



Steilacoom Historical School District Board of Directors

Pioneer Middle School, 1750 Bob's Hollow Lane, DuPont, WA

Wednesday, June 8, 2022 05:45 PM

I. SPECIAL MEETING CALL TO ORDER (Action)

- a. Pledge of Allegiance
- b. Roll Call
- c. Approval of Agenda

II. PUBLIC HEARING ON AGENDA ITEM III (Information)

III. APPROVAL OF RESOLUTION 896-06-08-22 FOR LIMITED GENERAL OBLIGATION BONDS (Action)

Presenter: Shawn Lewis

[Resolution 896-06-08-22 Limited General Obligation Bond.pdf \(p. 3\)](#)

IV. ADJOURNMENT OF SPECIAL MEETING (Action)

V. STUDY SESSION CALL TO ORDER (Action)

- a. Pledge of Allegiance
- b. Roll Call
- c. Approval of Agenda

VI. STUDY SESSION TOPIC FOR BOARD DISCUSSION

A. Instructional Materials Committee Review (Discussion)

Presenter: Paul Harvey

[IMC Review.pdf \(p. 32\)](#)

B. DEI Committee Update (Discussion)

Presenter: Susanne Beauchaine

C. Board Schedule Discussion (Discussion)

Presenter: Superintendent Weight

[School Board Meeting Schedule.pdf \(p. 41\)](#)

D. Board Coffee Chat Update

(Discussion)

VII. ADJOURNMENT OF STUDY SESSION

(Action)

STEILACOOM HISTORICAL SCHOOL DISTRICT NO. 1 BOARD OF DIRECTORS

Board Meeting Date: June 8, 2022

Strategic Focus Area

- ☐ Achieve
- ☒ Support
- ☐ Connect
- ☒ Plan

BACKGROUND INFORMATION

The District has plans to finalize the purchase of at 10 acres of land adjacent to McNeil Street in the City of DuPont in the next 45 days. This land will be used as an elementary school site.

The funding for this land will ultimately be paid from proceeds resulting from an existing purchase and sale agreement to sell the land at Manchester Place in the City of DuPont to a developer for industrial purposes. The closing of this sale is currently expected to take place in December 2022.

Since the purchase of McNeil Street is happening sooner than the sale of Manchester Place, the district needs to acquire short term financing as a "bridge loan". After analyzing our finances and discussing interfund and intergovernmental loan options with our public finance consultants and other public entities, we determined that a non-voted limited general obligation bond was our best option for short-term financing.

We are financing \$4 million for one year at roughly 2.3% interest with a complete right of prepayment without penalty and with only accrued interest due - with 10 days notice. This provides us maximum flexibility for paying off the debt when we have access to the Manchester Place funds.

Board approval of the accompanying resolution allows us to purchase the McNeil Street property using \$4 million in LGO bond funds and the balance of nearly \$1 million from impact fees and other capital project fund resources. This resolution has been reviewed by bond counsel from Pacifica Law and financial consultants from Piper Sandler.

RECOMMENDED ACTION:

The board adopt resolution 896-06-08-22 authorizing the district to secure non-voted debt of \$4 million to be used for the purchase of land for an elementary school.

Report prepared by:
Shawn Lewis, Director of Community Relations and Planning

STEILACOOM HISTORICAL SCHOOL DISTRICT NO. 1
PIERCE COUNTY, WASHINGTON

LIMITED GENERAL OBLIGATION BOND, 2022

RESOLUTION NO. 896-06-08-22

A Resolution of the Board of Steilacoom Historical School District No. 1, Pierce County, Washington, providing for the issuance and sale of a limited general obligation bond of the District in the aggregate principal amount of not to exceed \$4,000,000 for the purpose of acquiring real property for a future elementary school; providing the form of the bond; and approving the final terms and sale of the bond.

APPROVED ON JUNE 8, 2022

PREPARED BY:

PACIFICA LAW GROUP LLP
SEATTLE, WASHINGTON

STEILACOOM HISTORICAL SCHOOL DISTRICT NO. 1

RESOLUTION NO. 896-06-08-22

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* This Table of Contents and the cover page are not a part of the following resolution and are included only for the convenience of the reader.

RESOLUTION NO. 896-06-08-22

A Resolution of the Board of Steilacoom Historical School District No. 1, Pierce County, Washington, providing for the issuance and sale of a limited general obligation bond of the District in the aggregate principal amount of not to exceed \$4,000,000 for the purpose of acquiring real property for a future elementary school; providing the form of the bond; and approving the final terms and sale of the bond.

WHEREAS, the Board of Directors (the “Board”) of Steilacoom Historical School District No. 1, Pierce County, Washington (the “District”), has determined that it is in the best interest of the District to fund the acquisition of real property for a future elementary school (the “Project”); and

WHEREAS, the District is authorized, pursuant to RCW 28A.530.080, to incur indebtedness and issue a limited general obligation bond for the purpose of providing funds to pay the costs of the Project and the costs of issuance of such bond; and

WHEREAS, it is deemed necessary and advisable that the District issue and sell its limited general obligation bond in the principal amount of not to exceed \$4,000,000 (the “Bond”) to pay the costs of the Project; and

WHEREAS, on June 8, 2022, the District held a public hearing on the proposed issuance of the bond after proper notice of the hearing as required by RCW 28A.530.080(2); and

WHEREAS, the District’s placement agent, Piper Sandler & Co., solicited proposals to purchase the Bond; and

WHEREAS, the District has received the offer of Key Government Finance, Inc. (including its successors or assigns, the “Purchaser”), to purchase the Bond from the District for the purpose of financing the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF STEILACOOM HISTORICAL SCHOOL DISTRICT NO. 1, PIERCE COUNTY, WASHINGTON, as follows:

Section 1. Definitions. As used in this resolution, the following words shall have the following meanings:

Board means the duly constituted Board of Directors as the general legislative authority of the District.

