

RESOLUTION NO. 748

A RESOLUTION of the Board of Directors of Vashon Island School District No. 402, King County, Washington, providing for the form of the ballot proposition and specifying certain other details concerning submission to the electors at an election on April 25, 2017, of a proposition for the issuance of its general obligation bonds in the aggregate principal amount of not to exceed \$9,997,500 to finance certain capital improvements and authorizing the District to submit a request for eligibility for the Washington State School District Credit Enhancement Program.

WHEREAS, improvements to school facilities are needed in Vashon Island School District No. 402, King County, Washington (the “District”), in order to provide the students of the District with adequate, proper and safe educational facilities; and

WHEREAS, in order to provide part of the funds to enable the District to construct, equip, renovate and make such necessary capital improvements to its facilities, it is deemed necessary and advisable that the District issue and sell its unlimited tax general obligation bonds in the principal amount of not to exceed \$9,997,500 (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 or not such Bonds may be issued and sold for such purposes and taxes levied to pay such Bonds must be submitted to the qualified electors of the District for their ratification or rejection; and

WHEREAS, in Chapter 39.98 RCW (the “Credit Enhancement Act”), the State Legislature established a credit enhancement program (the “Program”) for voter-approved school district general obligation bonds; and

WHEREAS, Section 39.98.040 of the Credit Enhancement Act authorizes the State Treasurer to make a determination that a school district is eligible for participation in the Program

if the State Treasurer determines that the district is eligible under rules adopted by the state finance committee; and

WHEREAS, the District may elect to participate in the Program upon an administrative determination that it is cost-effective;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VASHON ISLAND SCHOOL DISTRICT NO.402, KING COUNTY, WASHINGTON, as follows:

Section 1. Findings. The Board of Directors (the “Board”) hereby finds and declares that the best interest of the students and other inhabitants of the District require the District to carry out the plans hereinafter provided at the time or times and in the order deemed most necessary and advisable by the Board.

Section 2. Capital Improvements. The District shall make the following capital improvements (the “Improvements”):

- Upgrade track and field facilities at Vashon Island High School, including replacing the field with artificial turf, grandstand upgrades, accessibility and lighting and upgrade to an eight (8) lane track,
- Construct a maintenance facility, and secure the existing maintenance facility and Building F for storage,
- Renovate McMurray Middle School, including improvements to the locker rooms, flooring and windows and other improvements to the building,
- Improvements to Chautauqua Elementary School,
- Improvements to Vashon Island High School, including signage, fencing,
- Renovate Building K, and
- Improvements to the Transportation area including new roofing and fencing.

The cost of all necessary architectural, engineering, and other consulting services, inspection and testing, administrative and relocation expenses, on and off-site utilities, site

acquisition, related Improvements and other costs incurred in connection with the making of the foregoing capital Improvements shall be deemed a part of the costs of such Improvements. Such Improvements shall be completed with all necessary furniture, equipment and appurtenances.

The Board shall determine the application of available money as between the various Improvements set forth above so as to accomplish, as nearly as may be, all of the Improvements described or provided for in this section. The District shall determine the exact extent and specifications for construction of structures or other improvements.

If the Board shall determine it is undesirable or that it becomes impractical to accomplish any of such Improvements or portions thereof by reason of state or local circumstances, including changed conditions, incompatible development or costs substantially in excess of those estimated, the District shall not be required to accomplish such Improvements and may apply the Bond proceeds or any portion thereof to other portions of the Improvements or to other capital projects approved by the Board or to payment of principal of or interest on the Bonds, as the Board may determine after holding a public hearing thereon pursuant to RCW 28A.530.020.

In the event that the proceeds of the sale of the Bonds, plus any other money of the District legally available, are insufficient to accomplish all of the Improvements, the District shall use the available funds for paying the cost of those Improvements for which the Bonds were approved deemed by the Board most necessary and in the best interest of the District.

Section 3. Authorization of Bonds. For the purpose of providing the funds necessary to pay the cost of the Improvements and/or to reimburse the District for such costs, to the extent that District funds have been used for such purposes, together with incidental costs and costs related to the sale and issuance of the Bonds, the District shall issue and sell its unlimited tax general obligation bonds in the principal amount of not to exceed \$9,997,500. The balance of the

cost of the Improvements shall be paid out of any money which the District now has or may later have on hand which is legally available for such purpose, including mitigation fees, and out of possible state or federal grants of money. None of the Bond proceeds shall be used for the replacement of equipment or for anything other than a capital purpose. Such Bonds shall be issued in an amount not exceeding the amount approved by the qualified electors of the District as required by the Constitution and laws of the State of Washington or exceeding the amount permitted by the Constitution and laws of the State of Washington.

