



BOND SALE RESOLUTION
SERIES 2014**POLICY ISSUE / SITUATION:**

Attached is Resolution No. 17-227 authorizing the issuance, sale and delivery of general obligation bonds.

BACKGROUND INFORMATION:

Under Oregon Revised Statutes Sections 287, 288 and 328, the District is authorized to issue general obligation bonds to finance capital construction and improvements.

On February 24, 2014, the District adopted a resolution authorizing submission to the voters of the District at a measure election on May 20, 2014, the question of contracting a general obligation bonded indebtedness in an amount not to exceed \$680,000,000 to finance the costs of capital construction and capital improvements as set forth in the notice of bond election and pay bond issuance costs.

The election was duly and legally held on May 20, 2014 and the elections officers of Washington and Multnomah Counties, Oregon submitted official results of the general obligation bonds being approved by a majority of the qualified voters of the District voting at the election.

The District intends to issue and sell bonds in more than one sale. On August 7, 2014, the District issued \$382,148,784.20 of its \$680,000,000 general obligation bonds authorization. The District adopts this resolution to provide the terms under which the remaining \$297,851,215.80 general obligation bonds will be sold and issued in April 2017.

RECOMMENDATION:

(17-227) It is recommended that the School Board approve the attached Resolution No. 17-227 to authorize the issuance, sale and delivery of General Obligation Bonds; designating an authorized representative, bond counsel and underwriter; delegating the negotiation and approval of financial documents and related matters.

District Goal: WE empower all students to achieve post-high school success.

The Beaverton School District recognizes the diversity and worth of all individuals and groups. It is the policy of the Beaverton School District that there will be no discrimination or harassment of individuals or groups based on race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, marital status, age, veterans' status, genetic information or disability in any educational programs, activities or employment.

RESOLUTION NO. 17-227

A RESOLUTION OF BEAVERTON SCHOOL DISTRICT NO. 48J, WASHINGTON AND MULTNOMAH COUNTIES, OREGON AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION BONDS; DESIGNATING AN AUTHORIZED REPRESENTATIVE, BOND COUNSEL AND UNDERWRITER; DELEGATING THE NEGOTIATION AND APPROVAL OF FINANCIAL DOCUMENTS AND RELATED MATTERS.

THE BOARD OF DIRECTORS OF BEAVERTON SCHOOL DISTRICT NO. 48J, WASHINGTON AND MULTNOMAH COUNTIES, OREGON HEREBY RESOLVES:

SECTION 1. FINDINGS

The Board of Directors (the “Board”) of the Beaverton School District No. 48J located in Washington and Multnomah Counties, Oregon a common school district of the State of Oregon (the “District”) finds:

- a. The District is authorized pursuant to the Oregon Constitution and Oregon Revised Statutes Chapters 287A and 328 to issue general obligation bonds to finance capital costs; and
- b. On February 24, 2014, the District adopted a resolution authorizing submission to the voters of the District at a measure election on May 20, 2014, the question of contracting a general obligation bonded indebtedness in an amount not to exceed \$680,000,000 to finance the costs of capital costs as set forth in the notice of bond election and to pay bond issuance costs; and
- c. The election was duly and legally held on May 20, 2014 and the elections officer of the county in which the District office is located certified that the issuance of the general obligation bonds was approved by a majority of the qualified voters of the District voting at the election; and
- d. On August 7, 2014, the District issued \$382,148,784.20 of its \$680,000,000 general obligation bonds authorization.
- e. The District adopts this resolution to provide the terms under which the remaining \$297,851,215.80 general obligation bonds will be sold and issued.

SECTION 2. BONDS AUTHORIZED

The District hereby authorizes the issuance of General Obligation Bonds (the “Bonds”) in an aggregate principal amount not to exceed \$297,851,215.80, issued in one or more series, to finance the projects set forth in the ballot title for the Bonds.

The Bonds shall mature over a period not exceeding twenty (20) years from their date of issue. The remaining terms of the Bonds shall be established as provided in Section 10 hereof.

SECTION 3. DESIGNATION OF AUTHORIZED REPRESENTATIVES

The Board designates the Chair, Superintendent, Chief Financial Officer (each an “Authorized Representative”) or a designee of an Authorized Representative to act on behalf of the District as specified in Section 10 hereof.

