

**NEWPORT CONSOLIDATED JOINT SCHOOL DISTRICT NO. 56-415  
PEND OREILLE COUNTY, WASHINGTON**

**RESOLUTION NO. 03-2025-2026**

**Unlimited Tax General Obligation Bonds**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF NEWPORT CONSOLIDATED JOINT SCHOOL DISTRICT NO. 56-415, PEND OREILLE COUNTY, WASHINGTON, DESCRIBING CERTAIN CAPITAL IMPROVEMENTS TO BE MADE TO THE DISTRICT'S EDUCATIONAL FACILITIES; DECLARING THE ANTICIPATED COST OF SUCH IMPROVEMENTS; PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$46,300,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS PAYABLE FROM AD VALOREM TAXES LEVIED AGAINST ALL TAXABLE PROPERTY WITHIN THE DISTRICT; ANTICIPATING \$17,700,000 OF ADDITIONAL FUNDS FROM THE STATE OF WASHINGTON SCHOOL CONSTRUCTION FINANCING ASSISTANCE PROGRAM; PROVIDING FOR THE SUBMISSION OF THE PROPOSITION OF INCURRING SUCH INDEBTEDNESS TO THE QUALIFIED ELECTORS WITHIN THE DISTRICT AT A SPECIAL ELECTION TO BE HELD ON TUESDAY, FEBRUARY 10, 2026; PROVIDING FOR THE NOTICE OF SUCH ELECTION; AUTHORIZING THE SUPERINTENDENT TO SUBMIT A REQUEST FOR ELIGIBILITY FOR THE STATE OF WASHINGTON'S SCHOOL BOND GUARANTEE PROGRAM; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO**

**NEWPORT CONSOLIDATED JOINT SCHOOL DISTRICT NO. 56-415  
Pend Oreille County, Washington**

**UNLIMITED TAX GENERAL OBLIGATION BONDS  
PRINCIPAL AMOUNT OF NOT TO EXCEED \$46,300,000**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF NEWPORT CONSOLIDATED JOINT SCHOOL DISTRICT NO. 56-415, PEND OREILLE COUNTY, WASHINGTON, as follows:**

**WHEREAS**, Newport Consolidated Joint School District No. 56-415, Pend Oreille County, Washington (the "**District**"), is a second-class school district duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington (the "**State**");

**WHEREAS**, the Board of Directors of the District (the "**Board**") has determined that certain capital improvements to the educational facilities of the District are required to better serve the needs of the students of the District;

**WHEREAS**, the State's prototypical funding model was not designed to support large capital improvements, requiring school districts to regularly rely on voter-approved general obligation bonds to provide the necessary funding;

**WHEREAS**, in order to provide funds to plan, acquire, design, construct, equip and install such capital improvements, the Board hereby deems it necessary and advisable that the District issue and sell its unlimited tax general obligation bonds in the principal amount of not to exceed \$46,300,000 (the “**Bonds**”) to pay a portion of the costs of the Project (as defined in Section 2 below), all pursuant to the provisions of chapters 28A.530 and 39.46 RCW;

**WHEREAS**, RCW 28A.530.020 requires that a special election be called for the submission of a proposition to the qualified electors within the District for their approval or rejection prior to incurring such bonded indebtedness;

**WHEREAS**, the District will notify the Pend Oreille County Auditor, as ex officio Supervisor of Elections for the District, in compliance with chapter 29A.04 and 29A.40 RCW, of its intention to hold a special election on Tuesday, February 10, 2026, to submit the proposition of the issuance of the Bonds to the qualified electors of the District for their approval or rejection;

**WHEREAS**, chapter 39.98 RCW was enacted for the purpose of establishing a credit enhancement program (the “**Program**”) for voter-approved school district general obligation bonds;

**WHEREAS**, RCW 39.98.040 authorizes the State Treasurer to make a determination that a school district is eligible for participation in the Program under rules adopted by the State Finance Committee;

**WHEREAS**, to the extent the Program demonstrates substantial savings to the taxpayers of the District, the District intends to request a certificate of eligibility from the State Treasurer to participate in the Program; and

**WHEREAS**, the best interests of the District’s students and residents require the District to carry out and accomplish the Project as hereinafter provided.

**NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED**, as follows:

**Section 1:** The Board hereby determines that the best interest of the residents and students of the District requires the planning, acquisition, design, construction and installation of certain capital improvements and betterments to its educational facilities, together with all necessary appurtenances, fixtures and furnishings therefor, as more particularly specified in Section 2 below.

