

SPOKANE COUNTY FIRE PROTECTION DISTRICT NO. 13
SPOKANE COUNTY, WASHINGTON

RESOLUTION NO. 2014-2



COPY

A RESOLUTION of the Board of Fire Commissioners of Spokane County Fire Protection District No. 13 providing for the submission to the voters of the District at a special election to be held on April 22, 2014, of a proposition authorizing the District to issue general obligation bonds in the principal amount of \$1,100,000 to finance the costs of constructing and equipping a new fire station, and providing for other matters properly related thereto.

BE IT RESOLVED BY THE BOARD OF FIRE COMMISSIONERS OF SPOKANE COUNTY FIRE PROTECTION DISTRICT NO. 13 as follows:

Section 1. Findings and Determinations. The Board of Fire Commissioners (the "Board") of Spokane County Fire Protection District No. 13 (the "District") hereby makes the following findings and determinations:

(a) The public interest, health, welfare and safety require that the District construct and equip a new fire station, all as more particularly defined and described in Section 2 hereof (the "Project"). The Project is urgently required to correct existing conditions. The estimated cost of the Project is \$2,450,000. The District lacks sufficient money with which to pay costs of the Project.

(b) To pay costs of the Project, it is necessary and advisable that the District issue and sell unlimited tax general obligation bonds in the principal amount of up to \$1,100,000 (the "Bonds"). The District is authorized, pursuant to Article VII, Section 2(b) of the Washington Constitution and laws of the State of Washington, including RCW 39.36.050, 52.16.080 and 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 Project and levy annual excess property taxes to repay the Bonds. The District expects that Project costs not funded with proceeds of the Bonds will be paid from the District's available funds and proceeds of other indebtedness incurred without voter approval,

(c) RCW 29A.04.330 provides that the Spokane County Auditor (the "Auditor"), as *ex officio* supervisor of elections within Spokane County, upon request in the form of a resolution of the Board, presented to the Auditor prior to the proposed election date, may call a special election within the District on one of the authorized special election dates, as decided by the Board. Provided this resolution is presented to the Auditor no later than March 7, 2014 (*i.e.* 46 days before the special election date), the District could call a special election on April 22, 2014.

(d) The best interests of the District's residents require that (i) the District to carry out and accomplish the Project as hereinafter provided, subject to the approval of the District's voters, and (ii) the District submit a proposition to its voters as soon as possible to undertake the Project, issue Bonds therefor, and levy excess property taxes to repay such Bonds.

Section 2. Description of Project. The Project 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 and equip a new fire station within the District, in the vicinity of the intersection of Moffat Road and Starr Road, consisting of an apparatus bay, sleeping quarters, training facilities, a kitchen, administrative offices, parking areas, landscaping and other capital improvements.

(b) Acquire, construct and install furniture, equipment, apparatuses, fixtures and appurtenances in the new fire station, all as deemed necessary or advisable by the Board to properly outfit the fire station to provide fire suppression services, emergency services, first aid services, and training facilities for fire fighters and the community.

(c) To the extent Bond Proceeds are sufficient to fund the capital expenditures described in clauses (a) and (b) of this Section, then to acquire and/or equip a fire and emergency training facility and/or one or more vehicles to provide fire suppression, emergency and/or first aid services.

(d) Pay incidental costs incurred in connection with carrying out and accomplishing the Project described above pursuant to RCW 39.46.070. Such incidental costs shall be deemed part of the Project and shall include, but are not limited to: costs related to the sale, issuance and delivery of the Bonds; payments for fiscal and legal expenses; costs of obtaining ratings and bond insurance; costs of 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 and testing costs; administrative and relocation expenses; site improvement; demolition; on and off-site utilities; and other similar activities or purposes, all as deemed necessary or advisable by the Board.

The Board shall determine the exact order, extent and specifications for the Project. The Project is more fully described in the plans and specifications prepared by the District's architects and engineers and on file with the District.

Section 3. Use of Bond Proceeds and Other Available Amounts.

(a) The Project, 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 allocate Bond Proceeds, together with any other legally-available money of the District, between the various parts of the Project so as to accomplish, as near as may be, the entire Project.

(b) If the Bond Proceeds are more than sufficient to pay costs of the Project, or should state or local circumstances require any alteration in the Project, the District may acquire, construct, equip and make other capital improvements to the District's fire protection facilities, or retire and/or defease a portion of the Bonds, all as deemed necessary or advisable by the Board and as permitted by law.

(c) If the Board shall determine that it has become impractical to accomplish the Project or portions thereof by reason of state or local circumstances, including, but not limited to, changed conditions or needs, regulatory considerations, incompatible development or costs substantially in excess of those estimated, the District shall not be required to accomplish the Project (or particular portion thereof) and may apply the Bond proceeds or any portion thereof to other portions of the Project, to other capital purposes of the District, or to retire and/or defease a portion of the Bonds, all as deemed necessary or advisable by the Board and as permitted by law. In the event that the proceeds of sale of the Bonds, plus any other legally-available money of the District, are insufficient

to accomplish the Project, the District may use the available money for paying the cost of that portion of the Project that is deemed by the Board most necessary and in the best interest of the District.

