

CLOVER PARK SCHOOL DISTRICT NO. 400  
PIERCE COUNTY, WASHINGTON

SCHOOL CONSTRUCTION BONDS

RESOLUTION NO. 10-026

A RESOLUTION of the Board of Directors of Clover Park School District No. 400, Pierce County, Washington, providing for the submission to the voters of the District at a special election to be held therein on February 9, 2010, of a proposition authorizing the District to issue general obligation bonds in the principal amount of no more than \$92,000,000\_(or such lesser maximum amount as may be legally issued under the laws governing the limitation of indebtedness), for the purpose of paying costs of reconstructing Hudtloff Middle School, acquiring land and constructing a new Elementary School to consolidate Oakwood and Southgate Elementary Schools, constructing a new Harrison Preparatory Academy, the principal of and interest on such bonds to be payable from annual property tax levies to be made in excess of regular property tax levies; designating the District's Administrator of Business Services and Capital Projects and bond counsel to receive notice of the ballot title from the Auditor of Pierce County, Washington; authorizing a request for a Certificate of Eligibility from the State Treasurer pursuant to chapter 39.98 RCW; and designating the Secretary to the Board and/or the District's Administrator of Business Services and Capital Projects as the District officials authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility.

ADOPTED: October 26, 2009

*This document prepared by:*

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CLOVER PARK SCHOOL DISTRICT NO. 400  
PIERCE COUNTY, WASHINGTON

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A RESOLUTION of the Board of Directors of Clover Park School District No. 400, Pierce County, Washington, providing for the submission to the voters of the District at a special election to be held therein on February 9, 2010, of a proposition authorizing the District to issue general obligation bonds in the principal amount of no more than \$92,000,000\_(or such lesser maximum amount as may be legally issued under the laws governing the limitation of indebtedness), for the purpose of paying costs of reconstructing Hudtloff Middle School, acquiring land and constructing a new Elementary School to consolidate Oakwood and Southgate Elementary Schools, constructing a new Harrison Preparatory Academy, the principal of and interest on such bonds to be payable from annual property tax levies to be made in excess of regular property tax levies; designating the District's Administrator of Business Services and Capital Projects and bond counsel to receive notice of the ballot title from the Auditor of Pierce County, Washington; authorizing a request for a Certificate of Eligibility from the State Treasurer pursuant to chapter 39.98 RCW; and designating the Secretary to the Board and/or the District's Administrator of Business Services and Capital Projects as the District officials authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CLOVER PARK SCHOOL DISTRICT NO. 400, PIERCE COUNTY, WASHINGTON, as follows:

Section 1. The Board of Directors (the "Board") of Clover Park School District No. 400, Pierce County, Washington (the "District"), hereby makes the following findings and determinations:

(a) To provide the District's students with adequate, proper and safe educational facilities, the Board, in accordance with the Capital Facilities Plan of the District that was developed by way of recommendations from the Facilities Advisory Committee, finds that enrollment demands, the existing condition of school facilities, and the institution of new educational programs, require that the District reconstruct Hudtloff Middle School, acquire land and construct a new Elementary School to consolidate Oakwood and Southgate Elementary Schools, construct a new Harrison Preparatory Academy, all as more particularly defined and described in Section 3 herein (collectively, the "Projects").

(b) The District lacks sufficient money with which to pay costs of the Projects, which are urgently required to correct the existing conditions.

(c) To pay costs of the Projects, the Board hereby deems it necessary and advisable that the District issue and sell unlimited tax general obligation bonds in the principal amount of no more than \$92,000,000 (the "Bonds") (or such lesser maximum amount as may be legally issued under the laws governing the limitation of indebtedness).

(d) The District is authorized pursuant to Article VII, Section 2(b) 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, to submit to the District’s voters at a special election, for their approval or rejection, the proposition of whether the District shall issue the Bonds to pay costs of the Projects and levy annual excess property taxes to pay and retire the Bonds.

Section 2. The Board hereby finds and declares that the best interests of the District’s students and other inhabitants require the District to carry out and accomplish the Projects as hereinafter provided.

Section 3. The Board hereby finds and declares that 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) Reconstruct Hudtloff Middle School on or near the existing site, all as deemed necessary and advisable by the Board.

(b) Acquire land and construct a new Elementary School, on a site to be determined by the Board, to consolidate Oakwood and Southgate Elementary Schools, all as deemed necessary and advisable by the Board.