**Section 2:** The proposed capital improvements (the “**Project**”) to be paid for with the Bond proceeds, including interest earnings thereon, are more particularly defined and described as follows, all as deemed necessary and advisable by the Board:

- (a) Preservation, renovation and modernization of Newport High School, including replacement of certain heating, ventilation and air conditioning (HVAC) systems, replacement of the roofing system, improvements to safety and security, renovation of the library, commons, stage and band areas, upgrades to career and technical spaces, renovation of instructional classrooms, acquisition and installation of necessary classroom technology upgrades and improvements, modernization of science labs and spaces, improvements to the main gym and locker rooms, enlargement of student health, career guidance

and office spaces, construction of an auxiliary gym and associated spaces, improvements to parking lot and plaza areas, and improvements to outdoor practice areas and grass playfields;

- (b) Acquisition, construction, and installation of all necessary appurtenances, equipment, fixtures and furnishings of the foregoing;
- (c) Acquisition, construction and installation of all such other capital improvements deemed necessary and advisable by the Board; and
- (d) Ancillary costs of planning, engineering, management, architectural, construction management, demolition, relocation, permits, easements, testing, inspection, attorneys' fees, accounting, bond issuance, obtaining ratings and bond insurance, capitalized interest on the Bonds, and any other expenses or consultant fees incidental thereto.

Such capital improvements and betterments described in this Section 2, which do not include the replacement of equipment, are to be more fully described in the plans and specifications to be prepared by the District's architects and engineers and to be filed with the District. The District will consider and may, if it is more cost effective resulting in a savings to the taxpayers of the District, construct new capital improvements to the educational facilities of the District in lieu of renovations to such facilities.

The District anticipates the receipt of school construction financing assistance from the State under chapter 28A.525 RCW in the anticipated amount of \$17,700,000 (the "**School Construction Financing Assistance Program Funding**"). The School Construction Financing Assistance Program Funding shall be used, when and in such amounts as it may become available, to carry out and accomplish the Project. If the School Construction Financing Assistance Program Funding is more than sufficient to carry out and accomplish the Project, and state or local circumstances require, the District may use the excess School Construction Financing Assistance Program Funding to: (a) acquire, construct, install equip, and make other capital improvements to the District's facilities; (b) retire and/or defease a portion of the Bonds or other outstanding indebtedness of the District; or (c) provide for other purposes authorized by law, all as the Board may determine by resolution, in the form and manner required by law.

**Section 3:** If, in the opinion of the Board, the needs of the District change in a manner that results in a circumstance wherein any portion of the above-referenced capital improvements is not required or in the best interests of the District, the Board retains the right not to acquire, construct and install such capital improvements and to reallocate the money originally contemplated therefor to other capital improvements to the District's educational facilities deemed more necessary by the Board, or to deposit such money into the District's Debt Service Fund to make debt service payments on the Bonds outstanding or to call and redeem a portion of the Bonds prior to maturity; provided, any change in use of Bond proceeds shall be in the form and manner required by law.

**Section 4:** The total anticipated cost of the capital improvements program adopted by the Board is hereby declared to be approximately \$64,000,000 which shall be paid, in part, if authorized and empowered by the three-fifths (3/5) majority approving vote of the qualified electors of the District, by the issuance and sale of unlimited tax general obligation bonds in the principal amount of not to exceed \$46,300,000, and the balance of which is anticipated to be paid from the School Construction Financing Assistance Program Funding in the anticipated amount of \$17,700,000.

**Section 5:** In the event the District has other legally available money or there are Bond proceeds (or interest earnings thereon) remaining after the capital improvements set forth in Section 2 above have been completed or duly provided for, the Board retains the right to make additional capital improvements to the educational facilities of the District as are deemed necessary and desirable by the Board, or to deposit such money into the District's Debt Service Fund to make debt service payments on the Bonds outstanding or to call and redeem a portion of the Bonds prior to maturity.

**Section 6:** In the event the Bond proceeds and School Construction Financing Assistance Program Funding are insufficient to make all of the capital improvements set forth in Section 2 above, the District shall use the available money to pay the cost of such improvements set forth in Section 2 above deemed most necessary and to be in the best interest of the District by the Board.