Bond means the Steilacoom Historical School District No. 1, Pierce County, Washington, Limited General Obligation Bond, 2022, dated as of the date of its initial delivery, issued pursuant to this resolution.

Bond Counsel means Pacifica Law Group LLP, Seattle, Washington.

Bond Register means the registration records for the Bond maintained by the Bond Registrar.

Bond Registrar means the State fiscal agent (currently U.S. Bank Trust Company, National Association), whose duties include registering and authenticating the Bond, maintaining the Bond Register, transferring ownership of the Bond, and, if requested, paying the principal of and interest on the Bond.

Capital Projects Fund means the fund of the District established pursuant to RCW 28A.320.330(2).

Code means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bond or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bond, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

Date of Issue means the date of original issuance and delivery of the Bond to the initial Purchaser.

Debt Service Fund means the special fund of the District of that name created in the office of the Treasurer pursuant to RCW 28A.320.330(3).

Default Rate means the current interest rate on the Bond, plus 300 basis points (3.0%).

Designated Representative means, depending on the context, the Superintendent and/or the Chief of Finance and Operations of the District. The signature of one Designated Representative shall be sufficient to bind the District.

District means Steilacoom Historical School District No. 1, Pierce County, Washington, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State.

Event of Taxability means the circumstances of the interest payable on the Bond becoming includable for federal income tax purposes in the Registered Owner's gross income as a consequence of any act, omission, or event whatsoever, and regardless of whether the same was within or beyond the control of the District. An Event of Taxability shall be presumed to have occurred upon (a) the receipt by Registered Owner or the District of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other written correspondence that legally holds that interest on the Bond is includable in the gross income of the owner thereof for federal income tax purposes; (b) the issuance of any public or private ruling of the Internal Revenue Service that interest on the Bond is includable in the gross income of the Registered Owner thereof for federal income tax purposes; or (c) receipt by the Registered Owner or the District of a written opinion of a nationally recognized firm of attorneys experienced in matters pertaining to the tax-exempt status of interest on obligations

issued by states and their political subdivisions, selected by Registered Owner and acceptable to the District, to the effect that interest on the Bond has become includable in the gross income of the Registered Owner thereof for federal income tax purposes. For all purposes of this definition, an Event of Taxability shall be deemed to occur on the date as of which the interest on the Bond is deemed includable in the gross income of the Registered Owner thereof for federal income tax purposes.

Fair Market Value means the price at which a willing buyer would purchase an investment from a willing seller in a bona fide, arms-length transaction, except for specified investments as described in Treasury Regulation §1.148-5(d)(6), including United States Treasury obligations, certificates of deposit, guaranteed investment contracts, and investments for yield restricted defeasance escrows. Fair Market Value is generally determined on the date on which a contract to purchase or sell an investment becomes binding, and, to the extent required by the applicable regulations under the Code, the term “investment” will include a hedge.

Federal Tax Certificate means the certificate executed by a Designated Representative setting forth the requirements of the Code for maintaining the tax exemption of interest on the Bond, and attachments thereto.

General Fund means the special fund of the District of that name created in the office of the Treasurer pursuant to RCW 28A.310.370.

Interest Rate means 2.293%.

Maturity Date means June 1, 2023.

Project means the acquisition of real property for a future elementary school.

Proposal means the term sheet dated May 12, 2022, submitted by the Purchaser substantially in the form attached as Exhibit B and on file with the District.

Purchaser means Key Government Finance, Inc., as initial purchaser and Registered Owner of the Bond, including its successors and assigns.

Registered Owner means the person or entity in whose name the Bond is registered on the Bond Register, initially the Purchaser.

Rule means the U.S. Securities and Exchange Commission's Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

State means the State of Washington.

Taxable Rate means 2.903% per annum.

Treasurer means the Pierce County Office of Budget and Finance, as *ex officio* treasurer of the District, or any successor to the functions of the Treasurer.

In this resolution, unless the context otherwise requires:

(1) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this resolution;

(2) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(3) Any headings preceding the text of the several articles and sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely

for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(4) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of Bond. For the purpose of financing the costs of the Project and paying costs of issuance, the District is hereby authorized to issue and sell a bond in the principal amount of not to exceed \$4,000,000 (the “Bond”).

The Bond shall be designated the “Steilacoom Historical School District No. 1, Pierce County, Washington, Limited General Obligation Bond, 2022,” or other such designation as set forth in the Bond and approved by a Designated Representative.

The Bond shall be dated as of its Date of Issue, shall be fully registered as to both principal and interest, shall be in one denomination, shall be in the principal amount of not to exceed \$4,000,000, and shall mature on the Maturity Date. The Bond shall bear interest from its Date of Issue or the most recent date to which interest has been paid at the Interest Rate. Interest on the principal amount of the Bond shall be calculated per annum on a 30/360-day basis. Interest on the Bond shall be payable semi-annually commencing December 1, 2022 through the Maturity Date, and all outstanding principal of the Bond shall be payable on the Maturity Date, each as set forth in the payment schedule attached to the Bond.

Section 3. Registration, Exchange and Payments.