Section 4. Details of Bonds. The Bonds shall be sold in such amounts and at such time or times as deemed necessary and advisable by the Board and as permitted by law, shall bear interest at a rate or rates not to exceed the maximum rate permitted by law at the time the Bonds are sold, and shall mature in such amounts and at such times within a maximum term of 21 years from date of issue, but may mature at an earlier date or dates, as authorized by the Board and as provided by law. The Bonds shall be general obligations of the District and, unless paid from other sources, both principal thereof and interest thereon shall 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. The exact date, form, terms and maturities of the Bonds shall be as hereafter fixed by resolution of the Board. 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 and provided by Chapter 39.50 RCW. The proceeds of such 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. Election. It is hereby found and declared that the best interest of the District requires the submission to the qualified electors of the District of the proposition of whether the

District shall issue the Bonds at a special election to be held on April 25, 2017. The Director of Records and Elections, as ex officio supervisor of elections in King County, Washington, is hereby requested to call and conduct the special election to be held within the District and to submit to the qualified electors of the District the proposition set forth below. The Secretary of the Board is hereby authorized and directed to certify the proposition in the following form:

PROPOSITION NO. 1

VASHON ISLAND SCHOOL DISTRICT
GENERAL OBLIGATION BONDS – \$9,997,500

The Board of Directors of Vashon Island School District #402 adopted Resolution No. 748 concerning this proposition for bonds. This proposition authorizes the District to improve the track and field at the High School, improve the Middle and Elementary School, construct a maintenance facility, make other capital improvements, issue \$9,997,500 of general obligation bonds maturing within a maximum of 21 years, and levy additional property taxes annually to repay the bonds, as detailed in Resolution No. 748. Should this proposition be:

APPROVED?.....
REJECTED?.....

The Secretary of the Board is hereby authorized to deliver a certified copy of this resolution to the Director of Records and Elections of King County.

Section 6. 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 the (a) Executive Director of Business & Operations (Matt Sullivan), telephone: 206-463-8524; fax: 206-463-6262; email: msullivan@vashonsd.org; and (b) bond counsel, Foster Pepper PLLC (Nancy Neraas), telephone: 206.447.6277; fax 206.749.1992; email: Nancy.neraas@foster.com, as the individuals to whom the Director of Records and Elections of King County shall provide such

notice. The Secretary is authorized to approve changes to the ballot title, if any, deemed necessary by the Director of Records and Elections of King County or the King County Prosecuting Attorney.

Section 7. 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 hereby requests that the State Treasurer issue a certificate of eligibility in favor of the District for participation by the District in the Program with respect to the Bonds. The Superintendent and/or Business Manager are hereby authorized (following voter approval) to submit such applications, resolutions and certifications as shall be required by the State Treasurer in reviewing the District's request for participation.

Section 8. Authorization of Local Voters' Pamphlet. To the extent a local voters' pamphlet and/or online voters' guide (the "Pamphlet") will be produced for the April 25, 2017 election, the preparation and distribution of information on the ballot title for inclusion in the Pamphlet is hereby authorized; provided that, the District reserves the right not to participate in the preparation and distribution of the Pamphlet if such participation would create undue financial hardship for the District or would otherwise not be in the best interests of the District. The Secretary is authorized to exercise the District's right not to participate in the preparation and distribution of the Pamphlet. The Pamphlet shall include, if applicable, an explanatory statement and statements in favor of and in opposition to the ballot title. The preparation of the explanatory statement, the appointment of pro/con committees and the preparation of statements in favor and in opposition to the ballot title shall be in accordance with chapter 29A.32 RCW and the rules and guidelines of the Washington State Auditor and/or the Director of Records and Elections of King County, as applicable. The District understands that it is responsible to pay its proportionate share of the costs of the Pamphlet under RCW 29A.32.270.

Section 9. Severability. In the event that any provision of this resolution shall be held to be invalid, such invalidity shall not affect or invalidate any other provision of this resolution or the Bonds, but they shall be construed and enforced as if such invalid provision had not been contained herein; provided, however, that any provision which shall for any reason be held by reason of its extent to be invalid shall be deemed to be in effect to the extent permitted by law.

Section 9. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED by the Board of Directors of Vashon Island School District No. 402, King County, Washington, at a regular meeting held this 16 day of February, 2017.

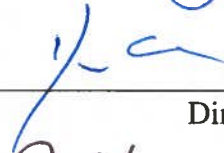
VASHON ISLAND SCHOOL DISTRICT
NO. 402, KING COUNTY, WASHINGTON



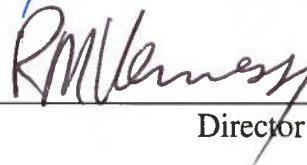
Chair and Director



Vice Chair and Director



Director



Director



Director

ATTEST:


Secretary, Board of Directors