

EAST PIERCE FIRE & RESCUE
PIERCE AND KING COUNTIES, WASHINGTON

BONDS FOR FIRE STATIONS, LAND, VEHICLES AND EQUIPMENT

RESOLUTION NO. 841

A RESOLUTION of the Board of Fire Commissioners of East Pierce Fire & Rescue, providing for the submission to the voters of the District at a special election to be held on November 6, 2018, in conjunction with the State General election to be held on the same date, of a proposition authorizing the District to issue general obligation bonds in the principal amount of no more than \$80,000,000, for the purpose of paying costs of constructing 4 new fire stations to replace existing fire stations, acquiring land, constructing a new fire station in Tehaleh, acquiring firefighting and emergency medical service vehicles and equipment and making other capital improvements, the principal of and interest on such bonds to be payable from annual excess property tax levies; designating the Fire Chief of the District and bond counsel to receive notice of the ballot title from the Auditor of Pierce County, Washington; requesting and authorizing participation in Local Voters' Pamphlets; and providing for other matters properly related thereto, all as more particularly set forth herein.

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AUG 03 2018**

ADOPTED: JULY 17, 2018

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EAST PIERCE FIRE & RESCUE
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BE IT RESOLVED BY THE BOARD OF FIRE COMMISSIONERS OF EAST PIERCE FIRE & RESCUE, as follows:

Section 1. Findings and Determinations. The Board of Fire Commissioners (the "Board") of East Pierce Fire & Rescue (the "District") takes note of the following facts and hereby makes the following findings and determinations:

(a) The public interest, health, welfare and safety require that the District construct 4 new fire stations to replace existing fire stations, acquire land, construct a new fire station in Tehaleh, acquire firefighting and emergency medical service vehicles and equipment and make other capital improvements, all as more particularly defined and described in Section 2 herein (collectively, the "Projects").

(b) The District lacks sufficient money with which 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 principal amount of no more than \$80,000,000 (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) The District is authorized pursuant to Article VII, Section 2(b) of the Washington Constitution and laws of the State of Washington, including, but not limited to, Revised Code of Washington ("RCW") 39.36.050, RCW 52.16.080 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 repay the Bonds.

(e) The best interests of the District and its residents require the District to carry out and accomplish the Projects as hereinafter provided.

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 fire station to replace the existing Fire Station 111 (Bonney Lake) in Bonney Lake on a site owned by the District and located at the corner of Main Street East and Veterans Memorial Drive East, all as deemed necessary and advisable by the Board.

(b) Acquire land and construct a new fire station to replace the existing Fire Station 112 (Prairie Ridge) in the District's Prairie Ridge service area, all as deemed necessary and advisable by the Board.

(c) Acquire land and construct a new fire station to replace the existing Fire Station 114 (Lake Tapps - NW) in the District's Lake Tapps service area, all as deemed necessary and advisable by the Board.

(d) Construct a new fire station to the replace the existing Fire Station 118 (Edgewood) on its existing site, all as deemed necessary and advisable by the Board.

(e) Construct a new fire station (#117) in Tehaleh on a site owned by the District located near Cascadia Boulevard and 181st Street, all as deemed necessary and advisable by the Board.

(f) Acquire firefighting and emergency medical service vehicles, equipment and apparatus, including, but not limited to, acquiring ladder truck, tender, fire engines and medic units, all as deemed necessary and advisable by the Board.

(g) Make other capital improvements to the District's existing fire stations, including, but not limited to: (1) acquiring land and interests in land as sites for new and expanded facilities of the District; and (2) making other capital improvements, all as deemed necessary and advisable by the Board. The term "land" as used in this Section 2 includes all real property and improvements and other structures thereon and all interests therein.

