the “Improvements”) to facilities of the District:

- A. Stewart Middle School: modernize or replace existing school facilities.
- B. Hunt Middle School: modernize or replace existing school facilities.
- C. Baker Middle School: modernize or replace existing school facilities.
- D. Wilson High School: Phase II, modernize or replace selected buildings and upgrade athletic fields.
- E. Small Capital Projects for Secondary Schools: replace or upgrade flooring at Foss High School and athletic fields at Lincoln and Stadium High Schools.
- F. Other Small Capital Projects.
 - 1. Acquire, install and equip telecommunication and life safety improvements, including intercom and fire alarm upgrades, in District facilities;

2. Acquire, construct and equip minor educational modifications to District facilities;
3. Acquire, construct and install energy improvements (heating/ventilation and lighting) to District facilities;
4. Acquire, construct and install improvements to flooring, roofs, windows, cabinets, storage facilities, restrooms, and similar improvements to other District facilities, including ADA and Title IX improvements; and
5. Acquire, construct and equip site improvements, including walkways, athletic fields, playgrounds, landscaping and similar improvements to other District facilities, including ADA and Title IX improvements.

The Improvements include all necessary furniture, equipment and appurtenances. The cost of all architectural, engineering, and other consulting services, inspection and testing, administrative and relocation expenses, acquisitions of property, on and off-site utilities, and other costs incurred in connection with the making of the Improvements will be considered part of the cost of the Improvements. The District will determine the extent and specifications for construction of structures and other improvements.

The District will apply proceeds of the Bonds and other money of the District legally available for the Improvements among the various Improvements to accomplish, as nearly as may be, all the Improvements.

If proceeds of the Bonds, plus other money of the District legally available for the Improvements, are insufficient to accomplish all of the Improvements, the District will use the available funds for those Improvements deemed by the Board most necessary and in the best interest of the District.

If the Board determines that it has become impractical to acquire, construct or equip any portion of the Improvements by reason of changed conditions, or costs substantially in excess of

the amount of Bond proceeds or other available funds, the District is not required to acquire, construct or equip those portions of the Improvements.

If all of the Improvements have been constructed or duly provided for, or found to be impractical, and if state or local circumstances require, the District may apply all or any portion of the leftover Bond proceeds to other capital improvements to District facilities, to the redemption of Bonds, or the redemption of other outstanding bonds of the District as the Board determines, after holding a public hearing pursuant to RCW 28A.530.020.

The District expects to receive approximately \$59,000,000 in matching funds from the State of Washington pursuant to Chap. 28A.525 RCW in connection with the Improvements. That money will be applied to the Improvements, or to other capital improvements as the Board may determine after holding a public hearing pursuant to RCW 28A.530.020.

Section 3. Authorization of Bonds. To provide part of the funds necessary to pay costs of the Improvements, together with incidental costs and costs related to the sale and issuance of the Bonds, including capitalized interest, the District will issue and sell its unlimited tax levy general obligation bonds in the principal amount of not to exceed \$300,000,000 (the “Bonds”). The balance, if any, of the cost of the Improvements will be paid out of any money legally available for those purposes and out of possible state or federal grants of money. Bond proceeds must not be used for the replacement of equipment or for any other than a capital purpose. The Bonds will be issued in an amount not exceeding the amount approved by the voters of the District as required by the Constitution and laws of the State of Washington and not exceeding the amount permitted by the Constitution and laws of the State of Washington.

Section 4. Details of Bonds. The Bonds will be sold in the amounts and at the time or times as the Board deems necessary and advisable and as permitted by law. The Bonds will

bear interest at a rate or rates authorized by the Board and will mature in the amounts and at the times, within a maximum term of 20 years from date of issue (but may mature at an earlier date or dates), and have other terms all as authorized by the Board and as provided by law. The exact date, form, terms and maturities of the Bonds will be as hereafter established by resolution of the Board. The Bonds will be general obligations of the District and, unless paid from other sources, both principal of and interest on the Bonds will be payable out of annual tax levies to be made upon all the taxable property within the District without limitation as to rate or amount and in excess of any constitutional or statutory tax limitations. After voter approval of the bond proposition and in anticipation of the issuance of the Bonds, the District may issue short-term obligations as authorized by Chapter 39.50 RCW. Proceeds of the Bonds may be used to redeem and retire short term obligations or to reimburse the District for expenditures previously made for the Improvements.

