

Capital Projects & Bond Next Steps



Becca Chen
Chief Financial Officer
February 1, 2023 | Work Session



OUR PROMISE

Every student in
Highline Public Schools
is known by **name**,
strength and **need**, and
graduates prepared for
the future they choose.



Bond Sale Goals

- Meet taxpayer expectations
- Provide funding for projects when needed
- \$518,397,000 total authorization
- 1st sale: \$280,000,000. Funding to be available for expenditure by May 2023
- 2nd sale: \$170,000,000. Summer/Fall 2024
- 3rd sale: \$68,397,000. Fall 2025
- Structure bond payments to assist with potential funding measures

Building Our New Schools

Evergreen High School



Evergreen High School

- Grading begins: May 2023
- New school opens: Sept. 2025
- Demolition & fields: Summer 2026

Tyee High School



Tyee High School

- Demo Starts: Summer 2023
- Olympic Interim Site: Sept. 2023
- New School: Sept. 2025

Pacific Middle School



Pacific Middle School

- Demo Starts: Summer 2025
- Olympic Interim Site: Sept. 2025
- New School: Sept. 2027

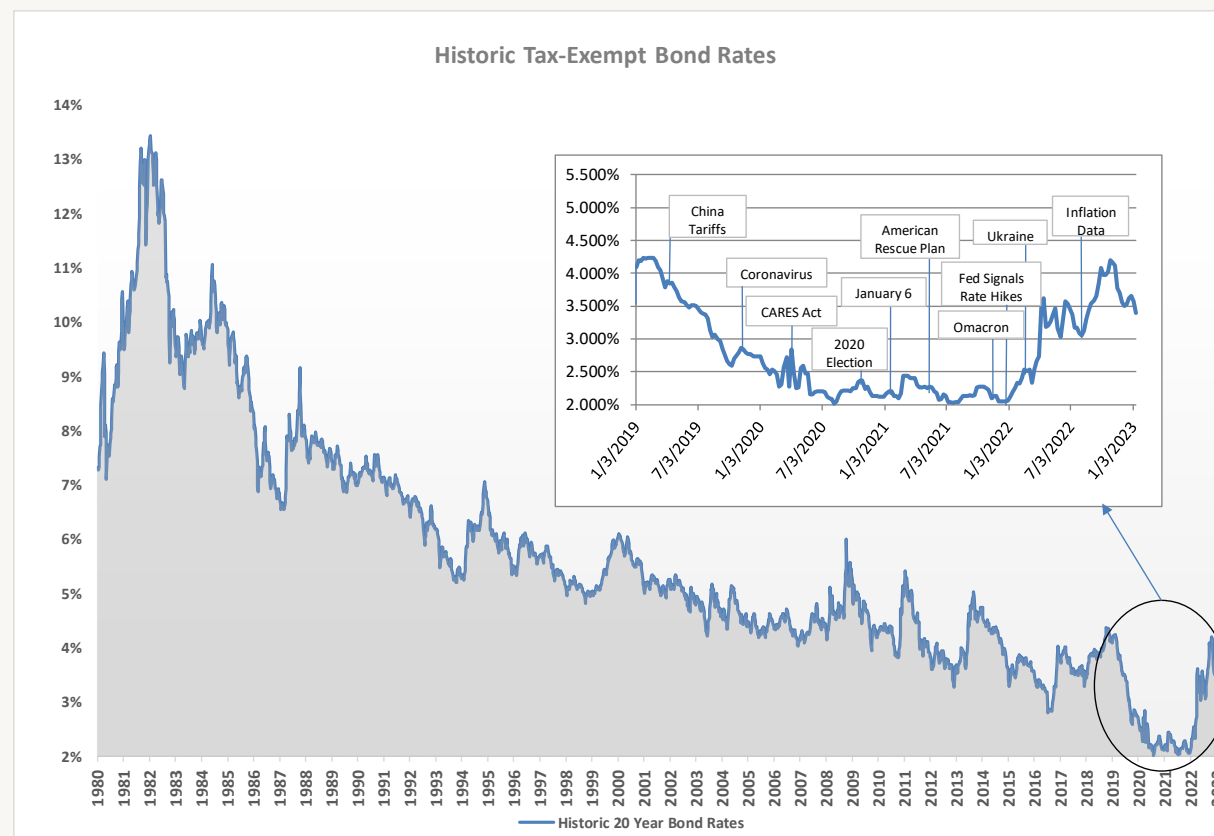
Critical Needs Projects

- Transportation/Building L Replacement
- Sylvester Field Update: Synthetic Turf & Track
- Highline Virtual Academy
- Maritime High School - district contribution toward permanent location
- Roofing and painting projects
- Critical emerging projects