(a) *Bond Registrar.* The State fiscal agent shall serve as Bond Registrar. The Bond Registrar is authorized, on behalf of the District, to authenticate and deliver the Bond if transferred or exchanged in accordance with the provisions of the Bond and this resolution and to carry out all of the Bond Registrar’s powers and duties under this resolution. The District hereby

requests that the Treasurer specify and adopt the system of registration and transfer for the Bond approved by the Washington State Finance Committee from time to time through the appointment of a state fiscal agent. The District shall cause a Bond Register to be maintained by the Bond Registrar. So long as the Bond remains outstanding, the Bond Registrar shall make all necessary provisions to permit the exchange or registration or transfer of the Bond at its principal corporate trust office. The Bond Registrar may be removed at any time at the option of the Treasurer upon prior notice to the Bond Registrar, and a successor Bond Registrar appointed by the Treasurer. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bond.

(b) *Appointment of Paying Agent.* The District hereby appoints the State fiscal agent to act as Paying Agent for the purposes of performing services for the payment of principal and interest on the Bond directly to the Registered Owner. The Paying Agent shall remit, or cause to be remitted, to the Registered Owner, in immediately available and collected funds, the full amount necessary to pay the scheduled debt service payments on the Bond on any principal or interest payment date.

(c) *Registered Ownership.* The District and the Bond Registrar may deem and treat the Registered Owner of the Bond as the absolute owner for all purposes, and neither the District nor the Bond Registrar shall be affected by any notice to the contrary. Payment of the Bond shall be made only as described in subsection (d) below. All such payments made as described in subsection (d) below shall be valid and shall satisfy the liability of the District upon the Bond to the extent of the amount so paid.

(d) *No Transfer or Exchange of Registered Ownership.* The Bond shall not be transferrable without the consent of the District unless (i) the Registered Owner's corporate name is changed and the transfer is necessary to reflect such change; (ii) the transferee is a successor in interest of the Registered Owner by means of a corporate merger, an exchange of stock, or a sale of assets or (iii) to a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act of 1933.

(e) *Place and Medium of Payment.* Both principal of and interest on the Bond shall be payable in lawful money of the United States of America. Principal of and interest on the Bond shall be paid by wire transfer or other form of electronic payment in accordance with written instructions provided by the Registered Owner or, with the Registered Owner's consent, by such other commercially reasonable method of payment, to the Registered Owner appearing on the Bond Register on the 15th day of the month preceding each interest payment date.

(f) *Additional Provisions.* The Bond will not be registered with The Depository Trust Company, New York, New York, or any other securities depository. No official statement, prospectus, offering circular or other offering statement containing material information with respect to the District or the Bond will be provided in connection with the issuance of the Bond, the Bond will be unrated, and the Bond will not be assigned a CUSIP number.

Section 4. Form of Bond. The Bond shall be in substantially the form set forth in Exhibit A, which is incorporated herein by this reference, with such changes thereto as may be approved by a Designated Representative, consistent with the provisions of this resolution.

Section 5. Execution of Bond. The Bond shall be executed on behalf of the District with the facsimile or manual signatures of the President and Secretary of its Board, and, if

applicable, shall have the seal of the District impressed or imprinted or otherwise reproduced thereon.

Only when the Bond bears a Certificate of Authentication in the form set forth in Exhibit A, manually executed by the Bond Registrar, shall the Bond be valid or obligatory for any purpose or entitled to the benefits of this resolution. Such Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

In case either or both of the officers who have signed or attested the Bond cease to be such officer before such Bond has been actually issued and delivered, such Bond shall be valid nevertheless and may be issued by the District with the same effect as though the persons who had signed or attested such Bond had not ceased to be such officers, and the Bond may be signed or attested on behalf of the District by officers who at the date of actual execution of such Bond are the proper officers, although at the nominal date of execution of such Bond such officer was not an officer of the District.

Section 6. Pledge of Funds and Credit. There has been created in the office of the Treasurer a special fund of the District known as the “Debt Service Fund,” which fund shall be drawn upon for the purpose of paying the principal of and interest on the Bond. No later than the date each payment of principal of and interest on the Bond becomes due, the District shall transmit sufficient funds, from the Debt Service Fund or from other legally available sources, to the Bond Registrar for the payment of such principal and interest.

The District irrevocably covenants that it will use money in the District’s Debt Service Fund, Capital Projects Fund, General Fund or other funds legally available therefor to pay the principal of and interest on the Bond as the same shall become due. The Bond does not require

approval by a vote of the electors of the District. Accordingly, the District is not authorized nor is the District obligated to levy taxes, other than annual *ad valorem* property taxes for District operations, to pay principal of and interest on the Bond. The full faith, credit and resources of the District are hereby irrevocably pledged for the prompt payment of such principal and interest.

Section 7. Lost or Destroyed Bond. If the Bond is lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new Bond of like amount, maturity and tenor to the Registered Owner upon the Registered Owner's paying the expenses and charges of the Bond Registrar and the District in connection with preparation and authentication of the replacement Bond and upon their filing with the Bond Registrar and the District evidence satisfactory to both that such Bond was actually lost, stolen or destroyed and of its ownership thereof. In the event the Bond shall be lost, stolen, or destroyed while in the Registered Owner's possession, the Registered Owner may elect upon final payment of principal of and interest on the Bond to surrender a photocopy of the Bond for cancellation at the office of the Bond Registrar together with written certification that such Bond was actually lost, stolen or destroyed and of its ownership thereof.

Section 8. Ongoing Disclosure; Covenants. The District covenants and agrees with the Registered Owner of the Bond as follows:

(a) *Ongoing Disclosure.* The Bond is exempt from ongoing disclosure requirements of the Rule.