Section 5. Bond Election. The Board finds that it is in the best interest of the District and its residents to submit to the voters of the District the proposition of whether the District will issue the Bonds for the purposes described in this resolution, at a special election to be held on March 10, 2009. The District requests that the Pierce County Auditor as ex officio supervisor of elections call and conduct the special election to be held by all mail-in ballot within the District and submit to the District's voters the proposition set forth below. The Secretary of the Board is directed, not less than 45 days prior to the election date, to certify the proposition to the Pierce County Auditor in substantially the following form:

PROPOSITION NO. 1

TACOMA SCHOOL DISTRICT NO. 10
SCHOOL FACILITIES IMPROVEMENTS
GENERAL OBLIGATION BONDS - \$300,000,000

The Board of Tacoma School District No. 10 adopted Resolution #1831 concerning this proposition. This proposition authorizes the District to modernize or replace three middle schools, modernize or replace and upgrade facilities of Wilson High School, and make other capital improvements to District facilities, to finance these projects by issuing \$300,000,000 of general obligation bonds maturing within a maximum term of 20 years, and to levy property taxes annually in addition to regular property taxes to repay the bonds, all as provided in Resolution #1831. Shall this proposition be:

APPROVED?..... €
 REJECTED?..... €

Section 6. Request for Eligibility for the Credit Enhancement Program. In preparation for the issuance and sale of the Bonds after approval by the voters, the Board of Directors requests that the State Treasurer issue a certificate of the District’s eligibility for participation in the Program with respect to the Bonds. The Board authorizes and directs the Superintendent (following voter approval) to submit any applications, resolutions and certifications that the State Treasurer requires in reviewing the District’s request for participation in the Program.

Section 7. Severability. If any provision of this resolution is held to be invalid, such invalidity must not affect or invalidate any other provision of this resolution or the Bonds, but this resolution and the Bonds will be construed and enforced as if such invalid provision had not been contained in this resolution. If any provision is for any reason held by reason of its extent to be invalid, it must be deemed to be in effect to the extent permitted by law.

Section 8. Effective Date. This resolution will become effective immediately upon its adoption.

ADOPTED by the Board of Directors of Tacoma School District No. 10, Pierce County,
Washington, at its regular meeting held on October 23, 2008.

TACOMA SCHOOL DISTRICT NO. 10
PIERCE COUNTY, WASHINGTON

Directors

ATTEST:

Secretary, Board of Directors

CERTIFICATE

I, the undersigned, Secretary of the Board of Directors of Tacoma School District No. 10, Pierce County, Washington, (the "District") and keeper of the records of the Board of Directors (the "Board"), DO HEREBY CERTIFY:

1. That the attached resolution is a true copy of Resolution No. 1831 of the Board (the "Resolution"), duly adopted at the Board's regular meeting held on October 23, 2008.

2. That the meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of the meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Board voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this _____, 2008.

Secretary, Board of Directors

OFFICIAL BALLOT

TACOMA SCHOOL DISTRICT NO. 10, PIERCE COUNTY, WASHINGTON

March 10, 2009

INSTRUCTIONS TO VOTERS: To vote in favor of the following proposition, place a cross (X) in the square opposite the word "APPROVED"; to vote against the following proposition, place a cross (X) in the square opposite the word "REJECTED."

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APPROVED? €
REJECTED?..... €

NOTICE OF SPECIAL ELECTION

TACOMA SCHOOL DISTRICT NO. 10
PIERCE COUNTY, WASHINGTON

March 10, 2009

NOTICE IS HEREBY GIVEN that on Tuesday, March 10, 2009, a special election will be held by all mail-in ballot in the above-named school district for the submission to the qualified electors of that school district of the following proposition:

PROPOSITION NO. 1

TACOMA SCHOOL DISTRICT NO. 10

SCHOOL FACILITIES IMPROVEMENTS
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APPROVED?..... €

REJECTED?..... €

Pierce County Auditor

OFFICE OF THE AUDITOR OF PIERCE COUNTY, WASHINGTON

WHEREAS, the undersigned, as the duly elected, qualified and acting Auditor of Pierce County, Washington, has jurisdiction of and is required by law to conduct all special elections for school districts within the County; and

WHEREAS, Tacoma School District No. 10 lies entirely within the boundaries of Pierce County; and

WHEREAS, the Board of Directors of the District by resolution adopted on October 23, 2008, a certified copy of which has been delivered to the undersigned, authorized and directed the undersigned to assume jurisdiction of and conduct a special election to be held on March 10, 2009, by all mail-in ballot;

NOW, THEREFORE, it is hereby authorized and ordered as follows:

The undersigned hereby assumes jurisdiction within Pierce County of the above-mentioned special election of Tacoma School District No. 10, Pierce County, Washington, authorized and ordered by resolution of its Board of Directors adopted on October 23, 2008, and will conduct that special election to be held on March 10, 2009, by all mail-in ballot.

DATED at Tacoma, Washington, this ____ day of _____, 2008.

Pierce County Auditor