**Section 7:** The Bonds, if approved and issued, shall be sold in such amounts and at such time or times as deemed necessary and advisable by the Board all as permitted by law. The Bonds shall bear interest at such rate or rates not to exceed the maximum provided by law at the time they are sold. The Bonds shall mature in such amounts and at such time or times within a maximum term of 23 years from their date of issue but may mature at an earlier date or dates, as authorized by the Board and provided by law. The Bonds shall be unlimited tax general obligations of the District; and, unless paid from other sources, both principal thereof and interest thereon shall be payable out of annual property tax levies to be made upon all taxable property within the District without limitation as to rate or amount. The designation of the Bonds may be changed to reflect the actual date of issue. The exact date, form, terms and maturities of the Bonds shall be hereafter fixed by resolution of the Board.

**Section 8:** The Board declares that to the extent, prior to the date the Bonds, or other bonds or obligations (which includes the Bonds, or other bonds or obligations, issued as tax-exempt bonds) are issued to pay costs of the Project, the District makes capital expenditures for the Project from money that is not (and is not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside by the District under its existing and reasonably foreseeable budgetary and financial circumstances to pay costs of the Project, those capital expenditures are intended to be reimbursed out of the proceeds of the Bonds, or proceeds of other bonds or obligations, issued in an amount not to exceed the principal amount of the Bonds provided by this resolution. All such capital expenditures were or will be made on and after the date which is 60 days prior to the date of this resolution. It is the intention of the Board that this declaration constitute the Board's "official intent" within the meaning of Section 1.150-2 of the U.S. Treasury Regulations.

**Section 9:** A special election is hereby requested to be called, conducted and held within the District on Tuesday, February 10, 2026, for the purpose of submitting to the qualified electors of the District, for their approval or rejection, the District's proposal to make the capital improvements specified in Section 2 above; to incur indebtedness; to issue the Bonds to finance such capital improvements; and to levy taxes in excess of the regular property tax levies to pay the principal of and interest on the Bonds.

**Section 10:** The Pend Oreille County Auditor is hereby authorized and directed to call and conduct the February 10, 2026, election pursuant to applicable law as now codified, or as may be hereafter amended.

**Section 11:** Pursuant to RCW 29A.36.071, as amended, the Pend Oreille County Prosecuting Attorney is requested to prepare the concise description of the proposition for the ballot title substantially in the following form:

PROPOSITION NO. 1  
NEWPORT CONSOLIDATED JOINT SCHOOL DISTRICT NO. 56-415  
BONDS TO ADDRESS NEWPORT SCHOOL DISTRICT FACILITY  
RENOVATIONS - \$46,300,000

The Board of Directors of Newport Consolidated Joint School District No. 56-415 adopted Resolution No. 03-2025-2026 concerning a proposition to finance capital improvements to its facilities. This proposition would authorize the District to: renovate and modernize the 45-year-old Newport High School by replacing aged HVAC systems and roofing, renovating classrooms, labs, music, and other core facility areas, upgrading career and technical spaces to increase hands-on learning, make site improvements, and construct necessary additions; issue \$46,300,000 of general obligation bonds maturing within 23 years; and levy annual excess property tax levies to pay such bonds, as provided in Resolution No. 03-2025-2026.

Should this proposition be approved?

YES: .....

NO: .....

**Section 12:** Such election will be conducted by mail ballot. The procedures and forms to conduct such election by mail ballot shall be prescribed by the Pend Oreille County Auditor in accordance with chapter 29A.40 RCW and chapter 434-250 WAC.

**Section 13:** In the event the Project is approved at such special election, pursuant to RCW 39.36.020 and Article VII, Section 2(b) of the State Constitution, there shall be levied and collected annual tax levies in an amount sufficient in each such year during the life of the Bonds, and until the full payment of both principal thereof and interest thereon, as will provide levy proceeds sufficient in amount to fully pay currently maturing installments of principal of and interest on the Bonds as such becomes due. Such tax levies will be in excess of the regular annual tax levies permitted by law.

**Section 14:** The Pend Oreille County Auditor shall prepare the notice of special election which shall be published at least once, which publication shall take place not more than fifteen days nor less than five days prior to the mail-in registration deadline. Such publication shall be in a newspaper of general circulation within the District and in accordance with RCW 29A.52.355.

**Section 15:** The Secretary to the Board is hereby directed to deliver a certified copy of this resolution to the Pend Oreille County Auditor, as ex officio Supervisor of Elections for the District, no later than December 12, 2025.