(b) *General Covenants.* While the Bond is outstanding, the District shall provide the Registered Owner (i) nine months after the end of each fiscal year, a copy of the unaudited financial statement of the District for that fiscal year, prepared in accordance with accounting principles applicable to governmental units of the State such as the District prescribed by the

Washington State Auditor's Office (the "SAO"), as such principles may be changed from time to time; (ii) annual audited financial statements within 30 days of receipt, prepared in accordance with accounting principles applicable to local governmental units of the State such as the District prescribed by the SAO, as such principles may be changed from time to time; and (iii) such other financial information of the District as the Registered Owner may from time to time reasonably request.

(c) *Tax Covenants.* The District will take all actions necessary to assure the exclusion of interest on the Bond from the gross income of the owners of the Bond to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bond, including but not limited to the following:

(i) *Private Activity Bond Limitation.* The District will assure that the proceeds of the Bond are not so used as to cause the Bond to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(ii) *Limitations on Disposition of Project.* The District will not sell or otherwise transfer or dispose of (1) any personal property components of the Project other than in the ordinary course of an established government program under Treasury Regulation § 1.141-2(d)(4) or (2) any real property components of the Project, unless it has received an opinion of nationally recognized bond counsel to the effect that such disposition will not adversely affect the treatment of interest on the Bond as excludable from gross income for federal income tax purposes.

(iii) *Federal Guarantee Prohibition.* The District will not take any action or permit or suffer any action to be taken if the result of such action would be to cause the Bond to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(iv) *Rebate Requirement.* The District will take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Bond.

(v) *No Arbitrage.* The District will not take, or permit or suffer to be taken, any action with respect to the proceeds of the Bond which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bond would have caused the Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code.

(vi) *Registration Covenant.* The District will maintain a system for recording the ownership of the Bond that complies with the provisions of Section 149 of the Code until the Bond has been surrendered and canceled.

(vii) *Record Retention.* The District will retain its records of all accounting and monitoring it carries out with respect to the Bond for at least three years after the Bond matures or is redeemed (whichever is earlier); however, if the Bond is redeemed and refunded, the District will retain its records of accounting and monitoring at least three years after the earlier of the maturity or redemption of the obligations that refunded the Bond.

(viii) *Compliance with Federal Tax Certificate.* The District will comply with the provisions of the Federal Tax Certificate with respect to the Bond, which are incorporated herein as if fully set forth herein. In the event of any conflict between this section and the Federal Tax Certificate, the provisions of the Federal Tax Certificate will prevail.

(ix) *Designation under Section 265(b).* The District hereby designates the Bond as a “qualified tax-exempt obligation” for the purposes of paragraph (3) of Section 265(b) of the Code for banks, thrift institutions and other financial institutions.

(x) *Event of Taxability.* Upon the occurrence of an Event of Taxability with respect to the Bond, the interest rate on the Bond shall accrue and be payable at the Taxable Rate retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includable in the gross income of the Registered Owner thereof for federal income tax purposes (which retroactive date for the Bond shall be the earliest date as of which the interest on the Bond is deemed includable in the gross income of the Registered Owner thereof for federal income tax purposes, which may be earlier than the date of delivery of such determination by the Internal Revenue Service), and the District will pay such additional amount as will result in the Registered Owner’s receiving the interest at the Taxable Rate.

The covenants of this section will survive payment in full of the Bond.

Section 9. Sale of the Bond; Bond Closing.

(a) *Bond Sale.* The Board has determined that it would be in the best interest of the District to sell the Bond to the Purchaser pursuant to the terms of the Proposal and this resolution.

(b) *Bond Closing.* Upon the adoption and approval of this resolution, the proper officials of the District, including the Designated Representatives, and the President of the Board, are authorized and directed to undertake all action necessary for the prompt issuance, execution and delivery of the Bond to the Purchaser and for the proper application and use of the proceeds thereof, and further to execute all closing certificates, agreements, loan agreements and documents required to effect the closing and delivery of the Bond in accordance with the terms of this resolution and the Proposal.

Upon delivery of the Bond, the District shall pay or cause to be paid such fees and costs of the Purchaser as are specified in the Proposal and the other costs of issuance for the Bond, and any other expenses and costs which the District incurs in connection with the issuance of the Bond.

Section 10. Right of Prepayment. The District may prepay the Bond in whole or in part on any date at a price of par, plus accrued interest. If the Bond is prepaid in full, interest shall cease to accrue on the date such prepayment occurs. The District shall provide 10 days written notice of such prepayment to the Registered Owner.

Section 11. Defaults. At the election of the Registered Owner, notice of which shall be provided in writing to the District and the Bond Registrar, the interest rate on any past due payments of principal of or interest on the Bond will increase while such payment default is outstanding to the Default Rate. In the event of a payment default or a material default or breach of the terms of the Bond or this resolution, that is not cured with 90 days of written notice to the District, then at the election of the Registered Owner, the interest rate on the Bond will increase while said Event of Default is continuing to the Default Rate.

No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation by the District under this resolution or the Bond shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation.

Section 12. Application of Bond Proceeds. The net proceeds derived from the sale of the Bond shall be deposited into the Capital Projects Fund and shall be expended solely to pay the cost of the Project. None of the proceeds of the Bond shall be used for any purpose other than an eligible capital purpose under RCW 28A.530.080 and 28A.530.010(2). Proceeds of the

Bond may be invested by the Treasurer at the direction of the District in any legal investment for funds of school districts in the State, but only to the extent that the same are acquired, valued and disposed of at Fair Market Value.