Bond Process

Bond Market Update

1. Bond yields have risen substantially since the new bonds were planned over the Spring and Summer.
2. The past month has seen some relief with the 10 Year Treasury and municipal bond rates decreasing.
3. We have flexibility in the sale plan to accommodate higher rates without impacting the described tax cost of the new bond authorization.
4. Volatility warrants careful planning and flexibility

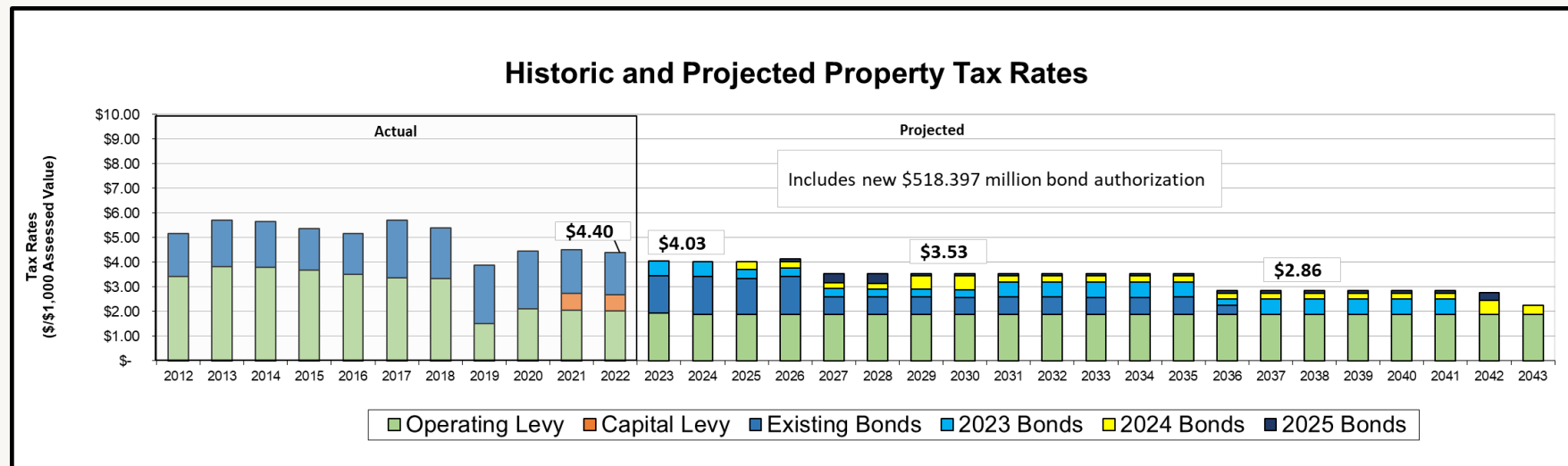


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Bond Sale Goals – Tax Rates and Cost

- A rapid increase in the District's assessed value will result in a lower total tax rate in 2023
- The tax cost for the average homeowner resulting from District's levies is projected to be approximately the same as in 2022 – including the new bonds
- There is room in the future tax rate pattern to assist with other potential funding measures



Key Decision Points and Next Steps

JANUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	14	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

Board Meeting
 Holiday
 Bond Sale

Date	Event	Responsibility
December	Finalize bond sale goals	District, FA, UW
December - January	Develop legal and other documents	District, BC, FA, UW
January 18	Board introduction of Bond Resolution	District
By January 25	Email final Bond Resolution to District	BC
February 1	Board briefing and consideration of Bond Resolution	District, BC, FA, UW
February 13	Conference call with rating agency	District, UW, FA
March 15	Financing team commences bond sale Update Board on results (via email)	District, FA, UW, BC District
April 5	Bond closing and receipt of funds	BC, UW

FA: Financial Advisor BC: Bond Counsel UW: Underwriter

Overview of Bond Resolution

HIGHLINE SCHOOL DISTRICT NO. 401
KING COUNTY, WASHINGTON

RESOLUTION NO. 02-23

A RESOLUTION of the Board of Directors of Highline School District No. 401, King County, Washington, relating to contracting indebtedness; providing for the issuance, fixing or setting parameters with respect to certain terms and covenants, and fixing the form of not to exceed \$280,000,000 aggregate principal amount unlimited tax general obligation bonds, in one or more series, authorized by the qualified voters of the District at a special election held therein pursuant to District Resolution No. 06-22; providing that payment of the bonds be guaranteed by the State of Washington; appointing the District's designated representative pursuant to RCW 39.46.040(2) to approve the final terms of the sale of the bonds; and providing for related matters.

ADOPTED: FEBRUARY 1, 2023

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Questions & Comments