

ORTING SCHOOL DISTRICT NO. 344
PIERCE COUNTY, WASHINGTON

GENERAL OBLIGATION BONDS

RESOLUTION NO. 1.2023-2024

A RESOLUTION of the Board of Directors of the Orting School District No. 344, Pierce County, Washington, providing for the form of the ballot proposition and specifying certain other details concerning submission to the qualified electors of the District at a special election to be held therein on February 13, 2024, of a proposition for the issuance of its general obligation bonds in the aggregate principal amount of not to exceed \$117,000,000, or so much thereof as may be issued under the laws governing the indebtedness of school districts for the purpose of providing funds to construct, equip, renovate, expand and make certain capital improvements to the facilities of the District and authorizing the Superintendent or Director of Business Services to submit a request for eligibility for the Washington State School District Credit Enhancement Program.

ADOPTED NOVEMBER 9, 2023

PREPARED BY:
PACIFICA LAW GROUP LLP
Seattle, Washington

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¹ This Table of Contents is not a part of the following resolution.

RESOLUTION NO. 1.2023-2024

A RESOLUTION of the Board of Directors of the Orting School District No. 344, Pierce County, Washington, providing for the form of the ballot proposition and specifying certain other details concerning submission to the qualified electors of the District at a special election to be held therein on February 13, 2024, of a proposition for the issuance of its general obligation bonds in the aggregate principal amount of not to exceed \$117,000,000, or so much thereof as may be issued under the laws governing the indebtedness of school districts for the purpose of providing funds to construct, equip, renovate, expand and make certain capital improvements to the facilities of the District and authorizing the Superintendent or Director of Business Services to submit a request for eligibility for the Washington State School District Credit Enhancement Program.

WHEREAS, improvements to school facilities are needed in Orting School District No. 344, Pierce 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, expand 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 \$117,000,000 (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 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 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, 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 ORTING SCHOOL DISTRICT NO. 344, PIERCE 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 undertake the following capital improvements to the District facilities (together, the “Improvements”):

- Construct a new 600 student elementary school on District owned property to replace Orting Elementary School;
- Construct a 200 student capacity addition to Orting High School and renovate existing space, to be focused on Career and Technical Education preparation and STEM learning;
- Make safety, health and security updates at Orting Middle School to include keyless access controls, and HVAC heating and cooling improvements;
- Make safety, health and security updates at Ptarmigan Ridge Elementary to include keyless access controls and dual entry vestibule, and HVAC heating and cooling improvements;

- Construct a new learning facility at Ptarmigan Ridge Elementary to support cafeteria expansion and physical education/health; and
- Refinance the purchase of property at 510 and 710 Washington Avenue for the purpose of replacing Orting Elementary School; and
- Add temporary facilities to accommodate student growth as needed District-wide;

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 complete with all necessary furniture, equipment and appurtenances. In addition, capitalized interest as permitted by RCW 39.46.070 shall be deemed a part of the cost of such Improvements.

If available funds are sufficient from the proceeds of Bonds authorized for the above purposes, and state or local circumstances require, the District shall use such funds to pay the principal of or interest on the Bonds or acquire, construct, equip and make other capital improvements to the facilities of the District, all as the Board may determine, after holding a public hearing thereon pursuant to RCW 28A.530.020.

The District shall determine the application of available moneys as among 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 that it has become 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, to other capital improvements, 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 moneys of the District legally available, are insufficient to accomplish all of the Improvements provided by this section, 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.

It is anticipated that the District may receive funds from the State of Washington pursuant to chapter 28A.525 RCW in the estimated amount of up to \$6,500,000. The District intends to apply such state construction assistance funds to the Improvements described in Section 2. Should the Improvements described in Section 2 be funded from other sources, including but not limited to proceeds of the Bonds, or should the District receive more than the estimated amount of state construction assistance funds, state construction assistance funds may be used to make other capital improvements to the facilities of the District as the Board may determine after holding a public hearing thereon pursuant to RCW 28A.530.020.

Section 3. Authorization of Bonds. For the purpose of providing part of the funds necessary to pay the cost of the Improvements described in Section 2 hereof 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 levy general obligation bonds in the principal amount of not to exceed \$117,000,000. The balance of the cost of such Improvements shall be paid out of any

moneys which the District now has or may later have on hand which are legally available for such purposes, including mitigation fees, impact 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 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 provided for in Section 3 hereof shall be sold in such amounts and at such time or times as deemed necessary and advisable by this 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 twenty (20) years from date of issue, but may mature at an earlier date or dates, as authorized by this Board and as provided by law. Said 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 said 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 such Bonds, the District may issue short term obligations as authorized and provided by chapter 39.50 RCW. The proceeds of the Bonds may be used to redeem and retire such short term obligations or to reimburse the District for expenditures previously made for such Improvements.