Section 13. General Authorization and Ratification. Each Designated Representative is authorized to take any actions and to execute documents as in the judgment of such Designated Representative may be necessary or desirable in order to carry out the terms of, and complete the transactions contemplated by, this resolution. All acts taken pursuant to the authority of this resolution but prior to its effective date, including the execution of the Proposal, are hereby ratified.

Section 14. Severability. If any provision in this resolution is declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bond.

Section 15. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED by the Board of Directors of Steilacoom Historical School District No. 1,
Pierce County, Washington, at a regular meeting thereof held this 8th day of June, 2022.

STEILACOOM HISTORICAL SCHOOL
DISTRICT NO. 1,
PIERCE COUNTY, WASHINGTON

President and Director

Director

Director

Director

Director

ATTEST:

Secretary, Board of Directors

Exhibit A
Form of Bond

UNITED STATES OF AMERICA

NO. R-1

\$[_____]

TRANSFER RESTRICTED

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE OR JURISDICTION, THIS BOND IS SUBJECT TO CERTAIN TRANSFER RESTRICTIONS AS PROVIDED IN THE RESOLUTION DESCRIBED BELOW AND MAY NOT BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS PROVIDED IN THE RESOLUTION.

STATE OF WASHINGTON
STEILACOOM HISTORICAL SCHOOL DISTRICT NO. 1,
PIERCE COUNTY

LIMITED GENERAL OBLIGATION BOND, 2022

INTEREST RATE: [_____]%

MATURITY DATE: [_____] __, 20__]

REGISTERED OWNER: [_____]

PRINCIPAL AMOUNT: [_____] AND NO/100 DOLLARS

STEILACOOM HISTORICAL SCHOOL DISTRICT NO. 1, PIERCE COUNTY, WASHINGTON, (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on or before the Maturity Date indicated above, the Principal Amount indicated above and to pay interest thereon, at the Interest Rate specified above, as set forth in the Payment Schedule attached hereto, and by this reference incorporated herein. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. The Interest Rate may be subject to change as provided in Resolution No. 896-06-08-22 of the District (the "Bond Resolution").

Both principal of and interest on this bond are payable in lawful money of the United States of America. Principal and interest on this bond shall be payable by check, warrant, Automated Clearing House/electronic funds transfer, or by other means mutually acceptable to the Registered Owner and the District. Upon final payment of principal and interest of this bond, the Registered Owner shall surrender this bond for cancellation at the office of the Bond Registrar in accordance with the Bond Resolution.

This bond is issued pursuant to the Bond Resolution, to provide the funds necessary to acquire real property for the construction of a new elementary school and other facilities of the District, and to pay the costs of issuance of this bond.

The District may prepay this bond in whole or in part on any date as provided in the Bond Resolution.

The bond is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and resolutions duly adopted by the Board of Directors.

This bond is not a “private activity bond” as such term is defined in the Internal Revenue Code of 1986, as amended (the “Code”). This bond has been designated as a “qualified tax-exempt obligation” under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.

To pay installments of principal of and interest on this bond as the same shall become due, the District hereby irrevocably covenants that it will use money in the District’s Debt Service Fund, Capital Projects Fund, General Fund and other funds legally available therefor. This bond is a general obligation of the District, and the full faith, credit and resources of the District are hereby irrevocably pledged for the repayment of this bond; *provided, however*, that no pledge of tax levies, other than annual *ad valorem* property taxes for District operations, is made with respect to payment of any obligation hereunder.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar. The terms of the Bond Resolution are hereby incorporated by reference.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done and performed precedent to and in the issuance of this bond have happened, been done and performed and that the issuance of this bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the District may incur.

IN WITNESS WHEREOF, Steilacoom Historical School District No. 1, Pierce County, Washington has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of its Board and a facsimile of the seal of the District to be imprinted or impressed hereon as of this _____ day of June, 2022.

STEILACOOM HISTORICAL SCHOOL
DISTRICT NO. 1, PIERCE COUNTY,
WASHINGTON

By _____ /s/ facsimile

President, Board of Directors

ATTEST:

/s/ facsimile
Secretary, Board of Directors

The Bond Registrar's Certificate of Authentication on the Bond shall be in substantially the following form:

REGISTRATION CERTIFICATE

This bond is registered in the name of the Registered Owner on the books of the District, in the office of the Washington state fiscal agent (the "Bond Registrar"), as to both principal and interest, as Bond Registrar in the registration blank below.

<u>Date of Registration</u>	<u>Name and Address of Registered Owner</u>	<u>Signature of Bond Registrar</u>
[_____] , 2022	Key Government Finance, Inc. 1000 S. McCaslin Blvd. Superior, CO 80027	<u>U.S. Bank Trust Company, National Association</u>

The payment schedule on the Bond shall be in substantially the following form, with final amounts and totals subject to establishment of the final Interest Rate and to change as agreed to by the Purchaser and the District:

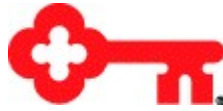
PAYMENT SCHEDULE

Principal and interest on this bond shall be payable as set forth in the following schedule:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
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TOTAL

Exhibit B
Proposal



**Steilacoom Historical School District No. 1, Washington
Limited General Obligation Bond, 2022
Summary of Terms and Conditions
May 12, 2022**

This Financing proposal is provided for discussion purposes only and does not represent a commitment from Key Government Finance, Inc. ("KGF"). This proposal and its terms are submitted on a confidential basis and shall not be disclosed to third parties (other than the Borrower's officers, directors, employees and advisors charged with reviewing and/or implementing the transactions contemplated hereby) without KGF's consent. This proposal is intended as an outline of certain material terms of the Facility and does not purport to summarize all the conditions, covenants, representations, warranties and other provisions which would be contained in definitive documentation for the Facility contemplated hereby.