SECTION 4. SECURITY

The Bonds are general obligations of the District. The full faith and credit of the District are pledged to the successive owners of each of the Bonds for the punctual payment of such obligations, when due. The District covenants with the Bondowners to levy annually a direct ad valorem tax upon all of the taxable property within the District in an amount without limitation as to rate or amount, and outside of the limitations of Sections 11 and 11b, Article XI of the Oregon Constitution, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and any other funds available, to pay interest accruing and the principal maturing on the Bonds promptly when and as they become due.

SECTION 5. FORM OF BONDS

The Bonds shall be issued in substantially the form as approved by the Authorized Representative. The Bonds may be printed or typewritten, and may be issued as one or more temporary Bonds which shall be exchangeable for definitive Bonds when definitive Bonds are available.

SECTION 6. EXECUTION OF BONDS

The Bonds shall be executed on behalf of the District with the manual or facsimile signature of an Authorized Representative of the District.

SECTION 7. REDEMPTION

The Bonds may be subject to optional redemption or mandatory redemption prior to maturity as determined under Section 10 hereof.

SECTION 8. TAX-EXEMPT STATUS

If any portion of the Bonds are issued as Tax-Exempt Bonds, the District covenants to use the portion of those proceeds of the Bonds, and the facilities financed with the Bonds, and to otherwise comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), so that interest paid on the Bonds will not be includable in gross income of the Bondowners for federal income tax purposes. The District specifically covenants:

- a. to comply with the "arbitrage" provisions of Section 148 of the Code, and to pay any rebates to the United States on the gross proceeds of the Bonds; and
- b. to operate the facilities financed with the proceeds of the Bonds so that the Bonds are not "private activity bonds" under Section 141 of the Code; and
- c. comply with all reporting requirements.

The Authorized Representative may enter into covenants on behalf of the District to protect the tax-exempt status of the Bonds.

SECTION 9. DESIGNATION AS A "QUALIFIED TAX-EXEMPT OBLIGATION"

The Authorized Representative, upon the advice of Bond Counsel, may designate any series of the Bonds as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3)(B) of the Code.

SECTION 10. DELEGATION FOR ESTABLISHMENT OF TERMS AND SALE OF THE BONDS

The Authorized Representative is hereby authorized, on behalf of the District without further action of the Board (and such actions of the Authorized Representative, if taken prior to the adoption of this resolution, are hereby affirmed and authorized), to:

- d. establish the principal and interest payment dates, principal amounts, interest rates, denominations, redemption provisions and all other terms for the Bonds be issued;
- e. select an underwriter, co-managing underwriter or members of any selling group and proceed with a publicly offered sale of the Bonds;
- f. negotiate the terms of a bond purchase agreement with the underwriters, as determined by the Authorized Representative;
- g. enter into covenants regarding the use of the proceeds of the Bonds and the projects financed with the proceeds of the Bonds, to maintain the tax-exempt status of the Bonds;
- h. appoint a registrar and paying agent for the Bonds, if necessary;
- i. appoint a municipal advisor for the Bonds, as determined by the Authorized Representative;
- j. take such actions as are necessary to qualify the Bonds for the book-entry only system of The Depository Trust Company if required;
- k. approve of and authorize the distribution of the preliminary and final official statements for the Bonds, if required;
- l. obtain one or more ratings on the Bonds if determined by the Authorized Representative to be in the best interest of the District, and expend Bond proceeds to pay the costs of obtaining such rating;
- m. apply to participate in the Oregon School Bond Guaranty Program, if available and deemed appropriate, execute any documents in connection with such program and expend Bond proceeds to pay any guaranty premium;
- n. apply, if available and deemed appropriate, and expend Bond proceeds to pay any insurance premium;
- o. approve, execute and deliver a Continuing Disclosure Certificate pursuant to SEC Rule 15c2-12, as amended (17 CFR Part 240, § 240.15c2-12), if required;
- p. approve, execute and deliver the Bond closing documents and certificates;
- q. make any clarifying changes or additional covenants not inconsistent with this Resolution; and
- r. execute and deliver a certificate specifying the action taken by the Authorized Representative pursuant to this Section 10 and any other certificates, documents or agreements that the Authorized Representative determines are desirable to issue, sell and deliver the Bonds in accordance with this Resolution.

SECTION 11. DEFAULT AND REMEDIES.