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

(i) Pay incidental costs incurred in connection with carrying out and accomplishing the Projects described above pursuant to RCW 52.16.080 and RCW 39.46.070. Such incidental costs shall be deemed part of the Projects and shall include, but not be 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 facilities to recycle, reclaim and repurpose such 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 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. 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 Pierce County, Washington, as *ex officio* Supervisor of Elections (the "Auditor"), and the proper officer of the lead county in which the largest portion of the District is located, is requested to call and conduct a special election in the District, in the manner provided by law, to be held therein on November 6, 2018, in conjunction with the State General election to be held on the same date, 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 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 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 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 deemed necessary and advisable by the Board and as permitted by law. Further, the Bonds may be issued, as deemed necessary and advisable by the Board, as taxable bonds and/or tax-exempt 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 20 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 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 each series of the Bonds are to be issued, all as deemed necessary and advisable by the Board and as permitted by law. The life of the Projects to be

financed with the Bond Proceeds shall exceed the term of the respective series of Bonds that finance the Projects. The Board hereby authorizes and directs the Fire Chief of the District (the "Fire Chief") to determine for each series of Bonds whether such series should be sold by negotiated or competitive sale, and with respect to such series of Bonds that are to be sold by competitive sale, to: (a) specify a date and time of sale of such Bonds; (b) give notice of that sale; (c) determine any bid requirements and criteria for determining the award of the bid; (d) provide for the use of an electronic bidding mechanism if the Fire Chief deems electronic bidding to be beneficial to the District; and (e) specify other matters in his or her determination necessary, appropriate or desirable to carry out the sale of the Bonds. Notwithstanding the foregoing, 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 such series of Bonds, which resolutions may delegate to a District officer or employee the authority to fix any of the foregoing, all as deemed necessary and advisable by the Board and as permitted by law.

Pending the issuance of any series of the Bonds, the District 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 Bond Proceeds.

If the District receives voter approval to issue the Bonds in the manner described in this resolution, the Board authorizes and directs the Fire Chief 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 each series 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 each series of the Bonds; and (c) acknowledge in writing any action taken pursuant to clauses (a) and (b) of this paragraph.

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 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 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 Bond Proceeds are more than sufficient to carry out and accomplish the Projects (the "Excess Bond Proceeds"), the District may use the Excess Bond Proceeds to: (a) acquire, construct, remodel, renovate, install, equip, furnish and make other capital improvements to District facilities; and/or (b) retire and/or defease a portion of the Bonds or other outstanding bonds of the District, all as deemed necessary or advisable by the Board and as permitted by law. 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.

Section 7. 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 Projects, the District shall not be required to accomplish all of the Projects and may apply the Bond Proceeds (or any portion thereof) to: (a) other portions of the Projects; (b) acquire, construct, install equip and make other capital improvements to other District facilities; and/or (c) retire and/or defease a portion of the Bonds or other outstanding bonds of the District, all as deemed necessary or advisable by the Board.

Section 8. Form of Ballot Title. Pursuant to RCW 29A.36.071, the Pierce County Prosecuting Attorney, as the county prosecuting attorney of the county within the majority area of the District is located, is requested to prepare the concise description of the aforesaid proposition for the ballot title in substantially the following form:

PROPOSITION 1

EAST PIERCE FIRE & RESCUE

BONDS FOR FIRE STATIONS, LAND, VEHICLES AND EQUIPMENT

The Board of Fire Commissioners of East Pierce Fire & Rescue (“District”) adopted Resolution No. 841, concerning a proposition to finance fire stations, land, vehicles and equipment. If approved, this proposition will authorize the District to: construct 4 new fire stations to replace existing fire stations; acquire land; construct a new fire station in Tehaleh; acquire firefighting and emergency medical service vehicles and equipment; make other capital improvements; issue no more than \$80,000,000 of general obligation bonds maturing within 20 years; and levy annual excess property taxes to repay the bonds, all as provided in Resolution No. 841. Should this proposition be:

Approved.....

Rejected.....