Section 5. Bond Election. It is hereby found and declared that the best interests 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 February 13, 2024. The Pierce County Auditor as *ex officio* supervisor of elections in Pierce County, Washington is hereby requested also 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 to said officials in the following form:

PROPOSITION NO. 1

ORTING SCHOOL DISTRICT NO. 344
GENERAL OBLIGATION BONDS - \$117,000,000

The Board of Directors of Orting School District No. 344 adopted Resolution #1.2023-2024 concerning a proposition for bonds to finance capital improvements. This proposition would authorize construction of a new Orting Elementary School; expansion and renovation of Orting High School for Career and Technical Education and STEM learning; safety and security updates to Orting Middle School and Ptarmigan Ridge Elementary; expansion of Ptarmigan Ridge Elementary; repayment of debt; and addition of temporary facilities; by issuing \$117,000,000 of general obligation bonds maturing within 20 years; and levying excess property taxes annually to repay the bonds, as described in Resolution #1.2023-2024.

Should this proposition be approved?

YES

NO

The Secretary is hereby directed to deliver a certified copy of this resolution to the Pierce County Auditor no later than December 15, 2023, and to perform such other duties as are necessary or required by law to submit the proposition to voters. For purposes of receiving notice of the exact language of the ballot title required by RCW 29A.36.080, the Board hereby

designates the following as the individuals to whom the Pierce County Auditor shall provide such notice: (a) the District's Director of Business Services (Marci Bannan), telephone: (360) 893-6500 ext. 4030; email: bannanm@orting.wednet.edu, and (b) the District's Bond Counsel, Pacifica Law Group LLP (Faith Pettis), telephone: (206) 245-1700; email: faith.pettis@pacificallawgroup.com. The Director of Business Services is authorized to approve changes to the ballot title, if any, deemed necessary by the Pierce County Auditor or the Pierce County Prosecuting Attorney.

The Director of Business Services, the President of the Board, and the Secretary 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, and to 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 levy annual excess property taxes to pay costs of District educational programs and services. 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 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 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 or Director of Business Services 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 7. 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 to be invalid shall be deemed to be in effect to the extent permitted by law.


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

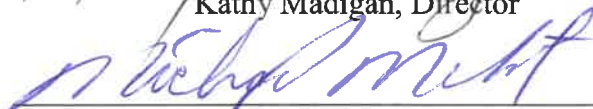
ADOPTED by the Board of Directors of Orting School District No. 344, Pierce County, Washington, at a regular meeting held this 9th day of November, 2023.

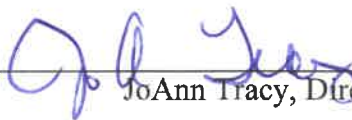
ORTING SCHOOL DISTRICT NO. 344, PIERCE COUNTY, WASHINGTON


Carrie Thibodeaux, Board President


Melissa Kinzler, Board Vice President


Kathy Madigan, Director


Michael Melot, Director


JoAnn Tracy, Director

ATTEST:


Secretary, Board of Directors

CERTIFICATE

I, the undersigned, Secretary of the Board of Directors of Orting School District No. 344, 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 and correct copy of Resolution No. 1.2023-2024 of the Board (the "Resolution"), duly adopted at a regular meeting thereof held on the 9th day of November, 2023.

2. That said 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 such 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 duly 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 9th day of November, 2023.



Secretary, Board of Directors

Explanatory Statement

PROPOSITION NO. 1

ORTING SCHOOL DISTRICT NO. 344
GENERAL OBLIGATION BONDS – \$117,000,000

Passage of Proposition 1 would allow Orting School District to finance critical facility needs by issuing bonds. If voters approve this proposition, the District will use the bond proceeds to construct a new, replacement Orting Elementary School, and a 200 student addition to, along with the renovation of, Orting High School for Career and Technical Education and STEM learning. The District will also use bond proceeds to expand cafeteria and PE/Health facilities at Ptarmigan Ridge Elementary, make safety, health and security improvements to Orting Middle School and Ptarmigan Ridge Elementary, refinance the acquisition of land for the new Orting Elementary School, and add temporary student facilities to accommodate growth.

If voters approve this proposition, the District expects to receive approximately \$6,500,000 in state construction assistance funds to complete these projects. The \$117,000,000 of general obligation bonds would mature within 20 years, and be repaid from annual excess property tax levies. The excess levy rate is estimated to be approximately \$1.70 per \$1,000 of assessed property value. Homeowners who are 61 years or older or disabled, and who meet low-income requirements may qualify for a property tax exemption. For information regarding exemptions, call the Pierce County Assessor at (253) 798-6111.

FINAL 12/4/2023

**ORTING SCHOOL DISTRICT NO. 344
PROPOSITION NO. 1
GENERAL OBLIGATION BONDS - \$117,000,000**

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Should this proposition be approved?

Yes ... []

No ... []