

PATERSON SCHOOL DISTRICT NO. 50  
BENTON COUNTY, WASHINGTON

RESOLUTION NO. 1-2023-2024

PROPOSITION NO. 1 - BONDS TO SHARE CONSTRUCTION COSTS FOR  
THE NEW PROSSER HIGH SCHOOL

A RESOLUTION of the Board of Directors of Paterson School District No. 50, Benton County, Washington, providing for the submission to the voters of the District at a special election to be held on February 13, 2024, of a proposition authorizing the District to issue general obligation bonds in the aggregate principal amount of no more than \$525,000, for the purpose of paying the District's agreed upon share of construction costs for the new Prosser High School, which serves the District's students, the principal of and interest on such bonds to be payable from annual excess property tax levies; designating the Secretary to the Board and bond counsel to receive notice of the ballot title from the Auditor of Benton County, Washington; authorizing a request for a Certificate of Eligibility from the State Treasurer for participation in the Washington State School District Credit Enhancement Program pursuant to chapter 39.98 RCW; and providing for related matters.

ADOPTED: NOVEMBER 28, 2023

*This document prepared by:*

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PATERSON SCHOOL DISTRICT NO. 50  
BENTON COUNTY, WASHINGTON

RESOLUTION NO. 1-2023-2024

A RESOLUTION of the Board of Directors of Paterson School District No. 50, Benton County, Washington, providing for the submission to the voters of the District at a special election to be held on February 13, 2024, of a proposition authorizing the District to issue general obligation bonds in the aggregate principal amount of no more than \$525,000, for the purpose of paying the District's agreed upon share of construction costs for the new Prosser High School, which serves the District's students, the principal of and interest on such bonds to be payable from annual excess property tax levies; designating the Secretary to the Board and bond counsel to receive notice of the ballot title from the Auditor of Benton County, Washington; authorizing a request for a Certificate of Eligibility from the State Treasurer for participation in the Washington State School District Credit Enhancement Program pursuant to chapter 39.98 RCW; and providing for related matters.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PATERSON SCHOOL DISTRICT NO. 50, BENTON COUNTY, WASHINGTON, as follows:

Section 1. Findings and Determinations. The Board of Directors (the "Board") of Paterson School District No. 50, Benton County, Washington (the "District"), takes note of the following facts and makes the following findings and determinations:

(a) As provided by law and District designation, Prosser Consolidated School District No. 116-219, Benton and Klickitat Counties, Washington ("Prosser"), is a designated high school district of the District and Prosser High School serves the District's high school students.

(b) Prosser's voters approved a proposition on February 14, 2017, authorizing Prosser to issue its unlimited tax general obligation bonds in the principal amount of no more than \$69,300,000 (the "Bonds"), to pay costs of, among other capital projects, constructing a new high school adjacent to Art Fiker Stadium to replace Prosser High School, all as deemed necessary and advisable by the Board of Directors of Prosser (the "Prosser High School Project"). Pursuant to this authorization, Prosser issued the Bonds and constructed the new Prosser High School.

(c) The District and Prosser have agreed that it will be in the best interests of their students and taxpayers to share in the cost of constructing the new Prosser High School pursuant to a Nonhigh Capital Contribution Agreement, dated August 3, 2023 (the "Agreement"). Pursuant to the Agreement, the District's agreed upon share of construction costs of the Prosser High School Project, including capital expenditures to modernize and improve related athletic facilities, to be paid to Prosser by August 1, 2024, is \$525,000 (the "District Contribution").

(d) The Agreement requires the District to pay the District Contribution, all as more particularly defined and described in Section 2 herein, and the District lacks sufficient money to pay the District Contribution.

(e) To pay the District Contribution, it is necessary and advisable that the District issue and sell unlimited tax general obligation bonds in the aggregate principal amount of no more than \$525,000 (the “Bonds”), or such lesser maximum amount as may be legally issued under the laws governing the limitation of indebtedness.