**Section 16:** 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 to the Board (David E. Smith, Jr.) telephone: 509-447-3167; email: [smithdave@newportgriz.com](mailto:smithdave@newportgriz.com); and (b) bond counsel, Kutak Rock LLP (Tanya Lawless) telephone: 509-252-2692; email: [tanya.lawless@kutakrock.com](mailto:tanya.lawless@kutakrock.com) as the individuals to whom the Auditor shall provide such notice. The Secretary to the Board is authorized to approve changes to the ballot title, if any, determined necessary by the Auditor or the Pend Oreille County Prosecuting Attorney.

**Section 17:** 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 Secretary to the Board is hereby authorized and directed to submit such applications, resolutions and certifications as shall be required by the State Treasurer in reviewing the District's request for participation.

**Section 18:** The Secretary to the Board or other appropriate officers of the District and bond counsel, Kutak Rock LLP, 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. All actions taken prior to the effective date of this Resolution in furtherance of and not inconsistent with the provision of this Resolution are hereby ratified and confirmed in all respects.

**Section 19:** This Resolution shall take effect immediately upon adoption.

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**ADOPTED** by the Board of Directors of Newport Consolidated Joint School District No. 56-415, Pend Oreille County, Washington, at a regular meeting thereof, held on the 18<sup>th</sup> day of November, 2025.

NEWPORT CONSOLIDATED JOINT SCHOOL  
DISTRICT NO. 56-415  
Pend Oreille County, Washington

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April Owen, Board Chair

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Connie Moore, Vice Board Chair

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Trevor Price, Director

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Larry Sauer, Director

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Rick Hughes, Director

ATTEST:

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David E. Smith, Jr., Secretary to the Board  
of Directors

( S E A L )

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**CERTIFICATE**

I, David E. Smith, Jr., Secretary to the Board of Directors of Newport Consolidated Joint School District No. 56-415, Pend Oreille County, Washington, hereby certify that the foregoing resolution is a full, true and correct copy of a resolution duly passed and adopted at a regular meeting of the Board of Directors of such District, duly held at the regular meeting place thereof on November 18, 2025, of which meeting all members of such Board had due notice and at which a majority thereof was present; and that at such meeting, such resolution was adopted by the following vote:

AYES, and in favor thereof, Directors:

NAYS, Directors:

ABSENT, Directors:

ABSTAIN, Directors:

I further certify that I have carefully compared the same with the original resolution on file and of record in my office; that such resolution is a full, true and correct copy of the original resolution adopted at such meeting; and that such resolution has not been amended, modified, or rescinded since the date of its adoption and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 18<sup>th</sup> day of November, 2025.

NEWPORT CONSOLIDATED JOINT SCHOOL  
DISTRICT NO. 56-415  
Pend Oreille County, Washington

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David E. Smith, Jr., Secretary to the  
Board of Directors

( S E A L )

**TO: The Pend Oreille County Auditor, as ex officio Supervisor of Elections for Newport Consolidated Joint School District No. 56-415, Pend Oreille County, Washington**

Pursuant to Resolution No. 03-2025-2026, adopted by the Board of Directors of Newport Consolidated Joint School District No. 56-415, Pend Oreille County, Washington (the “Board”), at a regular meeting of the Board held on November 18, 2025, a copy of which resolution is attached hereto and by this reference made a part hereof, you are respectfully requested to submit the following proposition to the qualified electors of Newport Consolidated Joint School District No. 56-415, Pend Oreille County, Washington (the “District”) for their approval or rejection, at a special election to be held on Tuesday, February 10, 2026.

The proposition shall be in substantially the following form:

**PROPOSITION NO. 1**  
**NEWPORT CONSOLIDATED JOINT SCHOOL DISTRICT NO. 56-415**  
**BONDS TO ADDRESS NEWPORT SCHOOL DISTRICT FACILITY**  
**RENOVATIONS - \$46,300,000**

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Should this proposition be approved?

YES: .....

NO: .....

The special election shall be conducted by mail ballot; and the procedures and forms to conduct the special election by mail ballot shall be prescribed by the Pend Oreille County Auditor in accordance with chapter 29A.40 RCW and chapter 434-250 WAC.

DATED as of November 18, 2025.

NEWPORT CONSOLIDATED JOINT SCHOOL  
DISTRICT NO. 56-415,  
Pend Oreille County, Washington

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David E. Smith, Jr., Secretary to the Board  
of Directors