Key Government Finance, Inc., ("Lender") is pleased to provide the following term sheet for a direct purchase financing structure to the Steilacoom Historical School District No. 1, Washington.

Lender:	Key Government Finance, Inc. ("KGF").
Borrower/Issuer:	Steilacoom Historical School District No. 1, Washington (the "District").
Issue:	Limited General Obligation Bond, 2022 (the "Bond").
Facility:	Tax-Exempt Non-Bank Qualified Direct Purchase of the Issue by the Lender.
Amount:	\$4,000,000. All proceeds of the Facility will be disbursed at closing.
Use of Proceeds:	The proceeds of the Bond will be used to: (i) purchase property and (ii) pay the costs related to the sale, issuance, and delivery of the Bond.
Facility Terms:	The anticipated closing date for this Facility is June 28, 2022 ("Anticipated Closing Date"). The final maturity date for this Facility is June 1, 2023 ("Final Maturity"). KGF will purchase the Facility through Final Maturity.
Repayment:	Semi-annual interest payments commencing December 1, 2022 through Final Maturity. Annual principal payment at Final Maturity.
Interest Rate:	2.293% The interest rate needs to be accepted by the Borrower no later than May 19, 2022 and would be valid for closing on or before the Anticipated Closing Date.
Interest Day Count:	30/360
Costs of Issuance:	Borrower will be responsible for costs related to this financing including but not limited to Bond, Lender's, and Borrower's Counsel fees. Lender plans to use Davis Wright Tremaine LLP as outside legal counsel for a fee not to exceed \$4,500. Attorney contact information is provided below:

George Mardikes
1300 SW Fifth Avenue, Suite 2400
Portland, OR 97201
Tel: (503) 778-5323
Mobile: (503) 887-3514
Fax: (503) 276-5830
Email: georgemardikes@dwt.com
Website: www.dwt.com

- Prepayment:** The Facility may be prepaid in whole, or in part, anytime at par plus accrued interest.
- Security:** The Bond will be a limited general obligation of the District. For as long as the Bond is outstanding, the District will irrevocably pledge that it will budget and appropriate money legally available from the District's General Fund, and from other money legally available therefor, in amounts sufficient to pay the principal of and interest on the Bond when due. The full faith, credit and resources of the District will also be irrevocably pledged for the budget and appropriation of those amounts and the punctual payment of the principal of and the interest on the Bond.
- The rights and remedies of anyone seeking enforcement of the Bond are subject to laws of bankruptcy and insolvency and to other laws affecting the rights and remedies of creditors and to the exercise of judicial discretion.
- Financial Reporting:** Borrower shall provide to the Lender or post on EMMA:
1. Annual audited financial statements including operating statistics within 270 days of Borrower's fiscal year end.
 2. Other financial reports as Lender may reasonably request.
- Default Rate:** 3% above the current interest rate for any outstanding payments in default (the "Default Rate"), upon the occurrence of a default that is not cured within 90 days, the Default Rate shall apply to all outstanding principal, until the default has been cured.
- Documents:** All documents shall be attorney prepared and in form and substance acceptable to the Lender and its legal counsel, including legal opinions customary for transactions of this nature. Documentation must include the following: "No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation under this Facility shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation". Bond counsel will provide a Validity Opinion regarding the legality, validity, and enforceability of the Facility and a Tax Opinion regarding the tax-exempt nature of the interest earnings on the financing.
- Event of Taxability & Gross-Up:** In the Event of Taxability based on the action or inaction of the Borrower or any misrepresentation or warranty by the Borrower, the tax-exempt interest rate on the Facility would convert to the taxable interest rate of 2.903%
- Credit Approval:** The Facility has been credit approved.

Conditions Precedent to Closing:	<p>Borrower's obligation will be subject to such terms and conditions that Lender may require with respect to this transaction, or as are customarily required with respect to similar credits and as set forth in the Facility documents. Without limitation, such terms and conditions shall include:</p> <ol style="list-style-type: none">1. Absence of Default.2. Accuracy of Representations and Warranties.3. Negotiation and Execution of satisfactory closing documents.4. Absence of material adverse change in financial condition of Borrower during the period from the date hereof to the Closing Date.
Firm Experience:	<p>The Lender is a subsidiary of KeyBank, N.A. KGF's portfolio consists of over \$5.2 billion of tax-exempt leases, loans, and bonds for municipalities, not-for-profits, and manufacturers across the United States.</p>
Other:	<p>The Lender will make a loan by purchasing the Facility under the following additional conditions: (i) the Facility is not being registered under the Securities Act of 1933 and is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state; (ii) the Lender will hold the Facility as one single debt instrument; (iii) no CUSIP numbers will be obtained for the Facility; (iv) no final official Statement has been prepared in connection with the private placement of the Facility; (v) the Facility will not close through the DTC or any similar repository and will not be in book entry form; and (vi) the Facility will not be listed on any stock or other securities exchange.</p>
Paying Agent:	<p>While Lender can provide billing and servicing, Lender is not able to act as a Paying Agent.</p>

Proposal Acceptance/Expiration

This proposal is issued in reliance upon the accuracy of all information presented by you to us and is contingent upon the absence of any material adverse change in your condition, financial or otherwise, from the condition as it was represented to us at the time of this proposal. This proposal is subject to our formal approval and the execution of documentation acceptable to each of us. **IT IS NOT A COMMITMENT BY US TO ENGAGE IN THIS TRANSACTION.**

“(a) Key Government Finance (“KGF”) is not recommending an action to you as the municipal entity or obligated person; (b) KGF is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication; (c) KGF is acting for its own interests; and (d) you should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.”