(f) Pursuant to Article VII, Section 2(b) and Article VIII, Section 6 of the Washington Constitution and laws of the State of Washington, including Revised Code of Washington (“RCW”) 28A.530.010, RCW 28A.530.020, RCW 39.36.050 and RCW 84.52.056, the District may submit to its voters at a special election, for their approval or rejection, a proposition authorizing the District to issue the Bonds to pay the District Contribution and to levy annual excess property taxes in amounts sufficient to pay principal of and interest on the Bonds when due (*i.e.*, repay the Bonds).

(g) The best interests of the District’s students and other inhabitants require the District to pay the District Contribution from the proceeds of the Bonds authorized hereinafter (the “Bond Proceeds”) and pursuant to the Agreement.

Section 2. Description of Use of Bond Proceeds. The Bond Proceeds shall be used to pay the District Contribution for the Prosser High School Project (*i.e.*, to pay Prosser the District’s agreed upon share of construction costs for the new Prosser High School, which serves District students (including capital expenditures to modernize and improve related athletic facilities) pursuant to the Agreement. Bond Proceeds shall be used by Prosser for capital expenditures in respect of facilities owned and operated by Prosser that serve District students.

Bond Proceeds may also be used to pay incidental costs incurred in connection with the payment of the District Contribution pursuant to RCW 39.46.070. Such incidental costs include, but are not 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; and (5) costs of other similar activities or purposes, all as determined necessary and advisable by the Board.

Section 3. Calling of Election. The Auditor of Benton County, Washington, as *ex officio* Supervisor of Elections (the “Auditor”), is requested to call and conduct a special election in the District, in the manner provided by law, to be held on February 13, 2024, for the purpose of submitting to the District’s voters, for their approval or rejection, the proposition authorizing the District to issue the Bonds to pay the District Contribution 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 the District Contribution, and levy annual excess property taxes to repay the Bonds. The Bond Proceeds may 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 does not include the replacement of equipment.

Section 4. Authorization to Issue the Bonds. The Bonds authorized may be issued as a single bond, single issue, as a part of a combined issue with other authorized bonds, all as determined necessary and advisable by the Board and as permitted by law. Further, the Bonds may be issued, as

determined necessary and advisable by the Board, as taxable bonds, tax-exempt bonds and/or any other type of bonds that are now or in the future may be authorized under applicable state and federal law.

The Bonds shall be issued as fully registered bonds; shall bear interest payable as permitted by law; shall mature within 7 years from the date of issuance 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; 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 the Bonds are to be issued, all as determined necessary and advisable by the Board and as permitted by law. The life of the Prosser capital expenditures to be financed with the District Contribution from the Bond Proceeds shall, as near as practicable or as otherwise required by law, exceed the term of the Bonds. 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 the Bonds, which resolutions may delegate to a District officer or employee the authority to fix any of the foregoing, all as determined necessary and advisable by the Board and as permitted by law.

Pending the issuance of the Bonds, the District may levy excess property taxes to repay the Bonds and may issue short-term obligations pursuant to chapter 39.50 RCW to pay the District Contribution. Such obligations may be paid or refunded with the Bond Proceeds.

Section 5. Form of Ballot Title. Pursuant to RCW 29A.36.071, the Benton County Prosecuting Attorney is requested to prepare the concise description of the aforesaid proposition for the ballot title in substantially the following form:

PROPOSITION NO. 1

PATERSON SCHOOL DISTRICT NO. 50

BONDS TO SHARE CONSTRUCTION COSTS FOR THE NEW PROSSER  
HIGH SCHOOL

The Board of Directors of Paterson School District No. 50 adopted Resolution No. 1-2023-2024, concerning a proposition to finance high school construction and related improvements. This proposition would authorize the District to: pay its agreed upon share of construction costs for the new Prosser High School, which serves District students (including capital expenditures to modernize and improve related athletic facilities); issue no more than \$525,000 of general obligation bonds maturing within 7 years; and levy annual excess property taxes to repay the bonds, all as provided in Resolution No. 1-2023-2024. Should this proposition be:

Approved .....