Section 4. Calling of Election. 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 April 22, 2014, 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 Project and levy annual excess property taxes to pay and retire the Bonds. If the proposition is approved by the requisite number of voters, the District will be authorized to: sell, issue, and deliver the Bonds in the manner described in this resolution; spend the Bond Proceeds to pay costs of the Project; 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. Authorization to Issue the Bonds.

(a) 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, tax-exempt bonds and/or any other type of tax credit bonds that are now or in the future may be authorized under applicable state and federal law.

(b) Each series of the 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 Project to be financed with the Bond Proceeds shall exceed the term of the respective series of Bonds that finance such Project.

(c) The date, form, terms, option of prior redemption, price, interest rate or rates and maturities of the Bonds shall be hereafter fixed or provided for by one or more resolutions of the Board (each a "Bond Resolution"), which resolutions may delegate to a District official the authority to fix any of the foregoing. The Board hereby authorizes and directs the Secretary of the District (the "Secretary") 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: (i) specify a date and time of sale of such Bonds; (ii) give notice of that sale; (iii) determine any bid requirements and criteria for determining the award of the bid; (iv) provide for the use of an electronic bidding mechanism if the Secretary deems electronic bidding to be beneficial to the District; and (v) specify other matters in his or her determination necessary, appropriate or desirable to carry out the sale of the Bonds. Notwithstanding the foregoing, the exact date, form, terms, option of prior redemption, price, interest rate or rates and maturities of the Bonds so offered shall be hereafter fixed by a Bond Resolution authorizing the issuance, sale and delivery of such series of Bonds.

(d) The Board declares that, to the extent the District makes capital expenditures for the Project from available District money, those capital expenditures are intended to be reimbursed out of the Bond Proceeds (or the proceeds of short-term obligations issued in anticipation of the issuance of the Bonds) and proceeds of other indebtedness. The maximum principal amount of obligations expected to be issued for the Project is \$2,450,000.

(e) 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 Project. Such obligations may be paid or refunded with the Bond Proceeds.

(f) If the District receives voter approval to issue the Bonds in the manner described in this resolution, the Board authorizes and directs the Secretary to: (i) 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; (ii) 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 6. Form of Ballot Title. Pursuant to RCW 29A.36.071, the Spokane County Prosecuting Attorney is requested to prepare the concise description of the aforesaid proposition for the ballot title in substantially the following form:

PROPOSITION 1

SPOKANE COUNTY FIRE PROTECTION DISTRICT NO. 13
SPOKANE COUNTY, WASHINGTON
(Newman Lake Fire & Rescue)

BONDS TO CONSTRUCT A NEW FIRE STATION

The Board of Fire Commissioners of Spokane County Fire Protection District No. 13 adopted Resolution No. 2014-2 concerning a proposition to construct a new fire station. This proposition would authorize the District to construct and equip a new fire station and purchase firefighting and lifesaving equipment; issue no more than \$1,100,000 of general obligation bonds maturing within 20 years; and levy annual excess property taxes to repay the bonds, all as provided in Resolution No. 2014-2. Should this proposition be:

Approved.....

Rejected.....

Section 8. Authorization to Deliver Resolution to Auditor and Perform Other Necessary Duties. The Secretary or his designee is directed to (a) present a certified copy of this resolution to the Auditor at least 46 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 Project 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. 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) Secretary (Keith Yamane), telephone: 509.226.1482; fax: 509.226.0584; email: Keith Yamane keith.newmanlake@comcast.net; and (b) bond counsel, Foster Pepper PLLC (Jeff Nave), telephone: 509.777.1601; fax 800.533.2202; email: navej@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 Spokane County Prosecuting Attorney.

Section 10. 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.

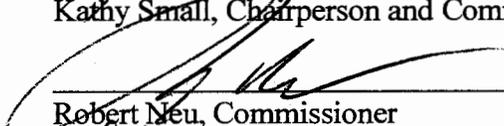
Section 11. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED by the Board of Fire Commissioners of Spokane County Fire Protection District No. 13 at a special open public meeting thereof, of which due notice was given as required by law, held this 3rd day of March, 2014, the following Fire Commissioners being present and voting in favor of the resolution.

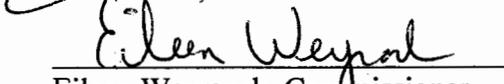
SPOKANE COUNTY FIRE PROTECTION
DISTRICT NO. 13



Kathy Small, Chairperson and Commissioner

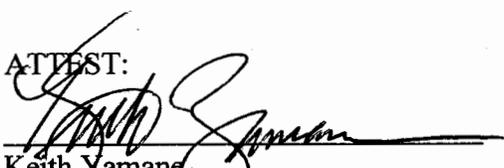


Robert Neu, Commissioner



Eileen Weyrauch, Commissioner

ATTEST:



Keith Yamane
Secretary of the District