(c) Construct a new Harrison Preparatory Academy on the existing site of the Alternative for Individuals School adjacent to the Clover Park Technical College or at such other site determined by the Board, all as deemed necessary and advisable by the Board.

(d) Acquire, construct and install all necessary furniture, equipment, apparatus, fixtures and appurtenances in the foregoing, all as deemed necessary and advisable by the Board.

(e) Pay incidental costs incurred in connection with carrying out and accomplishing the foregoing Projects pursuant to RCW 39.46.070. Such costs shall be deemed part of the Projects and shall include, but are not limited to: costs related to the issuance, sale and delivery of the Bonds; payments for fiscal and legal expenses; obtaining ratings and bond insurance; printing, advertising, establishing and funding accounts; payment of interest due on the Bonds for up to six months after completion of construction; necessary and related engineering, architectural, planning, consulting, inspection, permit and testing costs; administrative and relocation expenses; site acquisition and improvement; demolition; on and off-site utilities and road improvements; and other similar activities or purposes, all as deemed necessary and advisable by the Board.

The Projects, or any portion or portions thereof, shall be acquired or made 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 deemed necessary and advisable by the Board. The Board shall determine the application of 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 prepared by the District's architects and engineers and to be filed with the District. The life of the Projects to be financed with the Bond Proceeds exceeds the term of the Bonds. The cost of particular categories of the Project property having shorter reasonably expected useful lives will be allocated to Bonds having correspondingly earlier maturity dates.

Section 4. The Auditor of Pierce 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 therein on February 9, 2010, for the purpose of submitting to the District's voters, for their approval or rejection, the proposition of whether the District shall issue the Bonds to pay costs of the Projects and levy annual excess property taxes to pay and retire the Bonds.

If such 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 pay and retire the Bonds. The Bond Proceeds shall 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 shall not include the replacement of equipment.

Section 5. 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, as deemed necessary and advisable by the Board and as permitted by law. The Bonds shall be fully registered bonds; shall bear interest payable as permitted by law; shall mature within 25 years from the date of issue (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 but only in amounts sufficient to meet such payments of principal and interest as they come due; 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 the Bonds are to be issued, all as deemed necessary and advisable by the Board and as permitted by law. The exact date, form, terms, option of prior redemption, price, interest rate or rates and maturities of the Bonds shall be hereafter fixed by resolution of the Board. Pending the issuance of the Bonds, the District may issue short-term obligations pursuant to chapter 39.50 RCW to pay for the costs of the Projects. Such obligations may be paid or refunded with the Bond Proceeds.

If the District receives voter approval to issue the Bonds in the manner described in this resolution, the Board hereby authorizes and directs the Secretary to the Board (the "Secretary") and/or the District's Administrator of Business Services and Capital Projects (the "Administrator") to: (a) review and "deem final" (within the meaning of Rule 15c2-12 of the Securities and Exchange Commission), if necessary and upon such official's satisfaction, any preliminary

official statement prepared in connection with the sale of the Bonds by the District; (b) authorize the “deemed final” preliminary official statement to be distributed prior to the date any underwriter or purchaser bids for, purchases, offers or sells the Bonds; and (c) acknowledge in writing any action taken pursuant to clauses (a) and (b) of this paragraph.

The Board declares that to the extent, prior to the date the Bonds or other short-term obligations are issued to pay costs of the Projects, the District shall make 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 other short-term obligations issued in an amount not to exceed the principal amount of the Bonds provided by this resolution.

Section 6. If 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 deemed by the Board most necessary and in the best interest of the District.

It is anticipated that the District may receive some money from the State of Washington as state financing assistance under chapter 28A.525 RCW with respect to the Projects (“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 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.

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 Projects, the District shall not be required to accomplish the Projects and may apply the Bond Proceeds or State Financing Assistance (or any portion thereof) to: (a) other portions of the Projects; (b) acquire, construct, install, equip and make other capital improvements to the District’s facilities; or (c) 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.

Section 7. Pursuant to RCW 29A.36.071, the Pierce County Prosecuting Attorney is requested to prepare the concise description of the aforesaid proposition for the ballot title in substantially the following form:

Section 10. The preparation and distribution of a local voters' pamphlet providing information on this ballot title is hereby authorized. The pamphlet shall include an explanatory statement and statements in favor of and in opposition to the ballot title. The preparation of explanatory statement, the appointment of pro/con committees and the preparation of statements in favor or and in opposition to the ballot title shall be in accordance with chapter 29A.32 RCW and the rules and guidelines of the Auditor.