Rejected .....

Section 6. Authorization to Deliver Resolution to Auditor and Perform Other Necessary Duties. The Secretary to the Board (the “Secretary”) or the Secretary’s designee is authorized and directed to: (a) present a certified copy of this resolution to the Auditor no later than December 15, 2023; 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 authorizing the District to issue the Bonds to pay the District Contribution and levy annual excess property taxes to repay the Bonds.

Section 7. 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 Secretary (Joe West), telephone: 509.875.2601; email: [joewe@patersonschool.org](mailto:joewe@patersonschool.org); and (b) bond counsel, Foster Garvey P.C. (Jim McNeill), telephone: 509.777.1602; email: [jim.mcneill@foster.com](mailto:jim.mcneill@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, determined necessary by the Auditor or the Benton County Prosecuting Attorney.

Section 8. Authorization to Request Participation in Washington State School District Credit Enhancement Program. The Board finds and determines that, if the District receives voter approval to issue the Bonds in the manner described in this resolution, it will be in the best interests of the District’s taxpayers to request the State of Washington’s guaranty for payment of the Bonds under chapter 39.98 RCW, the Washington State School District Credit Enhancement Program. Accordingly, the Board hereby requests the State Treasurer to issue a Certificate of Eligibility to the District pledging the full faith, credit and taxing power of the State of Washington to guarantee the payment, when due, of the principal of and interest on the Bonds pursuant to chapter 39.98 RCW and the rules promulgated thereunder by the State Finance Committee. The Board designates each of the Secretary and the District’s Business Manager or such other officer of the District who may in the future perform the duties of that office, if any (the “Business Manager”), and each of them acting alone, as the District officials authorized to file with the State Treasurer, on behalf of the District, the request for a Certificate of Eligibility.

Section 9. Execution; General Authorization and Ratification. This resolution may be executed by the Directors being present and voting in favor of the resolution, or only the Chair of the Board (the “Chair”), and attested by the Secretary, in tangible medium, manual, facsimile or electronic form under any security procedure or platform, and notwithstanding any other District resolution, rule, policy or procedure, or in any other manner evidencing its adoption. The Secretary, the Business Manager, the Chair, and the District’s bond counsel, Foster Garvey P.C., are hereby further severally authorized and directed to take such actions and to create, accept, execute, send, use and rely upon such tangible medium, manual, facsimile or electronic documents, records and signatures under any security procedure or platform, and notwithstanding any other District resolution, rule, policy or procedure, 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 ratified and confirmed in all respects.

Section 10. Severability. If any provision of this resolution is 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 repay the Bonds.

Section 11.    Effective Date. This resolution takes effect from and after its adoption.

ADOPTED by the Board of Directors of Paterson School District No. 50, Benton County, Washington, at a regular open public meeting held this 28<sup>th</sup> day of November, 2023.

PATERSON SCHOOL DISTRICT NO. 50  
BENTON COUNTY, WASHINGTON

\_\_\_\_\_  
Chair and Director

\_\_\_\_\_  
Vice Chair and Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

ATTEST:

\_\_\_\_\_  
JOE WEST  
Secretary to the Board of Directors

CERTIFICATION

I, JOE WEST, Secretary to the Board of Directors of Paterson School District No. 50, Benton County, Washington (the “District”), hereby certify as follows:

1. The foregoing Resolution No. 1-2023-2024 (the “Resolution”) is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of Directors of the District (the “Board”) held at the regular meeting place on November 28, 2023 (the “Meeting”), as that Resolution appears in the records of the District, and the Resolution is now in full force and effect; and

2. The Meeting was duly convened, held and included an opportunity for public comment, in all respects in accordance with law, 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 28<sup>th</sup> day of November, 2023.

PATERSON SCHOOL DISTRICT NO. 50  
BENTON COUNTY, WASHINGTON

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JOE WEST  
Secretary to the Board of Directors