Key Government Finance, Inc. (i) is an entity directly or indirectly controlled by a bank or under common control with a bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, and (ii) the present intent of the Key Government Finance, Inc., is to hold the municipal securities to maturity or earlier redemption or mandatory tender. Any placement agent, broker or financial advisor may rely upon the representations and warranties contained in this paragraph.

Lender notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, as amended and supplemented) (the “Patriot Act”), that Lender is required to obtain, verify and record all information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the Patriot Act.

Lender acknowledges that, in connection with Borrower’s compliance with any continuing disclosure undertakings (each, a “Continuing Disclosure Agreement”) entered into by Borrower pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the “Rule”), Borrower may be required to file with the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system, or its successor (“EMMA”), notice of its incurrence of its obligations under this Facility and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with this Facility, in each case including a description of the material terms thereof (each such notice, an “EMMA Notice”). Borrower shall not file or submit or permit the filing or submission of any EMMA Notice that includes any of the following unredacted information regarding Lender or any Escrow Agent: physical or mailing addresses, account information, e-mail addresses, telephone numbers, fax numbers, tax identification numbers, or titles or signatures of officers, employees or other signatories. Borrower acknowledges and agrees that Lender is not responsible in connection with any EMMA Notice relating to this Facility for Borrower’s compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with the Rule, any Continuing Disclosure Agreement or any applicable securities laws, including but not limited to those relating to the Rule.

If the outlined foregoing proposal is satisfactory, reflects an arrangement that suits the need of your organization and you would like Key to commence its due diligence process, please sign and return this proposal. The terms described in this proposal will expire in ten (10) business days if we have not received an authorized signed copy on or before such date.

Thank you for allowing us the opportunity to present this Proposal. If you have any questions, please call me at 720-904-4262.

Sincerely,

Danny Bild

Danny Bild
Vice President – Program Management
Key Government Finance, Inc.
1000 S. McCaslin Blvd.
Superior, CO 80027
Daniel.Bild@Key.Com

APPROVED THIS ____ DAY OF _____, 2022

Steilacoom Historical School District No. 1, Washington

By: _____

Print Name: _____

Title: _____

CERTIFICATE

I, the undersigned, Secretary of the Board of Directors (“the Board”) of Steilacoom Historical School District No. 1, Pierce County, Washington (the “District”), and keeper of the records of the Board, DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 896-06-08-22 of the Board (the “Resolution”), duly adopted at a regular meeting thereof held on June 8, 2022.

2. That said meeting was duly convened and held in all respects in accordance with law, including but not limited to the Open Public Meetings Act (chapter 42.30 RCW), and 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 fully 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 8th day of June, 2022.

Secretary, Board of Directors

Instructional Materials Committee (IMC)

STEILACOOM HISTORICAL SCHOOL DISTRICT

SCHOOL BOARD PRESENTATION

JUNE 8, 2022

Purpose and function of the IMC

*The IMC is formed to establish and monitor such procedures as may be necessary for the evaluation and **recommendation** of core materials used by the district in conformance to stated criteria.*

- Review requests for course review and new curriculum
- A final step in the citizen request for reconsideration process

Current Membership of IMC

Name	Role	Building	Grade	Year of 3 year term
Paul Harvey	Chair	District	Admin	Permanent
Sue Cabigting	Secretary	District	NA	Permanent
Tina Ridge	Teacher-Librarian	CD	K-3	1
Nuno Castro	Teacher	PIO	Math	1
Stefani James	Para-Library	SHS	Library	1
Sean Wood	Teacher	SHS	Spanish	1
Trina McJunkins	Teacher	PIO	SPED	1
Jessica Soete	Assistant Principal	SHS	9-12	1
Daisy Ashford	Parent	Parent	Secondary	1
Susan Greer	Principal	AI	K-3	2
Mark Martinez	Technology	District	Admin	2
<u>Makenzi Cook</u>	<u>Parent</u>	<u>Parent</u>	<u>K-3</u>	<u>1</u>
<u>Kenya Brown</u>	<u>Parent</u>	<u>Parent</u>	<u>4-5</u>	<u>1</u>

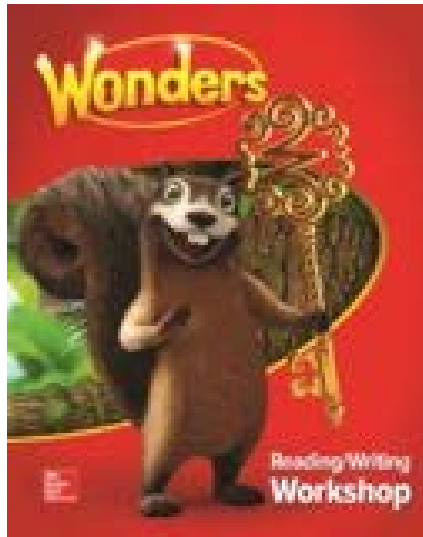
IMC Cycle of Review

- Survey (Nov-Dec)
- Review and response to requests
- Timeline for research, review, recommendations
- Pilot as necessary
- Recommendation to school board for any approval, core curriculum decision
- Onboarding and ongoing professional learning