Section 11. If the District receives voter approval to issue the Bonds in the manner described in this resolution, the Board hereby finds and determines that 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 Administrator as the District officials authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility.

Section 12. If any provision of this resolution shall be 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 pay and retire the Bonds.

Section 13. This resolution shall become effective immediately upon its adoption.

*[Remainder of page intentionally left blank; signature page follows]*

PROPOSITION 1

CLOVER PARK SCHOOL DISTRICT NO. 400

SCHOOL CONSTRUCTION BONDS

The Board of Directors of Clover Park School District No. 400, adopted Resolution No. 10-026, concerning a proposition to finance construction of schools. This proposition would authorize the District to reconstruct Hudtloff Middle School, acquire land and construct a new Elementary School to consolidate Oakwood and Southgate Elementary Schools, construct a new Harrison Preparatory Academy; issue no more than \$92,000,000 of general obligation bonds maturing within 25 years; and levy annual excess property taxes to repay the bonds, all as provided in Resolution No. 10-026. Should this proposition be:

Approved.....


Rejected.....

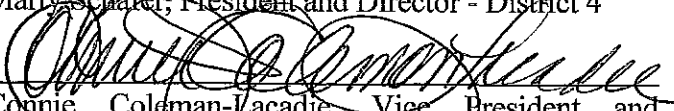
Section 8. The Secretary or her designee is directed to (a) present a certified copy of this resolution to the Auditor at least 45 days prior to the date of such special election, and (b) perform such other duties as are necessary or required by law to submit to the District's voters at the aforesaid special election, for their approval or rejection, the proposition of whether the District shall issue the Bonds to pay costs of the Projects and levy annual excess property taxes to pay and retire the Bonds. All actions of the District or its staff or officers taken prior to the effective date of this resolution and consistent with the objectives and terms of this resolution are ratified and confirmed.

Section 9. 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) Administrator (Ray Miller), telephone: 253.583.5010; fax: 253.583.5018; email: [rmiller@cloverpark.k12.wa.us](mailto:rmiller@cloverpark.k12.wa.us); and (b) bond counsel, Foster Pepper PLLC (Hugh Spitzer); telephone: 206.447.8965; fax 206.749.2014; email: [spith@foster.com](mailto:spith@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 Pierce County Prosecuting Attorney.

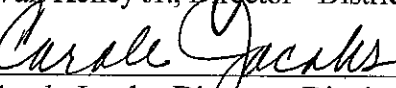
ADOPTED by the Board of Directors of Clover Park School District No. 400, Pierce County, Washington, at a regular open public meeting thereof, held this 26<sup>th</sup> day of October, 2009, the following Directors being present and voting in favor of the resolution.

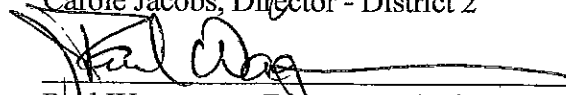
CLOVER PARK SCHOOL DISTRICT NO. 400  
PIERCE COUNTY, WASHINGTON

  
\_\_\_\_\_  
Marty Schaler, President and Director - District 4


  
\_\_\_\_\_  
Connie Coleman-Lacadie, Vice President and  
Director - District 3

  
\_\_\_\_\_  
Walt Kelcey Jr., Director - District 1

  
\_\_\_\_\_  
Carole Jacobs, Director - District 2

  
\_\_\_\_\_  
Paul Wagemann, Director - District 5

ATTEST:

  
\_\_\_\_\_  
Deborah L. LeBeau  
Secretary to the Board of Directors

CERTIFICATE


I, Deborah L. LeBeau, Secretary to the Board of Directors of Clover Park School District No. 400, Pierce County, Washington (the "District"), hereby certify as follows:

1. The foregoing Resolution No. 10-026 (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 the regular meeting place thereof on October 26, 2009, 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 26th day of October, 2009.

CLOVER PARK SCHOOL DISTRICT NO. 400  
PIERCE COUNTY, WASHINGTON

  
\_\_\_\_\_  
Deborah L. LeBeau  
Secretary to the Board of Directors