

LAKE WASHINGTON SCHOOL DISTRICT NO. 414
KING COUNTY, WASHINGTON

GENERAL OBLIGATION BONDS

RESOLUTION NO. 2178

A RESOLUTION of the Board of Directors of Lake Washington School District No. 414, King 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 April 22, 2014, of a proposition for the issuance of its general obligation bonds in the aggregate principal amount of \$404,000,000, or so much thereof as may be issued under the laws governing the indebtedness of school districts for the purpose of providing funds for the renovation, upgrade and new construction of school facilities, and authorizing the Deputy Superintendent and/or Director, Business Services to submit a request for eligibility for the Washington State School District Credit Enhancement Program.

ADOPTED MARCH 3, 2014

PREPARED BY:

K&L GATES LLP
Seattle, Washington

LAKE WASHINGTON SCHOOL DISTRICT NO. 414
RESOLUTION NO. 2178

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* This table of contents and the cover page are not a part of this resolution; they are included for convenience of the reader only.

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A RESOLUTION of the Board of Directors of Lake Washington School District No. 414, King 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 April 22, 2014, of a proposition for the issuance of its general obligation bonds in the aggregate principal amount of \$404,000,000, or so much thereof as may be issued under the laws governing the indebtedness of school districts for the purpose of providing funds for the renovation, upgrade and new construction of school facilities, and authorizing the Deputy Superintendent and/or Director, Business Services to submit a request for eligibility for the Washington State School District Credit Enhancement Program.

WHEREAS, improved facilities are needed in Lake Washington School District No. 414, King County, Washington (the "District") in order to provide the students of the District with safe, adequate and efficient educational facilities; and

WHEREAS, in order to provide all or a part of the funds to enable the District to undertake renovations and upgrades to extend the life of the District's existing facilities, including elementary, middle and high school buildings, it is deemed necessary and advisable that the District issue and sell its unlimited tax general obligation bonds to provide funds for such purposes; and

WHEREAS, the Constitution and laws of the State of Washington provide that the question of whether or not such bonds may be issued and sold for such purposes must be submitted to the qualified electors of the District for their ratification or rejection; and

WHEREAS, in RCW ch. 39.98 (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 THE LAKE WASHINGTON SCHOOL DISTRICT NO. 414, KING COUNTY, WASHINGTON, as follows:

Section 1. Findings. This 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”):

- Acquire, construct and equip three new elementary schools;
- Acquire, construct and equip a new middle school or equivalent space;
- Acquire, construct and equip a West Side STEM (science, technology and mathematics) focused school;
- Construct and equip an addition to Lake Washington High School;
- Rebuild (including equipping) Juanita High School; and
- Capital planning for future capital projects.

In connection with the foregoing Improvements, the District may also acquire sites as needed in order to accomplish the Improvements and the cost of acquisition shall be considered part of the Improvements. The cost of all necessary planning, architectural, engineering, and other consulting services, inspection and testing, administrative and relocation expenses, demolition, site work, on and off-site utilities, related improvements, including but not limited to parking, driveways, entry ways, landscaping and related athletic facilities and other costs incurred in connection with the making of the foregoing capital improvements shall be deemed a part of the costs of the Improvements. Such Improvements shall include all necessary furniture, equipment and appurtenances.

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

The District shall determine the application of available moneys 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 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 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.

The District does not anticipate receiving funds from the State of Washington pursuant to Chapter 28A.525 RCW.

Section 3. Authorization of Bonds. For the purpose of providing all or a part of the funds necessary to pay the cost of the Improvements, 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 \$404,000,000. 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 are legally available for such purposes. None of said bond proceeds shall be used for the replacement of equipment or for any 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 (including original issue discount) 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.

Section 5. 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 April 22, 2014. King County Elections, as *ex officio* supervisor of elections, 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
LAKE WASHINGTON SCHOOL DISTRICT NO. 414

GENERAL OBLIGATION BONDS - \$404,000,000

The Board of Directors of Lake Washington School District No. 414 adopted Resolution No. 2178 concerning this proposition for bonds. This proposition authorizes the construction and equipping of new schools (three elementary, one middle, and one Science Technology Engineering and Math focused secondary school); the rebuilding of Juanita High School; an addition to Lake Washington High School; and other capital improvements, to issue \$404,000,000 of general obligation bonds maturing within a maximum of 20 years, and to levy excess property taxes annually to repay the bonds, as provided in Resolution No. 2178. Should this proposition be:

APPROVED?.....

REJECTED?

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

Section 6. Voters' Pamphlet. Pursuant to authority granted by RCW 29A.32.220, the Board of Directors hereby authorizes the District's participation in the local voters' pamphlet for the April 22, 2014 election and requests that King County Elections prepare and publish a voters' pamphlet for this proposition. The District understands and agrees that it will be required to pay its proportionate share of the expenses of the voters' pamphlet.

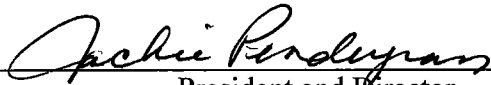
Section 7. Request for Eligibility for the Credit Enhancement Program. In preparation for the issuance and sale of the Bonds after approval by the voters, the Board of Directors hereby requests that the State Treasurer issue a certificate of eligibility in favor of the District for participation by the District in the Program with respect to the Bonds. The Deputy Superintendent and/or Director, Business Services is 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. 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 Lake Washington School District No. 414, King County, Washington, at a regular meeting held this 3rd day of March, 2014.

LAKE WASHINGTON SCHOOL DISTRICT
NO. 414, KING COUNTY, WASHINGTON




President and Director



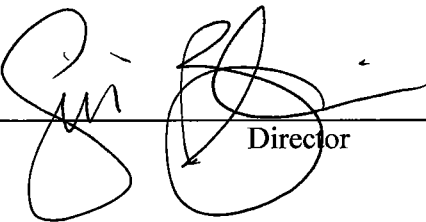
Director



Director



Director



Director

ATTEST:


Secretary of the Board of Directors

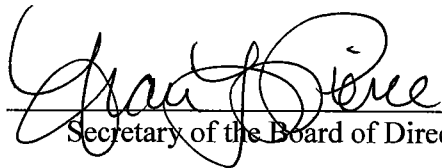
CERTIFICATE

I, the undersigned, Secretary of the Board of Directors of Lake Washington School District No. 414, King 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. 2178 of the Board (herein called the "Resolution"), duly adopted at a regular meeting thereof held on the 3rd day of March, 2014.

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 said Resolution; that all other requirements and proceedings incident to the proper adoption of said 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 3rd day of March, 2014.


Secretary of the Board of Directors

OFFICIAL BALLOT

LAKE WASHINGTON SCHOOL DISTRICT NO. 414
KING COUNTY, WASHINGTON

April 22, 2014

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

LAKE WASHINGTON SCHOOL DISTRICT NO. 414
KING COUNTY, WASHINGTON

April 22, 2014

NOTICE IS HEREBY GIVEN that on Tuesday, April 22, 2014, a special election will be held in the above-named school district for the submission to the qualified electors of said School district of the following proposition:

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APPROVED?.....

REJECTED?.....

King County Elections