The occurrence of one or more of the following shall constitute an Event of Default under this Resolution and the Bonds:

s. Failure by the District to pay Bond principal, interest or premium when due (whether at maturity, or upon redemption after a Bond has been properly called for redemption);

t. Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed for the benefit of Owners of Bonds, for a period of sixty (60) days after written notice to the District by the Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding specifying such failure and requesting that it be remedied; provided however, that if the failure stated in the notice cannot be corrected within such sixty (60) day period, it shall not constitute an Event of Default so long as corrective action is instituted by the District within the sixty (60) day period and diligently pursued, and the default is corrected as promptly as practicable after the written notice referred to in this paragraph; or,

u. The District is adjudged insolvent by a court of competent jurisdiction, admits in writing its inability to pay its debts generally as they become due, files a petition in bankruptcy, or consents to the appointment of a receiver for the payments.

The Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding may waive any Event of Default and its consequences, except an Event of Default as described in (a) of this Section.

Upon the occurrence and continuance of any Event of Default hereunder the Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Resolution or the Bonds or in aid of the exercise of any power granted in this Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of Bonds by the Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

No remedy in the Resolution conferred upon or reserved to Owners of Bonds is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Owners of Bonds to exercise any remedy reserved to them, it shall not be necessary to give any notice other than such notice as may be required by this Resolution or by law.

SECTION 12. DEFEASANCE

The District may defease the Bonds by setting aside, with a duly appointed escrow agent, in a special escrow account irrevocably pledged to the payment of the Bonds to be defeased, cash or direct obligations of the United States in an amount which, in the opinion of an independent certified public accountant, is sufficient without reinvestment to pay all principal and interest on the defeased Bonds until their maturity date or any earlier redemption date. Bonds which have been defeased pursuant to this Section shall be deemed paid and no longer outstanding, and shall cease to be entitled to any lien, benefit or security under this Resolution except the right to receive payment from such special escrow account.

SECTION 13. ESTABLISHMENT OF FUNDS AND ACCOUNTS

The following funds and accounts shall be created into which the proceeds of the Bonds shall be deposited, which funds and accounts shall be continually maintained, except as otherwise provided, so long as the Bonds remain unpaid.

v. Debt Service Account. The District shall maintain the debt service account in the District's debt service fund for the payment of principal, premium, if any, and interest on the Bonds as they become due. All accrued interest, if any, and all taxes levied and other moneys available for the payment of the Bonds shall be deposited to the debt service account.

w. **Project Fund.** The District shall maintain the project fund for the purpose of accounting for and paying all costs of the projects and the costs related to the preparation, authorization, issuance, and sale of the Bonds. Any interest earnings on moneys invested from the project fund shall be retained in the project fund. The District's share of any liquidated damages or other moneys paid by defaulting contractors or their sureties will be deposited into the project fund to assure the completion of the projects.

Upon completion of the projects and upon payment in full of all costs related thereto, any balance remaining in the project fund shall be deposited to the Debt Service Account for payment of debt service.

SECTION 14. PROFESSIONALS


The District hereby affirms Hawkins Delafield & Wood LLP as Bond Counsel for the issuance of the Bonds and appoints Piper Jaffray & Co., as an underwriter to the District.

SECTION 15. RESOLUTION TO CONSTITUTE CONTRACT

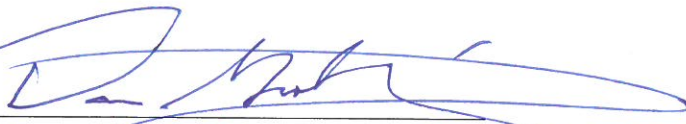
In consideration of the purchase and acceptance of any or all of the Bonds by those who shall own the Bonds from time to time (the "Owners"), the provisions of this Resolution shall be part of the contract of the District with the Owners and shall be deemed to be and shall constitute a contract between the District and the Owners. The covenants, pledges, representations and warranties contained in this Resolution or in the closing documents executed in connection with the Bonds, including without limitation the District's covenants and pledges contained in Section 4 hereof, and the other covenants and agreements herein set forth to be performed by or on behalf of the District shall be contracts for the equal benefit, protection and security of the Owners, all of which shall be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

ADOPTED by the Board of Directors of the Beaverton School District No. 48J, Washington and Multnomah Counties, Oregon this 27th day of February, 2017.

BEAVERTON SCHOOL DISTRICT NO. 48J WASHINGTON AND MULTNOMAH COUNTIES, OREGON

By: 
Chair

ATTEST:

By: 
Superintendent/District Clerk