Section 9. Authorization to Deliver Resolution to Auditor and Perform Other Necessary Duties. The Secretary of the District (the “Secretary”) or the Secretary’s designee is directed to: (a) present a certified copy of this resolution to the Auditor no later than August 7, 2018; 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 repay the Bonds.

Section 10. 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 Fire Chief (Bud Backer), telephone: 253.863.1800; fax: 253.863.1848; email: bbacker@eastpiercefirer.org; and (b) bond counsel, Foster Pepper PLLC (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 Fire Chief is authorized to approve changes to the ballot title, if any, deemed necessary by the Auditor or the Pierce County Prosecuting Attorney.

Section 11. Request and Authorization to Participate in Local Voters' Pamphlets. The preparation and distribution of information on the ballot title for inclusion in the local voters' pamphlets for both Pierce and King Counties (the "Pamphlets") is hereby requested and authorized. The Pamphlets shall include, if applicable, the text of the ballot title, an explanatory statement and statements in favor of and in opposition to the ballot title, if any. The preparation of the explanatory statement, the appointment of pro/con committees and the preparation of statements in favor of and in opposition to the ballot title, if any, shall be in accordance with chapter 29A.32 RCW and the rules and guidelines of the Auditor and 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 Pamphlets under RCW 29A.32.270.

Section 12. General Authorization and Ratification. The Fire Chief, the Secretary, the Chair of the Board, other appropriate officers of the District and bond counsel, Foster Pepper PLLC, are severally authorized and directed to take such actions and to execute such 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 hereby ratified and confirmed in all respects.

Section 13. Severability. 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.

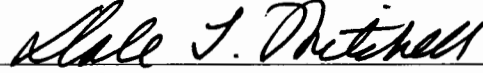
Section 14. Effective Date. This resolution shall become effective immediately upon its adoption.

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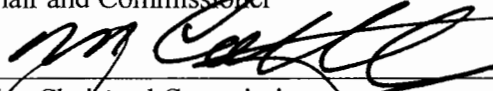
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AUG 03 2018**

ADOPTED by the Board of Fire Commissioners of East Pierce Fire & Rescue at a regular open public meeting thereof, held this 17th day of July, 2018, the following Commissioners being present and voting in favor of the resolution.

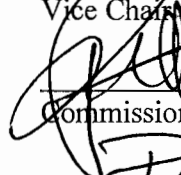
EAST PIERCE FIRE & RESCUE



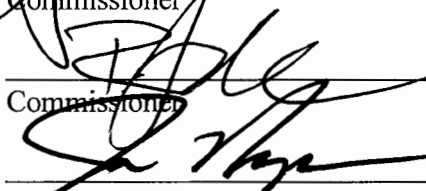
Chair and Commissioner



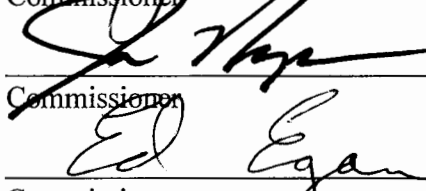
Vice Chair and Commissioner



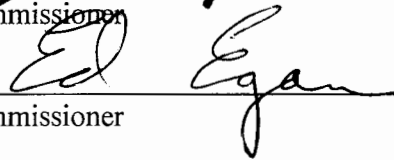
Commissioner



Commissioner



Commissioner



Commissioner

Commissioner

ATTEST:



MICHELLE HOLLON
Secretary of the District

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AUG 03 2018

CERTIFICATION

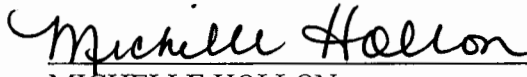
I, MICHELLE HOLLON, Secretary of East Pierce Fire & Rescue (the "District"), hereby certify as follows:

1. The foregoing Resolution No. 841 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of Fire Commissioners of the District (the "Board") held at the regular meeting place thereof on July 17, 2018, 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 17th day of July, 2018.

EAST PIERCE FIRE & RESCUE



MICHELLE HOLLON
Secretary of the District

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