Policy Highlights

- The IMC will recommend instructional materials to the **board** for adoption
- [Pilot] Field Testing - The superintendent or designee may consider the use of field testing as part of the adoption process
 - Field testing can provide a flexible opportunity to investigate the effectiveness of potential core curriculum

IMC curriculum recommendations – Last 5 years



 i-Ready Classroom Mathematics

Amplify Science

IMC current work

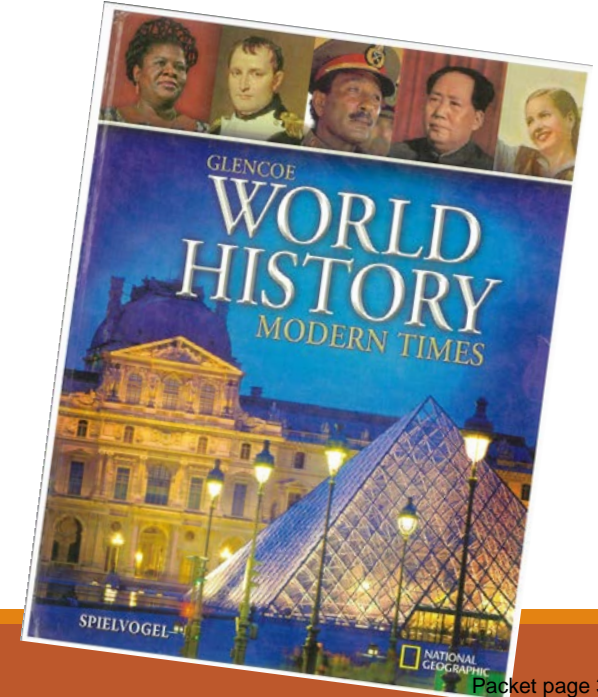
- Social Studies Review
- Bias Screening (required step) by the DEI members
- Inventory (all core) May - June
- IMC Review (September)
- Report and Recommendation to the board (October)

Criteria guidance

Criteria	Met 2	Part Met 1	Not Met 0	NA	Comments and/or examples where criteria are exhibited
Biographical, contemporary, or historical materials infuse perspectives and contributions from members of diverse groups substantially, accurately, and respectfully.					
different genders and gender identities					
different races/ethnicities/cultures/tribal citizens					
persons with disabilities					
other identities important to our district					
The instructional material presents multiple sides of any controversial and complex issues related to the content area.					
When reviewing and adopting instructional materials for social studies and history, the Since Time Immemorial and tribally-developed curriculum resources (RCW 28A.320.170) are integrated.					

Criteria guidance

Criteria	Met 2	Part Met 1	Not Met 0	NA	Comments and/or examples where criteria are exhibited
The instructional materials include literature, examples, or situations that accurately reflect the culture, languages, traditions, beliefs, values, and customs of people from diverse backgrounds.					
Any belief systems covered in the instructional materials are presented respectfully, accurately and with appropriate context.					
If belief systems are covered in the instructional materials, multiple belief systems/religions are presented. No one belief system is positioned as superior to others.					



Anticipated Future Projects

- Secondary Mathematics
- K-5 World Language / DODEA
- OER Development

Questions from the Board of Directors

School Board Meeting Schedule

Staff Presentation

June 8, 2022



Reasons For Possible Changes

- Eliminate confusion regarding study sessions
- Discuss emerging issues as part of a regular meeting
- Increase efficiency of meetings
- Create additional flexibility for special meetings
- Incorporate “study session” discussion topics into regular meetings
- Start regular meetings earlier in evening to facilitate public participation

Study Sessions vs. Regular Meetings

- Study sessions are not a part of state law. They are incorporated into existing policy.
- Current policy identifies study sessions as a place for board members to collect and study information where there is no community input.
- Public may view these as eliminating input for topics that deserve community discussion.
- Board deliberations in study sessions are considered an open public meeting from a legal perspective and should follow all the requirements related to a public meeting.

Study Session Topics

- Including study session topics into a regular meeting may increase transparency and involvement.
- Topics such as student discipline, curriculum, bond and levy planning, school board director districts, and budget development are areas where public involvement and transparency are encouraged.
- Our Board Planning Meeting template can easily incorporate all topics formerly discussed at study sessions into regular meetings.
- Including these presentations in study sessions may unintentionally lead the public to believe the Board does not wish to hear comments on these topics.
- Study sessions are generally short and limited to special topics and could be incorporated into the regular meetings.

Need for Flexibility

- As we begin bond efforts and construction projects, many action items may arise that require special meetings.
- The timelines for hiring architects, acceptance of bids, approving change orders, and accepting projects may not always fit within a set schedule.
- Authorizing and approving bond sales may require additional flexibility in order to obtain the best rates or address other market conditions.
- These types of topics typically receive very little public attention and are less "interesting" to the public than instructional and budget issues.

Recommendations:

- Establish one regular meeting on the 3rd Wednesday of the month at 6:00 p.m.
 - Allows for a slightly longer meeting if necessary to include "study session" topics.
 - Eliminate 30 minutes prior to the meeting for agenda review purposes.
 - May be more conducive for public comments on presentations if held earlier in the evening.
- Accept one of two options for other meetings:
 - OPTION 1: Use special meetings only to conduct other business as needed.
 - OPTION 2: Establish regular “business meetings” that could be cancelled if special business is not necessary. These meetings could be held at the district office in the morning.

We are providing examples of a change to policy language, Board Meeting Planning Template, and sample calendars for your discussion and to provide the superintendent direction.